

NATURE TO NATURE

CJ CHEILJEDANG SUSTAINABILITY REPORT 2022

ABOUT THIS REPORT

REPORT OVERVIEW

CJ CheilJedang publishes the Sustainability Report every year to transparently disclose its sustainability efforts, performance, and goals. It also serves as a communication channel with its stakeholders. With the Sustainability Report, CJ CheilJedang aims to share the progress of its sustainability efforts and achievements with its stakeholders.

REPORTING STANDARDS

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, an international sustainability reporting guideline. The report covers the company's efforts to meet the requirements of the Sustainability Accounting Standards Board (SASB) disclosures and the United Nations Sustainable Development Goals (UN SDGs). In preparing the report, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) were taken into account.

REPORTING PERIOD AND SCOPE

This report provides an overview of CJ CheilJedang's efforts and performance from January 1 to December 31, 2022. It partly includes data from the first half of 2023 to help stakeholders understand the report. The scope of the report covers all of CJ CheilJedang's domestic and overseas sites and their economic, social, and environmental performance, excluding the logistics business. Starting from 2021, the report also covers overseas sites, and for overseas sites newly included in the 2022 report, the scope of the data is clearly indicated with footnotes and additional descriptions.

EXTERNAL ASSURANCE

This report has undergone a third-party assurance process by an independent agency, DNV Business Assurance Korea, to ensure the accuracy and credibility of the contents. Please refer to pages 112 and 113 for more details and the assurance statement. The third-party assurance statement for greenhouse gas emissions (Scopes 1, 2, and 3) is available on the CJ CheilJedang website.

 Third-party Assurance of GHG Statements

CONTACT

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COVER STORY



Aligned with its core values of "Wellness and Safety" and "Sustainable Environment," CJ CheilJedang is dedicated to building the virtuous cycle of "Nature to Nature." This cycle involves bringing resources from nature to the table and returning them back to nature. The cover of this year's report illustrates CJ CheilJedang's determination and challenging spirit as it expands its global presence to further promote the value of the virtuous cycle.





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

OVERVIEW

- 005 Message from CEO
- 006 70 Years of History
- 008 Company Overview
- 010 Our Business
- 014 Sustainable Business

OUR APPROACH TO SUSTAINABILITY

- 016 Sustainability Management Strategy
- 018 Partnership & External Recognition
- 019 Stakeholder Communication
- 020 Materiality Assessment

PERFORMANCE

SUSTAINABLE ENVIRONMENT

- 024 Response to Climate Change
- 033 Sustainable Packaging
- 037 Eco-friendly Material Solutions
- 039 Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

- 044 Enhancement of Health and Nutrition
- 047 Food and Product Safety
- 050 Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- 054 Human Rights
- 058 Respect for DE&I
- 065 Safety and Health
- 068 Sustainable Supply Chain

FUNDAMENTALS

- 073 Governance
- 079 Compliance Management
- 081 Information Security
- 082 Innovation
- 086 Social Contributions

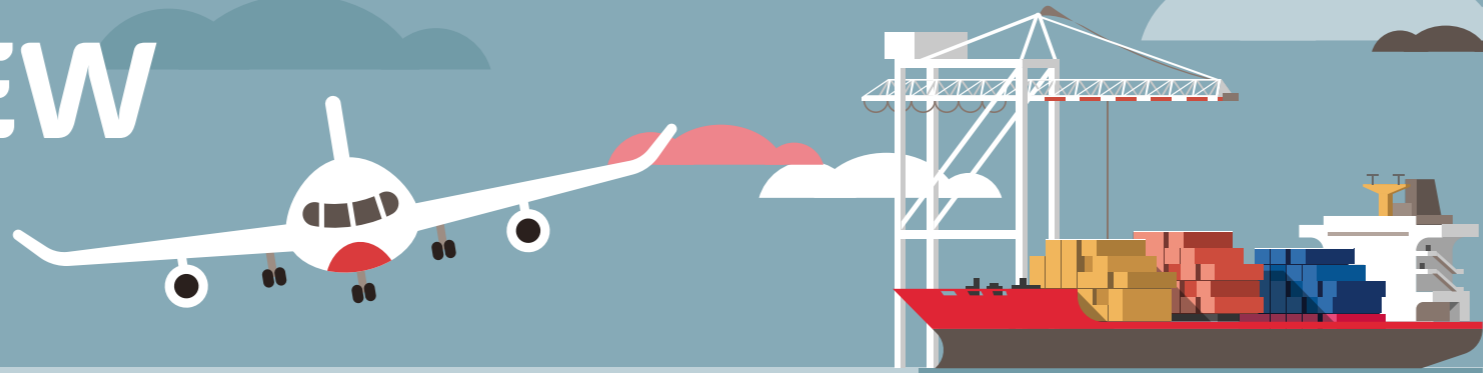
ESG FACT SHEET

- 089 Environmental Performance
- 091 Social Performance
- 095 Economy & Governance

APPENDIX

- 097 Financial Information
- 100 Business Sites by Region
- 103 GRI Content Index
- 107 SASB Index
- 109 TCFD Index
- 111 UNGC & UN SDGs Index
- 112 Third-party Verification
- 114 External Awards

OVERVIEW



- 005 Message from CEO
- 006 70 Years of History
- 008 Company Overview
- 010 Our Business
- 014 Sustainable Business

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



MESSAGE FROM CEO

DEAR CJ CHEILJEDANG STAKEHOLDERS, THIS IS EUN SEOK CHOI, CEO OF CJ CHEILJEDANG. I WOULD LIKE TO THANK YOU FOR YOUR UNWAVERING SUPPORT AND ENCOURAGEMENT OVER THE PAST YEAR.

Despite the challenging business landscape, both domestically and internationally, CJ CheilJedang achieved record-breaking sales and operating profit last year, and further solidified its internal strength and competitiveness. The Food Business continued its successful expansion into global markets with K-Foods, and the BIO Business expanded its business scope. Additionally, we launched the FNT Business¹⁾, laying a foundation for our future innovative growth. While striving for sustainable growth by entering new business areas and expanding our global business, we also endeavored to fulfill our responsibility towards the environment and society by creating a virtuous cycle of "Nature to Nature."

WE AIM TO ADDRESS THE CLIMATE CHANGE CRISIS AND CREATE A SUSTAINABLE ENVIRONMENT THROUGH THE TRANSITION TO DECARBONIZED ENERGY AND INNOVATION IN ENVIRONMENTALLY FRIENDLY PRODUCTS AND SOLUTIONS.

CJ CheilJedang is implementing a comprehensive climate change response strategy to reduce carbon emissions. We have increased the use of renewable energy, expanded the installation of solar panels, and established a foundation for Life Cycle Assessment (LCA) that analyzes the environmental impact of the entire production process. We are also working to reduce the wasteful and unnecessary use of packaging and to switch to recyclable, reusable and compostable packaging. To this end, we have developed a "Negative List" to reduce the environmental impact of packaging materials and phase out less eco-friendly options. In addition, we are focusing on providing sustainable material solutions to turn packaging materials into compost, addressing the issue of microplastics from packaging materials. Our biodegradable PHA brand, 'PHACT,' has been launched, and we are continually researching and developing ways to implement it across a wide range of products, leveraging our proprietary technology.

TO PROMOTE THE WELLNESS OF INDIVIDUALS AND SOCIETY, WE AIM TO IMPROVE THE NUTRITIONAL VALUE OF OUR PRODUCTS AND PROVIDE HEALTHIER AND SAFER FOOD THROUGH BEST INTEGRATED QUALITY AND SAFETY SYSTEM.

Keeping with the global trend towards healthy and balanced diets, we plan to expand the development of products with greater nutritional value.

1) Food & Nutrition Business

To this end, we have established a medium- to long-term nutrition policy action plan that focuses on increasing the incorporation of healthy ingredients while minimizing the use of less healthy ones. Additionally, we are planning to define and implement country-specific nutrition strategies. As a food manufacturer, thorough food safety management is essential to protect the health of individuals and society. We have a monitoring system in place to prevent quality issues throughout the value chain, and we have obtained international quality management certifications (GFSI) for an increasing number of our food production sites worldwide.

TO BE A MORE SUSTAINABLE COMPANY, WE COLLABORATE WITH ALL OF CJ CHEILJEDANG'S EMPLOYEES, OPERATIONS, EXTERNAL SUPPLY CHAINS, AS WELL AS THE LOCAL COMMUNITY. WE STRIVE TO GROW TOGETHER BY BUILDING A CREATIVE AND FLEXIBLE CULTURE OF DE&I (DIVERSITY, EQUITY, AND INCLUSION), ENSURING WORKPLACE SAFETY, ELIMINATING HUMAN RIGHTS RISKS, AND PARTNERING WITH OUR GLOBAL SUPPLIERS.

To help everyone grow as a leading talent, we infuse respect for DE&I into our organizational culture. Our global talent fostering program, CJ&me, is designed to help all employees pursue self-directed growth and change the way they work based on the value of DE&I. Today, sustainable supply chain management is recognized as a competitive differentiator, not just an element of ESG risk management. CJ CheilJedang is dedicated to various efforts in this regard, including establishing a supplier risk assessment system and supporting key suppliers in their ESG risk diagnosis and change management. Respecting and protecting the rights of all stakeholders, including those within the supply chain, CJ CheilJedang proactively identifies risks and implements improvements in both domestic and overseas sites. Furthermore, we continue to provide training to enhance employee awareness of human rights issues.

This year marks CJ CheilJedang's 70th anniversary. Sustainable growth has been the foundation of our journey and will remain the key to our future. By combining our time-honored strength with the full potential of all employees, we will be able to meet the challenges of the internal and external business environment and achieve shared growth.

We ask for your unreserved support for CJ CheilJedang's endeavors.

Thank you.



CEO of CJ CheilJedang **EUNSEOK CHOI**



OVERVIEW

► Message from CEO

- 70 Years of History
- Company Overview
- Our Business
- Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



70 YEARS OF HISTORY

1953~1979

PROMOTING FOOD CULTURE AND BUILDING FOUNDATIONS FOR THE BIO INDUSTRY



CHEILJEDANG, THE FIRST SUGAR PRODUCER IN KOREA

- Started sugar production business
- Completed Busan Plant 1



CHEILJEDANG'S FIRST BRAND "BEKSUL"

- Started flour production
- Completed a flour mill

FIRST SUGAR EXPORT TO OKINAWA

- Achieved KRW 10 billion in sales
- Exceeded annual sugar production of 100,000 tons.

ACHIEVED RECORD-BREAKING SALES OF KRW 1 TRILLION FOR THE FIRST TIME IN THE DOMESTIC FOOD INDUSTRY

LAUNCH OF PT-CSA¹⁾ IN INDONESIA

- Established the Food Research Center

- Started Beksul Ham production.
- Entered the meat processing industry.



LAUNCH OF HETBAHN: A LEADING FOOD CULTURE BRAND



ESTABLISHED THE BIO BUSINESS

- Completion of the nucleic acid plant in Jombang

GLOBAL EXPANSION OF THE FEED BUSINESS

- Vietnam in 2001.
- China in 2003.

ACQUISITION OF ANNIE CHUN'S INC. TO ENTER THE U.S. PROCESSED FOOD MARKET



- Completed a lysine plant in Liaocheng, China.

- Completed a tofu factory in Jincheon.
- Completed the Yangsan Factory in Korea
- Acquired Hasunjung Co.

- Completed the Piracicaba Plant
- Completed a nucleic acid plant in Liaocheng, China

- Established CJ Cultural Foundation

- Established CJ Welfare Foundation and launched CJ Donorscamp

- Established the industry's first dedicated social contribution department

1) Currently PT CHEILJEDANG INDONESIA

Since becoming the first company in Korea to export sugar in 1962, CJ CheilJedang has consolidated its position as a global lifestyle company by introducing diverse products and venturing into new business domains. In line with our commitment to the environment and society, we have developed a sustainability management system and pursued sustainable growth.

1980~1999

BECOMING THE ONLY ONE IN KOREA'S FOOD AND BIO INDUSTRIES DRIVEN BY INNOVATION AND OVERSEAS MARKET DEVELOPMENT

2000~2009

ADVANCING QUALITATIVE AND QUANTITATIVE GROWTH IN THE FOOD AND BIO INDUSTRIES

OVERVIEW

Message from CEO

▶ 70 Years of History

Company Overview

Our Business

Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

BUSINESS ▶

ESG ▶

1953 1958 1962 1965 1970 1977 1978 1980 1988 1991 1996 1997 1999 2001 2005 2006 2007

2010~2019

PURSUEING GLOBAL BUSINESS EXPANSION AND SUSTAINABLE MANAGEMENT TO BECOME THE LEADING GLOBAL FOOD AND BIO COMPANY

2020~2022

ESTABLISHING INSTITUTIONAL FOUNDATIONS FOR SUSTAINABLE MANAGEMENT AND LEADERSHIP IN THE WELLNESS FOOD AND BIO INDUSTRIES

<ul style="list-style-type: none"> Completed the Shenyang Plant in China Completed a feed plant in Liaocheng, China Acquired U.S. food company TMI <p>LAUNCH OF THE BIBIGO BRAND AND BIBIGO MANDU</p> <p>RELEASE OF 'L-METHIONINE', THE WORLD'S FIRST GREEN FERMENTATION PROCESS</p> <ul style="list-style-type: none"> Completed the Fort Dodge Plant in the U.S. 	<ul style="list-style-type: none"> Completed the Vung Tau Plant in Vietnam Opened an R&D center in the U.S. Acquired Vietnamese frozen food company Cau Tre Acquired assets from Metabolix in the U.S. Acquired Haide of China <p>LAUNCH OF CHEF'S COOKING: THE GOURMET BRAND</p>	<p>ACQUISITION OF MAJOR FROZEN FOOD COMPANY SCHWAN'S COMPANY</p> <p>SELECTION AND SCALE-UP OF GLOBAL STRATEGIC PRODUCTS (GSPS) FOR THE GLOBALIZATION OF HANSIK</p> <p>Plantable</p> <p>PLANTABLE: A PLANT-BASED FOOD BRAND FOR A SUSTAINABLE FOOD CHOICE</p> <p>We launched the K-Foods PlanTable Mandu under our sustainable plant-based food brand "PlanTable." In just two months, it was sold in ten countries and became the top-selling vegetarian Mandu product in Korea.</p>	<p>ESTABLISHED RED BIO SPECIALIST CJ BIOSCIENCE.</p> <p>Filed a clinical trial application for new microbiome drug CJRB-101 with the USFDA in December (Phase 1/2 approved in January 2023)</p> <p>ESTABLISHED HEALTHCARE SPECIALIST CJ WELLCARE.</p> <p>Signed a tailored health functional food business agreement in February Signed a business agreement with an oral probiotics developer in March</p> <p>ESTABLISHED THE FNT BUSINESS.</p> <p>In November 2022, CJ CheilJedang established the Food and Nutrition Tech (FNT) Business. It aims to accelerate innovation and growth by combining the proprietary technology of the BIO Business with the marketing and quality management capabilities of the Food Business.</p>	<p>ACQUIRED KAHIKI OF THE U.S.</p> <p>ACQUIRED MAINFROST OF GERMANY</p> <p>ACQUIRED KAHIKI OF THE U.S.</p> <p>ACQUIRED MAINFROST OF GERMANY</p>
<p>2012</p> <p>2013</p> <p>2014</p> <p>2015</p> <p>2016</p> <p>2017</p> <p>2018</p> <p>2019</p>	<p>2012</p> <p>2013</p> <p>2014</p> <p>2015</p> <p>2016</p> <p>2017</p> <p>2018</p> <p>2019</p>	<p>2012</p> <p>2013</p> <p>2014</p> <p>2015</p> <p>2016</p> <p>2017</p> <p>2018</p> <p>2019</p> <p>2020</p> <p>2021</p> <p>2022</p>	<p>2012</p> <p>2013</p> <p>2014</p> <p>2015</p> <p>2016</p> <p>2017</p> <p>2018</p> <p>2019</p> <p>2020</p> <p>2021</p> <p>2022</p>	<p>2012</p> <p>2013</p> <p>2014</p> <p>2015</p> <p>2016</p> <p>2017</p> <p>2018</p> <p>2019</p> <p>2020</p> <p>2021</p> <p>2022</p>

OVERVIEW

- Message from CEO
- ▶ 70 Years of History
- Company Overview
- Our Business
- Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

COMPANY OVERVIEW

CJ MANAGEMENT PHILOSOPHY

MISSION

CONTRIBUTING TO THE GLOBAL COMMUNITY BY PROVIDING THE BEST VALUE WITH OUR ONLYONE PRODUCTS AND SERVICES

VISION

GLOBAL LIFESTYLE COMPANY INSPIRING A NEW LIFE OF HEALTH, HAPPINESS, AND CONVENIENCE

CORE VALUES



PRINCIPLE



We do not tolerate inefficiency and dishonesty. We pursue excellence and perfection. We constantly change and innovate. We understand and care for each other.

SALES

Unit: KRW trillion



OPERATING PROFIT

Unit: KRW trillion



Based on consolidated financial statements (excluding logistic business)

INTRODUCTION TO CJ CHEILJEDANG

Introduction to CJ CheilJedang

CJ CheilJedang was established in 1953 as the first sugar manufacturer in Korea. Since then, we have positioned ourselves as a leading global lifestyle company by developing a variety of products that meet consumers' needs and expanding into various business areas. Guided by the principles of integrity, passion, creativity, and respect, we embrace the core values of "OnlyOne," talent and shared growth in our efforts to bring greater value to more people around the world. CJ CheilJedang aims to promote a healthy, enjoyable, and convenient lifestyle worldwide, while striving for sustainable living and a healthy planet. We aspire to contribute to the nation and society by creating the best value with "OnlyOne" products and services.

BUSINESS AREA

FOOD

WE SHARE BETTER FOODS AND CREATE NEW WELLNESS.



FNT, FOOD & NUTRITION TECH

WE ENRICH YOUR HEALTHIER AND SUSTAINABLE BUSINESS WITH CUSTOMIZED SOLUTIONS THROUGH OUR OUTSTANDING INNOVATIVE TECHNOLOGY.



BIO

WE MAKE THE WORLD A BETTER PLACE WITH OUTSTANDING BIOTECHNOLOGY.



FEED&CARE

WE ARE AN ANIMAL NUTRITION & HEALTHCARE COMPANY DEDICATED TO REALIZING THE VISION OF "ONE HEALTH" FOR PEOPLE, ANIMALS, AND THE ENVIRONMENT.



OVERVIEW

Message from CEO

70 Years of History

► [Company Overview](#)

Our Business

Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

OVERVIEW

- Message from CEO
- 70 Years of History
- [Company Overview](#)
- Our Business
- Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

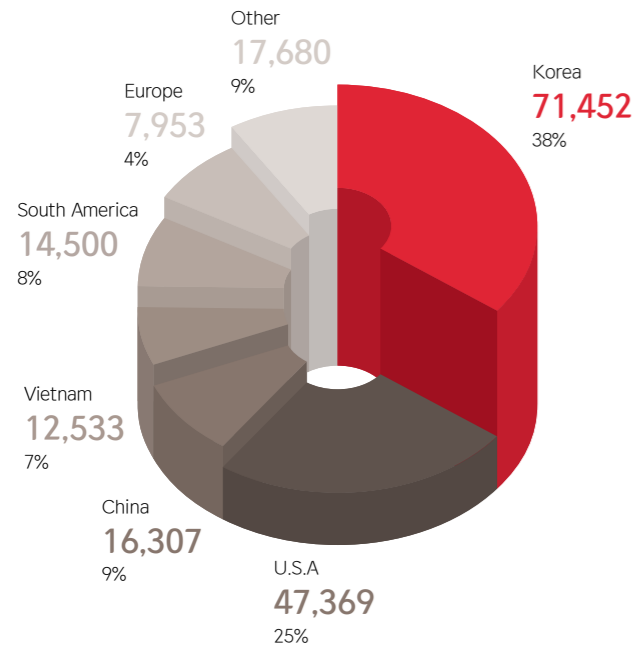
APPENDIX

BUSINESS PROFILE

CJ CheilJedang is transitioning from being Korea's leading food company to becoming a global lifestyle company. We manufacture and sell products not only in Korea but also in international markets. With a workforce of 37,000 employees spread across our global locations, including China, Vietnam, the U.S.A., Germany, Australia, and Brazil, we committed to creating added value. Driven by global expansion across all businesses - Food, BIO, FNT and Feed&Care - we achieved overseas sales of KRW 11 trillion, accounting for 62% of total sales in 2022.

OVERSEAS SALES IN 2022

Unit: KRW 100 million



Based on consolidated financial statements (excluding logistic business)

GLOBAL SITES

- Food
- BIO
- FNT
- Feed&Care



PRODUCTION AND R&D SITES

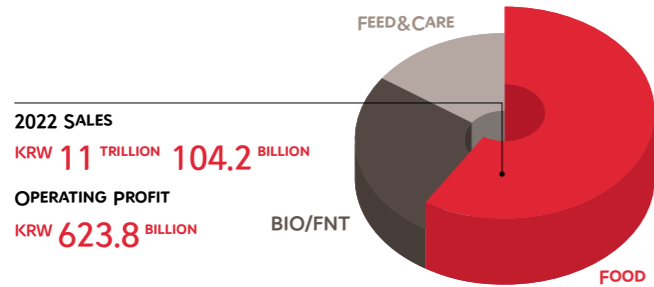
As of December 2022

COUNTRY	KOREA	U.S.A	CHINA	INDONESIA	JAPAN	VIETNAM	MALAYSIA	PHILIPPINES	CAMBODIA	MYANMAR	BRAZIL	GERMANY	RUSSIA	AUSTRALIA	NETHERLANDS	TOTAL
Food	23	19	5	1	4	5				1		1	1	1		61
BIO	1	1	4	1		1	1				2				1	12
FNT			1	1												2
Feed&Care	2		11	8		1		1	1	1						25
R&D	1	2	1		1	1						1				7

OUR BUSINESS

FOOD BUSINESS

WE SHARE BETTER FOODS AND
CREATE NEW WELLNESS



SUSTAINABLE PRODUCT SALES

KRW 156 BILLION

Including plant-based, vegan-certified, and food upcycling products

Going beyond our status as a prominent Korean food company, our Food Business is committed to providing consumers with healthier and more convenient products. This growth is driven by our premium brands, such as Hetbahn, Gourmet, and Beksul. Notably, our global flagship brand, bibigo, is at the forefront of promoting K-Foods and Korean culinary culture worldwide. In the domestic market, we've extended our range of new products aligned with current consumer trends, while also maintaining growth across key distribution channels like B2B and convenience stores. Moreover, in significant overseas markets such as the United States, China, Japan, and Europe, we've achieved remarkable success by harnessing the bibigo platform to expand the realm of K-Foods, with a particular focus on the seven Global Strategic Products (GSPs) such as dumplings, chicken, and processed rice.

KEY BRANDS AND PRODUCTS



bibigo is the top Korean food brand that enriches the lives of global consumers with its high quality food. bibigo products perfectly capture the unique and delicious flavors of Korean cuisine. As a pioneer in globalizing Korean food, bibigo is building its global presence with its key products Mandu and Kimchi. bibigo also holds the number one market share in the U.S. B2C dumpling market.



Nothing beats home-cooked rice! As a pioneer in the ready-to-eat rice market, Hetbahn is a true representation of CJ's OnlyOne spirit. With Hetbahn, you can enjoy the freshest and tastiest rice anytime, anywhere. Key products include Hetbahn White Rice, Multigrain, Cupbahn, Sotbahn, Cookbahn and Softmeal.



Red Baron® pizza, Schwan's Company's largest pizza brand, is a leader in the U.S. frozen-pizza category. The product portfolio includes multi- and single-serve pizzas. Popular varieties include Classic Crust, Fully Loaded™, Brick Oven, Stuffed Crust, Thin & Crispy, Deep Dish, French Bread, and Pizza Melts.



Gourmet brand caters to consumers who appreciate subtle variations on the table. Key products include gourmet chicken, Chinese food, and pizza.



Beksul has been a leader in Korean food culture for 70 years. The brand provides essential cooking solutions to help everyone get the best results from their cooking. Key products include sugar, flour, cooking oil, sauces, and seasonings.



Pagoda® products offer Asian-style snacks in retail stores throughout the U.S. Pagoda leads the Asian-snack category and offers popular items such as egg rolls, potstickers, and wontons.

OTHER BRANDS



SUSTAINABLE BRANDS AND PRODUCTS

PLANT-BASED BRAND "PLANTABLE"



Plantable

3 MILLION UNITS SOLD

December 2021 – October 2022

PLANT-BASED HIGH-PROTEIN MILK ALTERNATIVE "ALTIVE"



BEST SUSTAINABILITY AWARD AT 2022 SEOUL CAFÉ SHOW

HIGH-PROTEIN SNACK MADE FROM UPCYCLED FOOD INGREDIENTS "EXCYCLE BASAK CHIP"



40 TONS UPCYCLED

CUMULATIVE SALES
KRW 380 MILLION

May 2022 – April 2023

SUSTAINABILITY EFFORTS

GLOBAL VEGAN CERTIFICATION "V-LABEL"



- PlanTable
- ALTIVE
- Vegan DASIDA
- Haechandle Gochujang
- * First *jang* (fermented sauce) brand to be vegan-certified



OVERVIEW

- Message from CEO
- 70 Years of History
- Company Overview
- **Our Business**
- Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

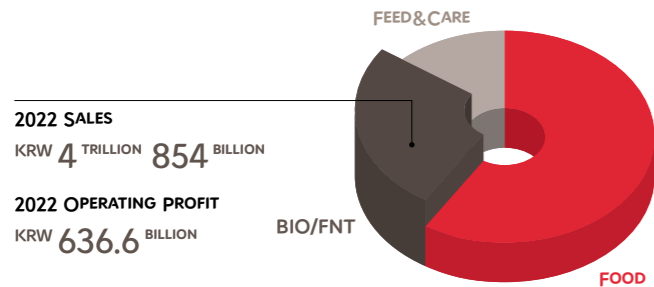
ESG FACT SHEET

APPENDIX

OUR BUSINESS

BIO BUSINESS

WE MAKE THE WORLD A BETTER PLACE WITH OUTSTANDING BIOTECHNOLOGY.



SUSTAINABLE PRODUCT SALES

KRW 150 BILLION

Including material sustainability-certified products, certified biodegradable products, and carbon reduced products (Based on CML Climate Change Data)

SUSTAINABLE BRANDS AND PRODUCTS

PHACT: A BRAND FOR BIOBASED, MARINE BIODEGRADABLE MATERIAL "PHA"

- Materials with a wide range of properties



"X-SOY" PLANT-BASED SOY PROTEIN CONCENTRATE

- High-quality functional protein ingredient for a wide range of applications including aquaculture, swine, beef, poultry, etc.
- RTRS¹⁾ and Proterra²⁾ certified

1) Round Table on Responsible Soy Association

2) A global standard certification scheme that requires sustainability and traceability based on compliance with 10 principles, including compliance with the law, respect for human rights, biodiversity conservation, environmental and waste policies, and the absence of GMOs

The BIO Business is a leader in animal nutrition and health based on world-class fermentation and refining technologies. Beginning with Green BIO, we have expanded our business into White BIO for petrochemical substitutes and Red BIO for microbiome and related products developments. Driven by ongoing R&D, cost competitiveness, and technology marketing, we achieved record-high profits and established an unmatched market position in 2022. In addition, our specialty product business has continued to grow and expand, capitalizing on the trend towards lower crude protein (CP).

ABOUT OUR BUSINESSES

GREEN BIO

ANIMAL NUTRITION & HEALTH (FEED AMINO ACIDS)

Adjuvants used to enhance functionality, such as improving the productivity of end products or boosting immunity; used in trace amounts to supply specific nutrients.



- PRODUCT:** BestAmino

WHITE BIO

PHA

- Biodegradable materials made from bio-based feedstock and microbial fermentation; used to replace fossil fuel-based plastics with a diverse product portfolio.



"L-MET ECO" LOW-CARBON AMINO ACID FOR FEED

- Saves costs through high bioavailability of livestock and reduces carbon emissions through optimized fermentation/refinement



PROTEIN SOLUTION (PLANT-BASED HIGH-PROTEIN PRODUCT)

High-protein animal nutrition derived from microbial fermentation or alcoholic extraction of soybean hulls; used as an alternative protein source for high-grade proteins.



- PRODUCT:** Soytide, X-SOY

RED BIO

MICROBIOME

- Developed disease-specific microbiome-based drugs for cancer, inflammation/immune, the central nervous system, etc. (potential synergies with tailored health functional foods).

CGT CDMO

- Acquired Dutch biotech Batavia to advance into the cell and gene therapy (CGT) market.



SUSTAINABILITY EFFORTS

AMINO ACID SOLUTIONS, E-BALANCED DIET CAMPAIGN

- Launched the low-protein campaign in 2022 leverages amino acids to provide Environmentally friendly, Economical and Efficient solutions for the feed industry and the future.

QUALITY AND SUSTAINABILITY CERTIFICATIONS FOR X-SOY



FOUR BIODEGRADABILITY AND COMPOSTABILITY CERTIFICATIONS FOR PHACT FROM TÜV AUSTRIA



OVERVIEW

Message from CEO

70 Years of History

Company Overview

► [Our Business](#)

Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

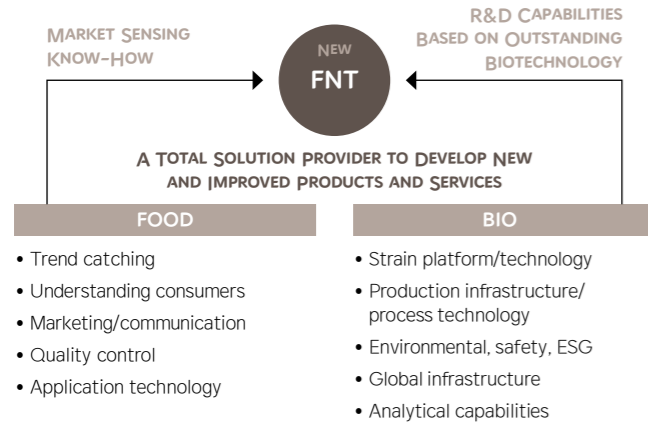
APPENDIX



OUR BUSINESS

FNT BUSINESS

WE ENRICH YOUR HEALTHIER AND SUSTAINABLE BUSINESS WITH CUSTOMIZED SOLUTIONS THROUGH OUR OUTSTANDING INNOVATIVE TECHNOLOGY.



SUSTAINABLE PRODUCT SALES

KRW **67** BILLION

Including clean label products and vegan-certified products

SUSTAINABLE BRANDS AND PRODUCTS



TASTENRICH®: NATURAL SAVORY SOLUTION

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



FLAVORNRICH™: THE WORLD'S FIRST NATURAL CYSTEINE

- The world's first vegan cysteine and the only natural flavor that meets US FDA and USDA organic standards.
- Used to create meat-like flavor in purely vegan products.



CJ CheilJedang established the Food & Nutrition Tech (FNT) business unit in November 2022 by merging the existing technical expertise of the Food and BIO Business units. This move was made to eliminate inefficiencies in the existing organizational structure, and to agilely respond to changing market trends. FNT business unit combines CJ Foods' marketing intelligence and quality management capabilities with the production and process technologies of CJ BIO. This combination of strengths allows CJ FNT to develop and market innovative food and bio-based products that meet the needs of consumers and businesses worldwide. FNT business operates as a stand alone division that handles planning, new business development, marketing, and R&D. CJ FNT is recognized for its significant market growth potential driven by megatrends and aims to develop new growth drivers for CJ CheilJedang. It also aims to accelerate capacity building to compete in the global market.

ABOUT OUR BUSINESSES

TASTE & BEYOND

A global-leading supplier of amino acids in the food seasonings market and premium natural seasonings market, which includes TasteNrich®



- PRODUCTS:
 - CJ TIDE™
 - MIPOONG™
 - TasteNrich®
 - FlavorNrich™

NUTRITION

Provide tailored nutrition solutions to meet consumers' diverse health and wellness needs.



- PRODUCTS:
 - ActiveNrich™
 - WellNrich™
 - AMINATURE®

ALTERNATIVE PROTEINS

Develop protein ingredients with the TVP plant-based technology and microbial fermentation technology.

CULTURED PROTEINS

Develop value-added cell cultured media materials based on alternative protein technology.

- Develop and commercialize innovative meat culture media to protect the ecosystem and prevent the waste of food resources in animal breeding.

SUSTAINABILITY EFFORTS

FINALIST IN 2023 NUTRAINGREDIENTS EUROPE AWARDS FOR SUSTAINABILITY INITIATIVE OF THE YEAR AGENDA, "GHG REDUCTION INITIATIVE LED BY CJ FNT ENSURES FROM NATURE TO NATURE."



OVERVIEW

- Message from CEO
- 70 Years of History
- Company Overview
- [Our Business](#)
- Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



OUR BUSINESS

FEED & CARE BUSINESS

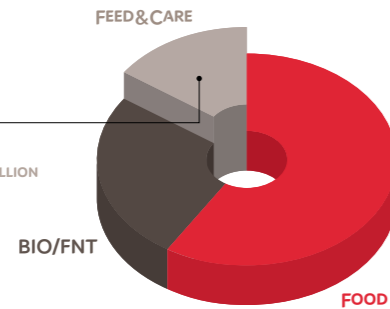
WE ARE AN ANIMAL NUTRITION & HEALTHCARE COMPANY DEDICATED TO REALIZING THE VISION OF "ONE HEALTH" FOR PEOPLE, ANIMALS, AND THE ENVIRONMENT.

2022 SALES

KRW 2 TRILLION 821.2 BILLION

2022 OPERATING PROFIT

KRW 7.7 BILLION



CJ Feed&Care is evolving into an AgTech company by developing innovative technologies that address industry trends. Leveraging our proprietary technologies, we provide farmers with high-quality feed and farm management solutions, and consumers with safer and higher-quality livestock products. In 2021, we launched the "Dondon Myeongjak Eco," a product designed to promote growth while effectively reducing zinc from livestock excrement, which can cause soil pollution. In 2022, we launched the feed "Beef Methane Solution," aimed at reducing methane emissions, and an fertilizer derived from cattle manure, thus contributing to the resource cycle.

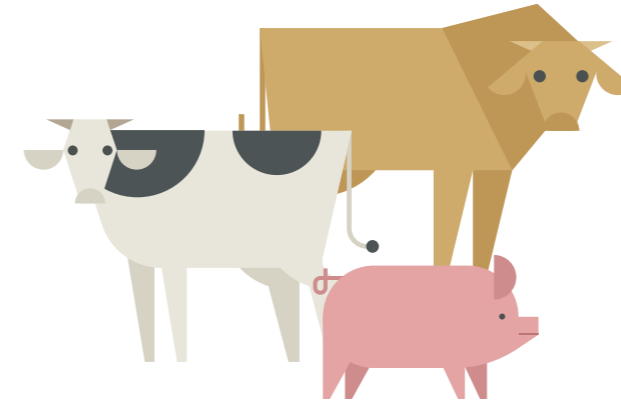
ABOUT OUR BUSINESSES

FEED



- Take the lead in the development of the livestock industry by developing high-quality feed for pigs, cows, poultry, and fish.

LIVESTOCK



- Provide safe livestock products by producing high-quality products based on excellent breeding stock and the systematization of breeding management and distribution.

SUSTAINABLE BRANDS AND PRODUCTS

ORGANIC FERTILIZER "ECO POWER1"

- Organic fertilizer made from pig manure.



METHANE-REDUCING DAIRY FEED "METHANE SOLUTION" AND "BEEF METHANE SOLUTION"

- "Methane Solution" feed for dairy cows and "Beef Methane Solution" for beef cows that reduce methane emissions.



SUSTAINABILITY EFFORTS

LOW-METHANE FEED FOR JEJU KOREAN BEEF BRANDING

- Memorandum of understanding signed with Jeju Hanwoo Association and Jeju University in July 2022 to supply low-methane feed and promote cooperation for Jeju's environment.
- Provide feed technology and farm management consulting services to livestock farmers in Jeju.



OVERVIEW

Message from CEO

70 Years of History

Company Overview

► Our Business

Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

SUSTAINABLE BUSINESS

CJ CheilJedang strives to maximize its positive impact on the environment and society, reduce its negative impact throughout the value chain, and share the value created with stakeholders to create a sustainable business.

INPUT

CAPITAL AND RESOURCE INPUT

ECONOMIC & FINANCIAL CAPITAL

Total stockholders' equity	KRW 8.8 TRILLION
Tangible assets	KRW 13.8 TRILLION
Total liabilities	KRW 12.9 TRILLION
Production facility	100 SITES

HUMAN & INTELLECTUAL CAPITAL

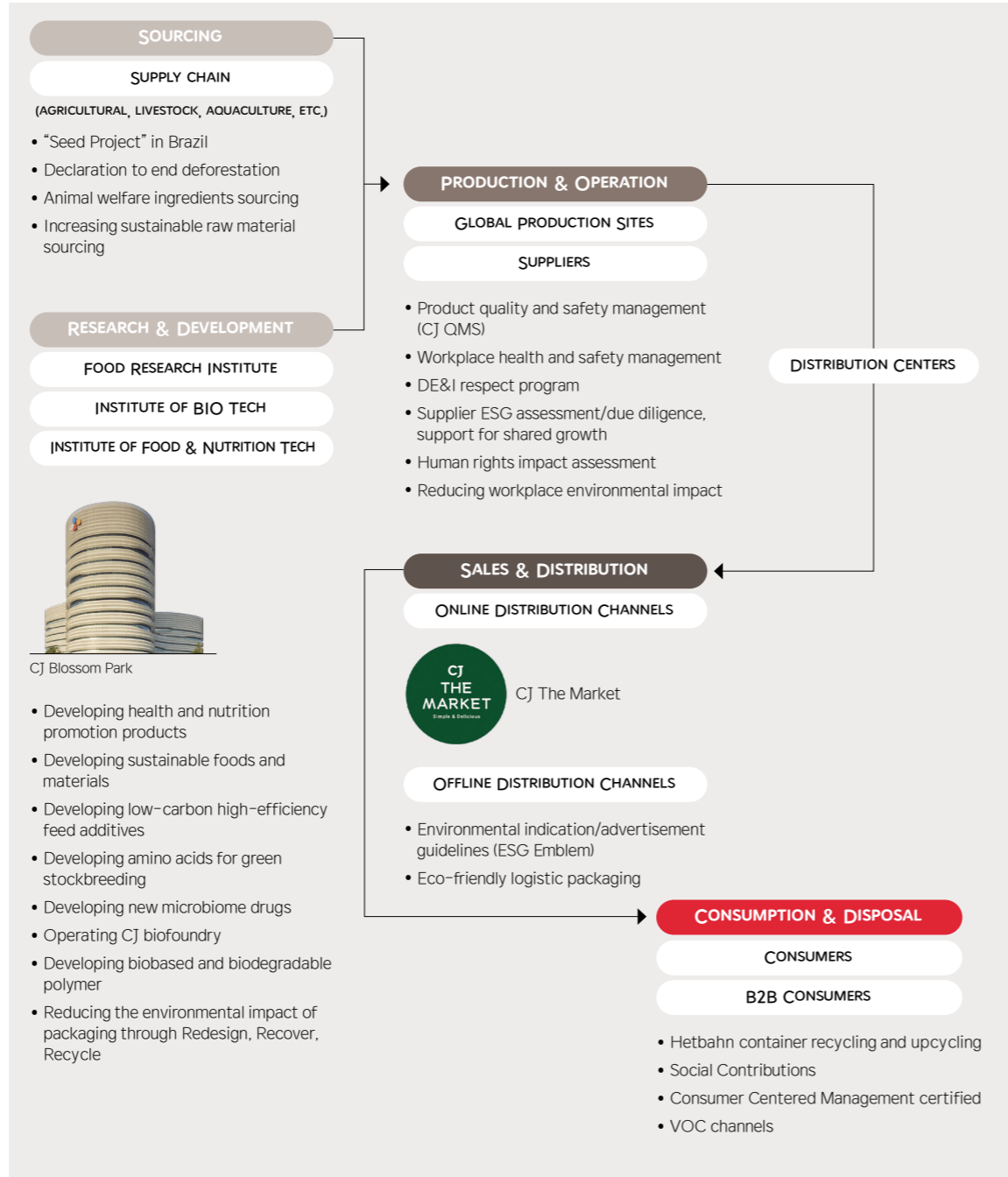
Number of employees	37,310 PEOPLE
Training costs	KRW 19.9 BILLION
R&D personnel ¹⁾	1,187 PEOPLE
R&D costs	KRW 219.1 BILLION

RELATIONAL CAPITAL

Contributions to the community	KRW 16.4 BILLION
Employees' volunteer activities ¹⁾	18,620 HOURS
Suppliers' purchasing costs ¹⁾	KRW 5.8 TRILLION

NATURAL & ENVIRONMENTAL CAPITAL¹⁾

Total energy consumption	68,207 TJ
Total water withdrawn	50,970 THOUSAND TON
Investment in environmental infrastructure	KRW 17.9 BILLION



OUTPUT

VALUE CREATION

ECONOMIC & FINANCIAL CAPITAL

Sales	KRW 18.8 TRILLION
Operating profits	KRW 1.3 TRILLION
Dividends to shareholders	KRW 88.2 BILLION
Income tax expenses	KRW 377 BILLION

HUMAN & INTELLECTUAL CAPITAL

Employee engagement score (domestic)	84.1 POINTS
Percentage of female employees ¹⁾	24 %
Total wages and benefits	KRW 1.7 TRILLION
Number of patents (domestic)	5,699 CASES

RELATIONAL CAPITAL

Customer satisfaction score (domestic)	93.9 POINTS
Number of social contribution beneficiaries ¹⁾	141,121 PEOPLE
Win-win Funds (domestic)	KRW 56 BILLION

NATURAL & ENVIRONMENTAL CAPITAL¹⁾

Greenhouse gas reductions	179 THOUSAND TONCO ₂ eq
Energy savings	1,798 TJ
Water recycled rate	16.6 %

OVERVIEW

- Message from CEO
- 70 Years of History
- Company Overview
- Our Business

► Sustainable Business

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

¹⁾ The scope of reporting on this data is the same as in the ESG Fact Sheet.

OUR APPROACH TO SUSTAINABILITY



016 Sustainability Management Strategy

018 Partnership & External Recognition

019 Stakeholder Communication

020 Materiality Assessment

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

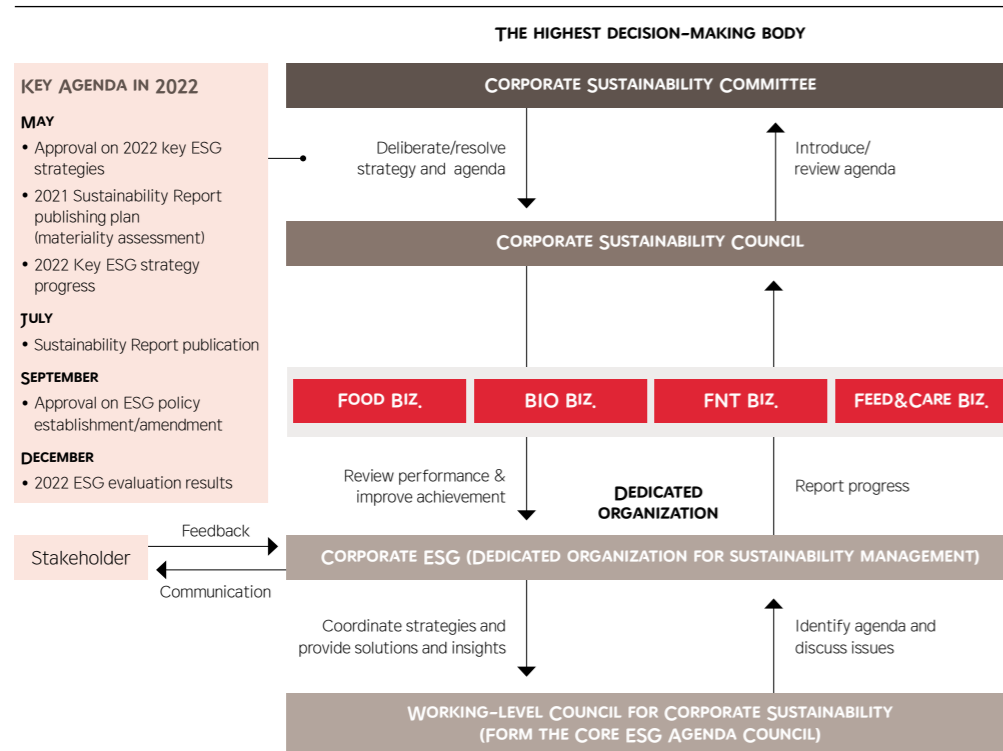


SUSTAINABILITY MANAGEMENT STRATEGY

SUSTAINABILITY GOVERNANCE

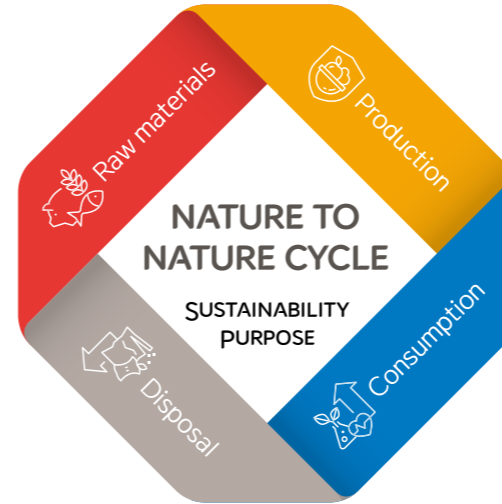
CJ CheilJedang has established a sustainability governance to proactively manage ESG risks with timely decision-making and to act in a consistent and comprehensive execution. As the highest decision-making body, the Corporate Sustainability Committee under the Board of Directors identifies various environmental, social and economic/governance issues. This process contributes to the development of the company's sustainability management strategy and direction. The committee reviews and approves performance and improvement measures.

SUSTAINABLE GOVERNANCE

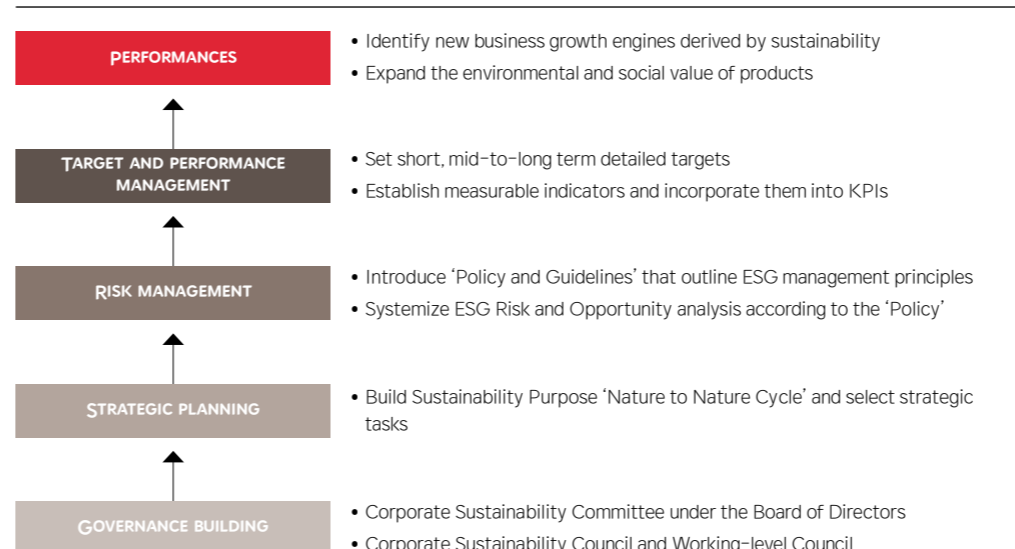


SUSTAINABILITY PURPOSE

In order to flourish in the future and establish itself as a global leader, CJ CheilJedang aims to build a virtuous cycle of "Nature to Nature". This entails bringing resources from nature to the table and returning them back to nature, by creating core values of "Wellness and Safety" and "Sustainable Environment" throughout raw material procurement, production, consumption, and disposal.



DIRECTIONS



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

- Sustainability Management Strategy
 - Partnership & External Recognition
 - Stakeholder Communication
 - Materiality Assessment

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

SUSTAINABILITY STRATEGY

CJ CheilJedang is committed to realizing its mid- and long-term objectives for sustainable growth and development across the value chain, guided by core values and strategic initiatives for sustainable management. CJ CheilJedang supports the United Nations Sustainable Development Goals (SDGs) and the 10 principles of the UN Global Compact.

UNGC & UN SDGs Index

CORE VALUES	STRATEGIC TASKS	TASK DETAILS	KEY ACHIEVEMENTS IN 2022	GOALS	UN SDGS	RELEVANT MATERIAL ISSUES	PAGES
SUSTAINABLE ENVIRONMENT	RESPONSE TO CLIMATE CHANGE	Achieve net zero by 2050 and response to climate change risks	<ul style="list-style-type: none"> Developed measuring guidelines for Life Cycle Assessment Obtained the Zero Waste to Landfill (ZWTL) certification for 5 domestic sites. 	<ul style="list-style-type: none"> Targeting a 25% reduction in GHG emissions¹⁾ by 2030. (compared to 2020). Transitioning to 100% renewable energy by 2030 (Americas). 	7.2 13.1 13.2	<ul style="list-style-type: none"> Response to Climate Change 	24-32
	SUSTAINABLE PACKAGING	Develop recyclable, reusable, and compostable packaging materials and reduce waste.	<ul style="list-style-type: none"> Achieved "Normal" or higher rating in the Ease of Recycling Rating Standards for 95% of products. Established a measuring process for packaging sustainability. 	<ul style="list-style-type: none"> Phasing out environmentally harmful materials listed in the Negative List. 	11.6 12.3 12.5	<ul style="list-style-type: none"> Sustainable Packaging 	33-36
	ECO-FRIENDLY MATERIAL SOLUTIONS	Develop and commercialize eco-friendly material solutions based on PHA technology.	<ul style="list-style-type: none"> Began the mass production of PHA: launched the PHACT brand. Started the commercialization of the PHA-based packaging solution. 	<ul style="list-style-type: none"> Expanding PHA products and applications. 	14.1	<ul style="list-style-type: none"> Sustainable Products and Services 	37-38
	SUSTAINABLE RAW MATERIALS SOURCING	Expand raw material sourcing with greater traceability and transparency.	<ul style="list-style-type: none"> Utilized 100% RSPO²⁾-certified palm oil in domestic sites. 	<ul style="list-style-type: none"> Gradually increasing sustainable raw material sourcing 	12.2 15.4	<ul style="list-style-type: none"> Sustainable Raw Material Sourcing 	39-42
WELLNESS AND SAFETY	HUMAN RIGHTS	Proactively manage human rights risks for stakeholders	<ul style="list-style-type: none"> Conducted human rights due diligence for overseas sites. Mitigated human rights risks in the sea salt supply chain. 	<ul style="list-style-type: none"> Expanding human rights due diligence worldwide 	16.b 8.7	<ul style="list-style-type: none"> Human Rights 	54-57
	RESPECT FOR DE&I	Create a respectful culture of diversity, equity and inclusion.	<ul style="list-style-type: none"> Won the Women in Innovation Award for Gender Equality. Maintained 25.1% of female executives at CJ CheilJedang 	<ul style="list-style-type: none"> Implementing DE&I culture globally 	5.1 8.5	<ul style="list-style-type: none"> Respect for Diversity, Equality & Inclusion (DE&I) 	58-64
	ENHANCEMENT OF HEALTH AND NUTRITION	Establish CJCJ nutrition policy and expand health-oriented product portfolio	<ul style="list-style-type: none"> Expanded health-oriented product portfolio. Reduced negative nutrients 	<ul style="list-style-type: none"> Reducing sodium, saturated fat, sugar based on Nutrition Commitment 2025 	2.2 3.d	<ul style="list-style-type: none"> Enhancement of Health and Nutrition Food and Product Safety 	44-46 47-49
	SUSTAINABLE SUPPLY CHAIN	Proactively manage and eliminate potential environmental and social risks in the supply chain.	<ul style="list-style-type: none"> 84% of suppliers are compliant with the Supplier Code of Conduct. Top rated in the Korea Win-Win Growth Index for 7 consecutive years. 	<ul style="list-style-type: none"> Advance the supply chain ESG risk management for 2025 Complete the sustainable supply chain system for 2030 	9.3 10.2	<ul style="list-style-type: none"> Sustainable Supply Chain 	68-71

1) Scope 1&2

2) RSPO: Roundtable on Sustainable Palm Oil

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

► Sustainability Management Strategy

Partnership & External Recognition

Stakeholder Communication

Materiality Assessment

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

GLOBAL INITIATIVE INVOLVEMENT



UN GLOBAL COMPACT

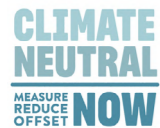
The world's largest voluntary business-citizen partnership committed to the 10 UNGC principles and UN SDGs.

- 2014 Joined the UNGC.
- 2019 Declared support for the UNGC Women's Empowerment Principles (WEPs).
- 2020 Participated in the UNGC Target Gender Equality Accelerator (TGE).
- 2022 Participated in the UNGC Climate Ambition Accelerator (CAA).



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

- July 2022 Became the TCFD Supporters. Support for the TCFD.
- July 2022 Joined the TCFD Alliance. To collect stakeholders' opinions and strengthen the company's climate competitiveness.



CLIMATE NEUTRAL NOW

- July 2022 Joined UN Climate Neutral Now. To facilitate businesses, local governments, and organizations to achieve carbon neutrality.



BIZ N BIODIVERSITY PLATFORM

- September 2022 Joined the Biz N Biodiversity Platform (BNBP). Recognize key roles of industry in the decisions taken at COP 10 and COP 11 and in tackling serious environmental challenges such as biodiversity loss.

KEY EXTERNAL RECOGNITION FOR SUSTAINABILITY MANAGEMENT

DOW JONES SUSTAINABILITY INDICES (DJSI)

INCLUDED IN THE ASIA-PACIFIC INDEX FOR CONSECUTIVE YEARS **8**

MSCI ESG INDEX

GRADE **AA**

KOREA MINISTRY OF TRADE, INDUSTRY AND ENERGY, 2022 GOVERNMENT AWARD FOR SUSTAINABILITY MANAGEMENT
PRESIDENTIAL CITATION

UN GLOBAL COMPACT NETWORK KOREA
2023 LEAD GROUP

THE 12TH KOREA GREEN PACKAGING BY THE KOREA ENVIRONMENT PACKAGING PROMOTION INSTITUTE
MINISTER OF ENVIRONMENT'S AWARD FOR THE SPAM LABEL-FREE GIFT SET

KOREA WIN-WIN GROWTH INDEX

TOP RATED FOR CONSECUTIVE YEARS **7**

KOREA INSTITUTE OF CORPORATE GOVERNANCE AND SUSTAINABILITY ESG INDEX

GRADE **A**

KOREA MINISTRY OF EMPLOYMENT AND LABOR
KOREA'S BEST JOB CREATOR AWARD

KOREA FAIR TRADE COMMISSION
2022 DISTRIBUTOR PARTNER OF THE YEAR

WORLD STAR PACKAGING AWARDS 2022 BY WORLD PACKAGING ORGANIZATION (WPO)
RECYCLABLE PACKAGING AWARD



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

- Sustainability Management Strategy
- Partnership & External Recognition
- Stakeholder Communication
- Materiality Assessment

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

STAKEHOLDER COMMUNICATION

STAKEHOLDER ENGAGEMENT SYSTEM

As part of our commitment to sustainability management, CJ CheilJedang values communication and engagement with all stakeholders across its value chain to promote sustainability management. We actively address key concerns raised by consumers, shareholders, investors, employees, supply chain partners, local communities, and experts. By listening to their needs and opinions through various channels, we aim to mitigate negative impacts and enhance positive ones. We are also committed to transparently disclosing our sustainability management performance.

STAKEHOLDER	KEY INTERESTS	COMMUNICATION AND ENGAGEMENT	KEY RESPONSE ACTIVITIES
Customer	<ul style="list-style-type: none"> Developing products that meet consumer needs Ensuring product and service quality Protecting customers' personal information Providing accurate product information Communicating transparently and smoothly 	<ul style="list-style-type: none"> CJ CheilJedang's official website CJ CheilJedang's social media Customer Relations Center Customer satisfaction survey 	<ul style="list-style-type: none"> T.O.P(Trend Opinion Panel) NAVER Open Dictionary, Knowledge iN We develop products and services that meet customer needs. Examples include launching health-focused products based on the growing need for health and nutrition, increasing health products tailored to specific consumer segments, and making improvements based on opinions received through the Voice of the Customer (VOC) channel. We began communicating with customers on NAVER Knowledge iN (Knowledge Partners) to respond to consumers' questions about food products we know best. We established the CJ CheilJedang Environmental Labeling and Advertising Guidelines to accurately label and advertise the environmental characteristics of our products. We also developed the ESG emblem "EAT FOR EARTH" to communicate our ESG management activities at consumer touchpoints.
Shareholders and Investors	<ul style="list-style-type: none"> Economic performance including sharing price Governance stability and transparency Transparent information disclosure 	<ul style="list-style-type: none"> General shareholders' meeting Disclosure 	<ul style="list-style-type: none"> Quarter, Annual IR Activities Sustainability report Governance report We overhauled the organizational structure to ensure business integration and develop new growth drivers and accelerated innovation and R&D. For shareholder return, we established a three-year dividend policy and started paying quarterly dividends from 2022. We held the 15th General Meeting of Shareholders on March 14, 2022. We held four quarterly, half-annual, and annual earnings presentations hosted by the CFO. We organized regular non-deal roadshows (NDRs) for local and international institutional investors.
Employees	<ul style="list-style-type: none"> Securing and nurturing human resources Fair Performance Assessment Maintaining work-life balance Diversity and inclusion Managing labor management Health and Safety Management 	<ul style="list-style-type: none"> Recruitment fair Open Council (once a quarter) Channel CJ, Channel Blossom NI:M (newsletter) Employee engagement survey CJ Work ON, Blossom Office Intranet anonymous discussion room 	<ul style="list-style-type: none"> Online reports Café La Mer (employee assistance program) CEO Letter Meetings(on demand) CEO town hall meetings Awards We implemented and expanded a variety of lifecycle support systems for children and family-friendly work-life balance programs. We established the Diversity, Equity, and Inclusion (DE&I) Policy to promote a culture of respect. Since the first half of 2023, we have implemented the INNO it! campaign to build a flat and innovative culture. To facilitate changes in the way we work, we opened the Blossom Office as a hub workspace and introduced the CJ Work ON program, which allows employees to choose where they want to work from the offices of affiliates in the metropolitan area.
Supply Chain	<ul style="list-style-type: none"> Fair supplier selection and trade Shared growth Supporting industrial ecosystems Reinforce Communication Supporting farms 	<ul style="list-style-type: none"> Shared Growth Portal CJ Partners Club Mutual Cooperation Center for Food Safety 	<ul style="list-style-type: none"> CJ Partners Meeting Win-win VOC We offer a range of shared growth programs for education and training, financial and technical support, quality and hygiene support, and employment security support. For sustainable supply chain management, we surveyed suppliers on their compliance with the Supplier Code of Conduct and conducted a supply chain ESG assessment to identify and support areas needed for improvement. The Happy Companion project has been underway, which is designed to identify competitive suppliers and provide them with funding, skills, and sales channels to help them grow sustainably.
Academy and experts	<ul style="list-style-type: none"> Academy-industry cooperation (joint research, etc.) Technical development (technical advice, etc.) 	<ul style="list-style-type: none"> Memberships Consortiums 	<ul style="list-style-type: none"> Academic conferences Cooperative research We collaborate with experts from domestic and international academic societies and consortia to conduct in-depth research on healthy and nutritious foods, eco-friendly solutions, and packaging.
Local Communities	<ul style="list-style-type: none"> Social contributions Vitalizing the local economy Environmental preservation in local communities 	<ul style="list-style-type: none"> CJ Welfare Foundation (CJ Donorscamp) CJ Cultural Foundation Community Chest of Korea Korea National Council on Social Welfare (Food Bank) 	<ul style="list-style-type: none"> Korea Disaster Relief Association UN World Food Program Korea ILO, International Labour Organization Miral Welfare Foundation (Goodwill store) Seoul Youth Center-Orang We focus on business-related social contribution activities to create core values of health, safety, and a sustainable environment. We run the CJ CheilJedang Sharing Refrigerator program for young people, work with Child Welfare Centers for food donations, and have our global sites support community development and contribute to society.
Media	<ul style="list-style-type: none"> Transparent and timely information disclosure 	<ul style="list-style-type: none"> Press release CJ CheilJedang's official website CJ CheilJedang's social media (Jedang Shuman YouTube Channel) 	<ul style="list-style-type: none"> We use the company website and social media channels to communicate information in a transparent and timely manner, produce and distribute promotional materials and press releases, and support media interviews.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

Sustainability Management Strategy

Partnership & External Recognition

► Stakeholder Communication

Materiality Assessment

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

MATERIALITY ASSESSMENT

MATERIALITY ASSESSMENT PROCESS

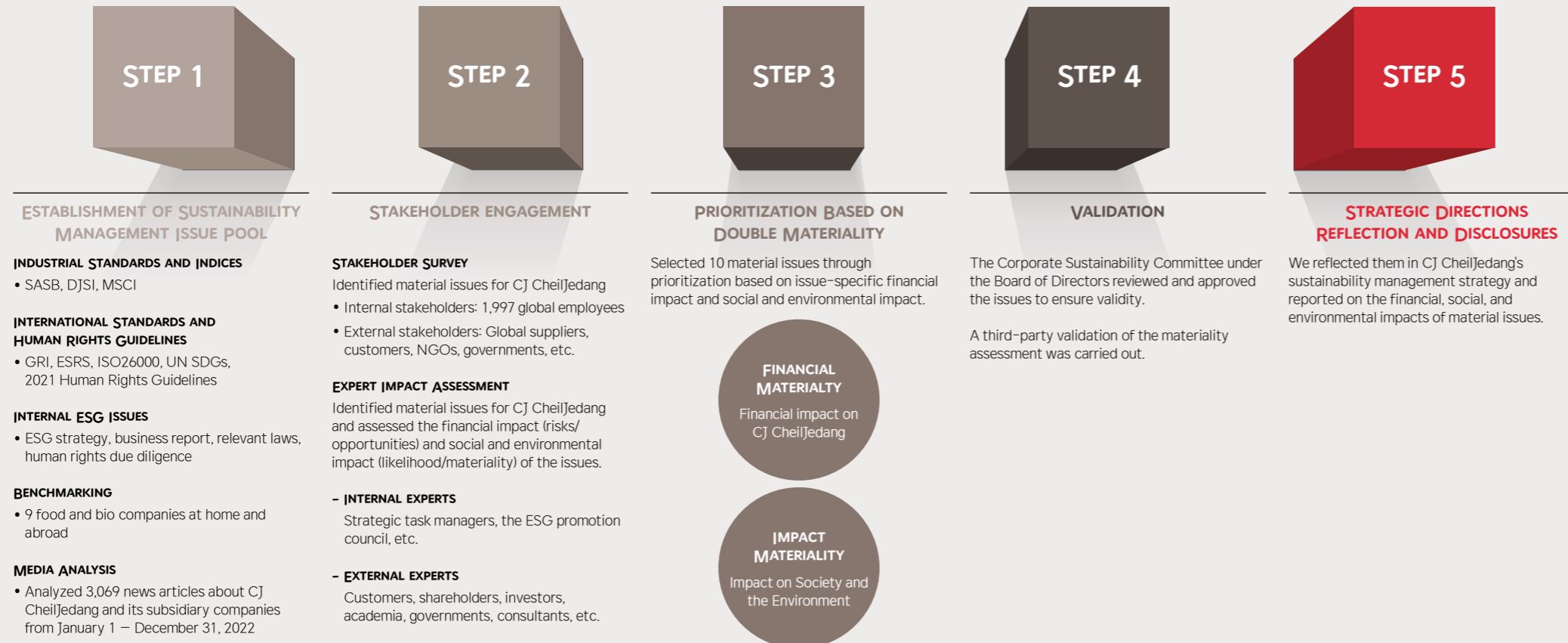
CJ CheilJedang conducts materiality assessments annually to identify the most important sustainability issues and integrates them into its ESG strategy. In 2023, we further developed the concept of "double materiality assessment," under which the following activities were conducted: First, we identified the external impacts of our business. This involved gathering input from global stakeholders and expanding the scope of media research to include our global subsidiaries. We also considered key improvements from our 2022 Human Rights Due Diligence results and key human rights risks that could be found in industries relevant to our business (manufacturing and agriculture) in line with our Human Rights Policy. Second, we devised and applied an expert impact assessment methodology to gauge the materiality of impacts. The impact assessment focused on identifying and addressing sustainability issues, engaging internal and external experts proficient in sustainability management. We first assessed the materiality of the financial, social, and environmental impacts of the issues identified.

CORPORATE-WIDE RISK MANAGEMENT

Through the materiality assessment process, CJ CheilJedang reviews the risks and opportunities related to its business. We have dedicated sustainability management organization and working-level council conduct various activities to prevent issue-specific risks. We also have a risk management system centered around the Board of Directors, which encompasses ESG issues such as environmental safety (including climate change), industrial safety, labor rights, and fair trade. This approach helps us anticipate and effectively respond to risks as part of our corporate-wide risk management strategy.

WHAT IS DOUBLE MATERIALITY?

Double materiality is a concept that refers to the idea that a company's sustainability should be assessed not only in terms of its financial materiality, which can affect the company's value creation, but also in terms of the material impact of its activities on society and the environment. It is identified in the sustainability reporting standards of the Global Reporting Initiative (GRI) and the EU Corporate Sustainability Reporting Directive (CSRD). Double materiality encourages companies to take a holistic approach by promoting a balance between financial aspects and environmental and social aspects of business sustainability.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

- Sustainability Management Strategy
- Partnership & External Recognition
- Stakeholder Communication

► [Materiality Assessment](#)

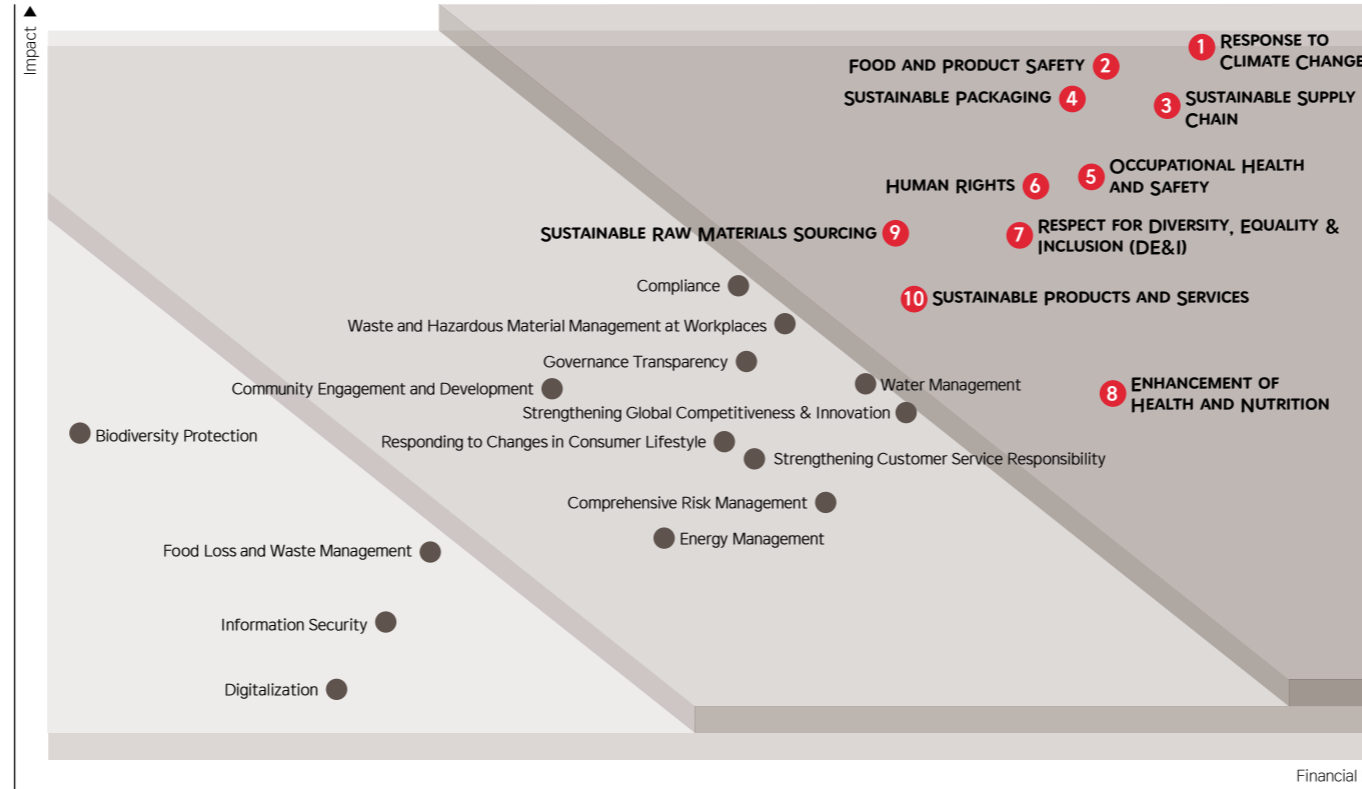
PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

DOUBLE MATERIALITY ASSESSMENT RESULT



●●● High ●● Middle ● Low

PRIORITY	MATERIALITY ISSUES	FINANCIAL MATERIALITY Size of financial impact on CJ CheilJedang	IMPACT MATERIALITY Size of impact on external environment and society	LINK TO GRI	PAGES	COMPARED TO MATERIAL ISSUES FROM 2021
1	Response to Climate Change	●●●	●●●	201-2	24-32	Existing
2	Food and Product Safety	●●●	●●●	416-1	47-49	Existing
3	Sustainable Supply Chain	●●●	●●●	414	68-71	Existing
4	Sustainable Packaging	●●	●●●	301	33-36	Existing
5	Occupational Health and Safety ¹⁾	●●	●●	403	65-67	New
6	Human Rights	●●	●●	406	54-57	Existing
7	Respect for Diversity, Equality & Inclusion (DE&I)	●●	●●	405	58-64	Existing
8	Enhancement of Health and Nutrition	●●●	●	417	44-46	Existing
9	Sustainable Raw Material Sourcing	●	●●	301-1	39-42	Existing
10	Sustainable Products and Services	●	●●	-	37-38, 10-13	New

¹⁾ Occupational health and safety is a critical reporting issue in global sustainability indices, such as the Sustainability Accounting Standards Board (SASB) Chemicals, and has therefore been added as a material issue for our 2023 materiality assessment.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

- Sustainability Management Strategy
- Partnership & External Recognition
- Stakeholder Communication

► [Materiality Assessment](#)

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

PERFORMANCE

SUSTAINABLE ENVIRONMENT

- 024 Response to Climate Change
- 033 Sustainable Packaging
- 037 Eco-friendly Material Solutions
- 039 Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

- 044 Enhancement of Health and Nutrition
- 047 Food and Product Safety
- 050 Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- 054 Human Rights
- 058 Respect for DE&I
- 065 Safety and Health
- 068 Sustainable Supply Chain

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

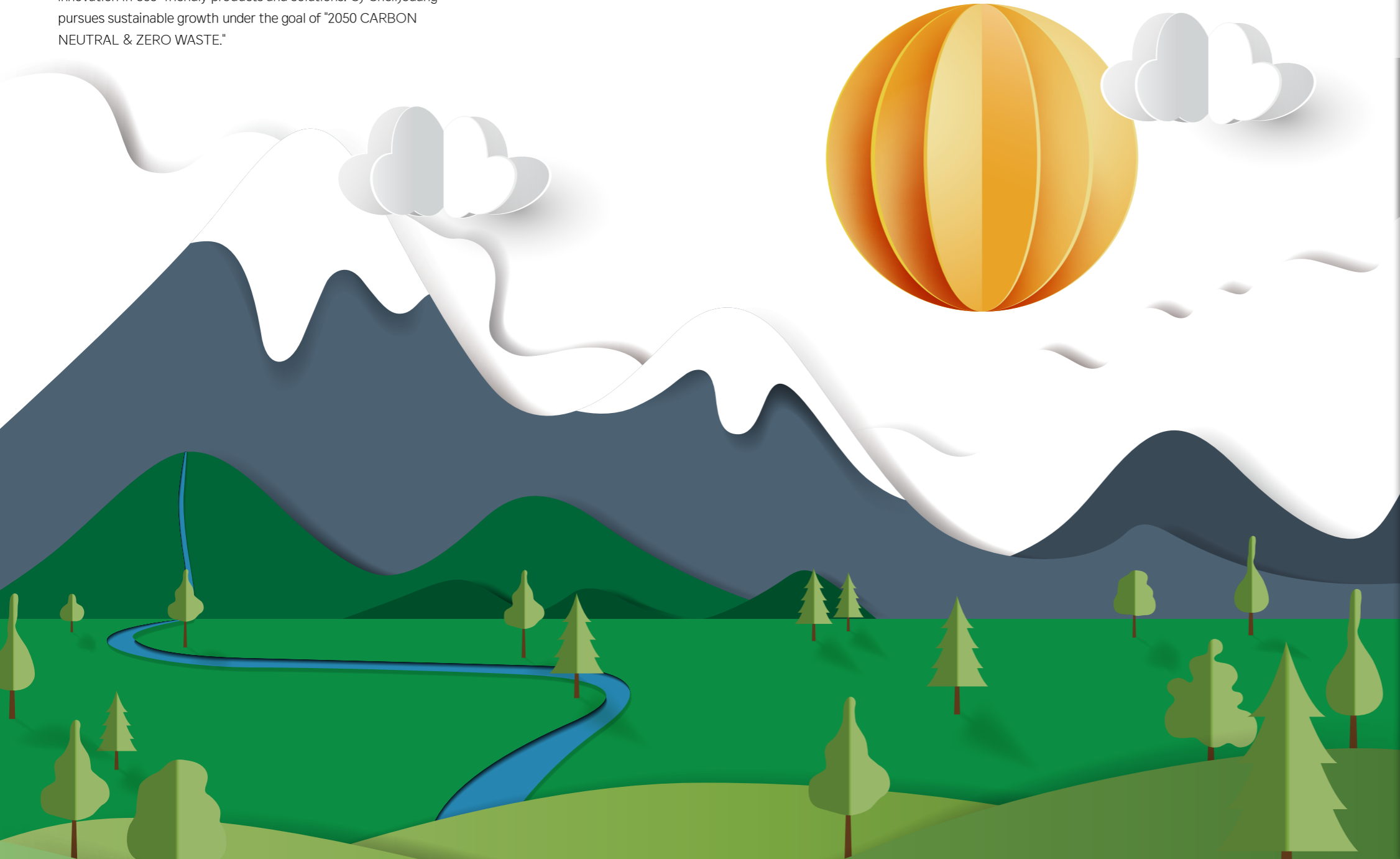
APPENDIX



SUSTAINABLE ENVIRONMENT

We seek to overcome the climate crisis and create a sustainable environment with the transition to decarbonized energy and innovation in eco-friendly products and solutions. CJ CheilJedang pursues sustainable growth under the goal of "2050 CARBON NEUTRAL & ZERO WASTE."

- RESPONSE TO CLIMATE CHANGE
- SUSTAINABLE PACKAGING
- ECO-FRIENDLY MATERIAL SOLUTIONS
- SUSTAINABLE RAW MATERIALS SOURCING



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

► SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



RESPONSE TO CLIMATE CHANGE

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

SCOPE 3 EMISSIONS

Initial estimation and disclosure

GHG REDUCTIONS¹⁾

179,000 tCO₂eq

PERCENTAGE OF RENEWABLE ENERGY USE¹⁾

14%

ZERO WASTE TO LANDFILL CERTIFICATION²⁾

5 SITES

1) Scopes 1 and 2 emissions from domestic and overseas Food, BIO, and FNT production sites.

2) As of May 2023, domestic Food production sites.

WHY IT MATTERS

The Intergovernmental Panel on Climate Change (IPCC) released its sixth report, entitled Climate Change 2022: Impacts, Adaptation, and Vulnerability in February 2021. According to the report, we will lose 10% of agricultural, fisheries, and livestock areas by 2050 and more than 30% by 2100 if we fail to curb greenhouse gas emissions. Industries closely linked to agriculture, fisheries, and livestock can be negatively impacted by supply and demand disparities and worsening price volatility if climate change worsens. The international community has introduced and strengthened a range of regulations to mitigate climate change. South Korea, too, has designated companies to be subject to the carbon credit scheme. As one of these companies, we take climate change very seriously and see the imperative need to address it.

OUR APPROACH

In 2021, CJ CheilJedang set the "2050 Carbon-Neutral and Zero Waste Business" goal and defined detailed targets for 2030 to minimize negative environmental impacts across all areas of its business sites. These involve corporate-wide innovation ranging from reducing GHG emissions, increasing water efficiency, zeroing waste to landfill, contributing to customer GHG reductions with our products and solutions, the product and solution areas, and minimizing emissions across the value chain from sourcing to sales and disposal. With the aim to play our role in climate change mitigation through the phased implementation of this strategy, we signed an agreement to operate a steam gasification facility using wood resources as fuel at our sites and expanded the application of solar power facilities in 2022. To reduce emissions across the value chain, we support GHG measurement and reduction in the supply chain and cooperate with distributors. We have also established a foundation for life cycle assessment (LCA) to provide data-backed evidence for GHG reductions from our products and solutions.



GOAL & STRATEGY

GOAL	ACTUALIZE BUSINESSES BASED ON CARBON NEUTRAL & ZERO WASTE BY 2050		
AREAS	BUSINESS SITE TRANSFORM INTO DE-CARBON & GREEN	PRODUCT SOLUTION INNOVATE ECO-PRODUCT	VALUE CHAIN AND LOCAL COMMUNITY COLLABORATE & PARTNERSHIP
30 YEAR GOAL	Reduce GHG emissions by 25% by 2030 (Compared to 2020)	Contribute to customers reducing GHG emissions based on products and solutions by 2030 (More than 25% of emissions from sites in 2020)	Reduce GHG emissions for core suppliers/ sales network
	100% conversion to renewable energy by 2030 (In the Americas)		
	Reduce water consumption intensity by 10-20% by 2030 (Compared to 2020)		Reduce the amount of food product loss/ waste by 50% by 2030 (Compared to 2020)
	Zero waste to landfill by 2030		

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



KEY FACTS & FIGURES



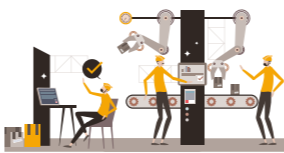


BUILDING A FOUNDATION FOR ENVIRONMENTAL IMPACT ANALYSIS ACROSS THE PRODUCT LIFECYCLE TO SEEK CARBON REDUCTIONS AT THE PRODUCT LEVEL.

ESTABLISHING GUIDELINES FOR PRODUCT LCA

CJ CheilJedang has established a foundation for LCA, a quantitative analysis of the environmental impacts of a product across its lifecycle from raw materials sourcing to production, distribution, and disposal. Aiming to identify potential environmental impacts based on input/output data considering the mass balance, we selected target products that are key strategic products in each business division considering measurability and scalability. We have also conducted pilot assessments and established LCA guidelines in accordance with ISO 14044 (Life cycle assessment) and ISO 14067 (Carbon footprint of products). Moving forward, we aim to accelerate the implementation of climate change response through education to help employees understand the LCA guidelines and apply them to their work.



PRODUCT LCA GUIDELINES

CATEGORY	STAGE	SCOPE OF ANALYSIS	MEASUREMENT
UPSTREAM	 <p>RAW MATERIALS COLLECTION/ RAW AND SUBSIDIARY MATERIALS PRODUCTION</p>	<ul style="list-style-type: none"> 80% or more by weight of raw materials input 	<ul style="list-style-type: none"> LCI DB¹⁾ emission factors applied to the weight of each raw material input.
	 <p>PURCHASE LOGISTICS</p>	<ul style="list-style-type: none"> Same as raw and subsidiary materials * Excluding local inland logistics in the country of origin (considering data availability) 	<ul style="list-style-type: none"> Mode-specific emission factors applied to the weight and distance of purchased raw materials (ton, km).
	 <p>PRODUCTION</p>	<ul style="list-style-type: none"> Fuel, electricity, and water directly used in the production process, and waste disposal at business sites 	<ul style="list-style-type: none"> Corresponding emission factors applied to fuel, electricity, and water consumption
DOWNSTREAM	 <p>PRODUCT TRANSPORTATION</p>	<ul style="list-style-type: none"> Sales volume by region, starting from the business sites 	<ul style="list-style-type: none"> Mode-specific emission factors applied to the weight and distance of products sold (ton, km).
	 <p>PRODUCT AND PACKAGING DISPOSAL</p>	<ul style="list-style-type: none"> Emissions from disposal or recycling of packaging * On the assumption that there are no emissions from the product use/disposal (LCA criteria for non-durable goods such as food applied) 	<ul style="list-style-type: none"> Method-specific emission factors applied to packaging waste volume by disposal method

¹⁾ Life Cycle Inventory Database

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

PURSuing SUSTAINABLE ENVIRONMENTAL MANAGEMENT

CJ CheilJedang pursues sustainable environmental management to minimize the environmental impact of the production, distribution, and sale of products and services and respond to climate change. In 2022, we severed provisions in the existing Environmental and Safety Policy and established a separate Environmental Policy.

 Environmental Policy

ENVIRONMENTAL MANAGEMENT SYSTEM

CJ CheilJedang has sustainability governance to accelerate the establishment and implementation of sustainable environmental strategies. The Corporate Sustainability Committee under the Board of Directors is the highest decision-making body that deliberates and makes decisions on environmental management issues, including climate change response. Items to be presented to the committee undergo preliminary discussions at the Corporate Sustainability Council, which consists of the CEO, top executives of each business division, and the head of the ESG organization. As an organization dedicated to corporate-wide climate change response and sustainable environmental management, the Corporate ESG regularly identifies laws and regulations related to environmental management, establishes, and implements corporate-wide environmental management strategies including risk identification and analysis, and takes responsibility for effective collaboration and internal and external communication with ESG departments and working-level organizations. In 2022, we assigned key performance indicators (KPIs) related to climate change response to the organization responsible for environmental projects as one of CJ CheilJedang's ESG management goals.

ENVIRONMENTAL MANAGEMENT ORGANIZATION



ENVIRONMENTAL MANAGEMENT SUPERVISION

CJ CheilJedang has environmental strategies for each step of environmental management, from environmental risk identification to improvement, prevention, response, and diagnosis, ensuring a proactive response to environmental impacts. To this end, we are expanding environmental management system certification for organized environmental management at our domestic and overseas sites. As of 2022, 18% of our sites have obtained ISO 14001 environmental management system certification. To promote global environmental management, the BIO Business disseminated the Global ESG Checklist Guidelines to all sites and strengthened the monitoring of GHG emissions at overseas sites in 2022. As part of its efforts to analyze environmental risks, the Food Business conducted flood and wind risk diagnosis at its Incheon and Busan sites and analyzed the impact of climate change on their sites.

CLIMATE CHANGE RISK MANAGEMENT

The industry CJ CheilJedang operates in is closely intertwined with agriculture, which is highly dependent on weather and nature, and the vulnerability in agriculture affected by natural disasters and extreme weather events is often transferred to the industry. We fully understand that we are not immune to the risks posed by domestic and international policies and global environmental changes. For this reason, we work to identify risks and opportunities posed by climate change and analyze their financial impact. To ensure a sustainable environment and a resilient future, we will continue to monitor the risks associated with climate change and reduce risks and increase opportunities.

CLIMATE RISK AND OPPORTUNITY ANALYSIS

TYPE		FACTORS	RISKS	OPPORTUNITIES	FINANCIAL IMPACT
TRANSITION RISKS ¹⁾	SHORT TERM	Strengthened domestic and overseas carbon regulations and higher emissions cost	Accelerated transition to low-carbon energy sources and higher emissions costs	Relieve financial burdens through the 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 to the development of eco-friendly plastic and the construction of recycling processes	Increased investment costs for developing eco-friendly materials, Increased cost of recycling plastics
	MID-TO LONG-TERM	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 the production of eco-friendly products	Increased investment costs due to new technologies, Reduced spending costs due to carbon emissions
		Higher prices of raw materials or energy costs	Problems due to rising costs and unstable energy supply	Defend rising energy costs through the discovery of alternative energy	Increased costs of raw materials or energy costs, Reduced operating profit
PHYSICAL RISKS ²⁾	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 events, such as changes in the 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)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



TRANSFORM INTO DE-CARBON & GREEN

EFFORTS FOR GHG REDUCTION

CJ CheilJedang has established GHG inventories for its global sites in six countries, including Indonesia, China, Vietnam, and the United States, and completed third-party verification in 2022 to ensure the credibility of its global sites' GHG emissions. As part of GHG management and reduction efforts, our global sites have voluntarily estimated their GHG emissions, and we plan to gradually expand the scope to include more global sites. We manage GHG emissions by operational boundary (Scope 1, 2, and 3) and by country as a key indicator for climate change management, and we also strive to reduce GHG emissions per product unit by monitoring GHG emission intensity. In 2022, we reduced GHG emissions by approximately 6% compared to 2021 by expanding renewable energy deployment, purchasing Renewable Energy Certificates (RECs), and introducing solar power.

GHG EMISSIONS

CATEGORY	UNIT	2020	2021	2022
Scope 1	Thousand ton CO ₂ eq	2,670	2,851	2,786
Scope 2		1,467	1,486	1,301
Total		4,137	4,337	4,087

INTRODUCING AN INTERNAL CARBON PRICING SYSTEM

The BIO Business introduced an internal carbon pricing system to mitigate management risks that could arise from strengthened carbon regulations and prepare practical carbon reduction measures. The internal carbon pricing system is designed to encourage investment in low-carbon technologies and downsize the existing facilities by establishing internal carbon prices. With the internal carbon pricing system, we calculated the effects of GHG reductions and reflected them in the feasibility review of existing facility investments, such as the introduction of solar facilities and the Green New Deal projects (energy and GHG reduction investment). Introducing the internal carbon pricing system has allowed us to compare reduction activities in terms of their economic feasibility by calculating payback periods and opportunity costs.

PROMOTING THE INTRODUCTION OF RENEWABLE ENERGY

CJ CheilJedang has expanded the introduction of renewable energy in its domestic and overseas sites. In April 2022, the Jincheon BC signed an agreement on the Green New Deal energy supply project to construct an eco-friendly energy supply facility using wood resources as fuel, which is scheduled to go into operation in 2026. Our Brazilian sites use wood chips, a type of biomass fuels, to generate steam. We are also working to develop plans to ensure a stable supply of wood pellets and other fuel sources for mixed biomass combustion in boilers at our Indonesian site and are conducting a technological review of the facility and moving forward with construction.

NUMBER OF SITES THAT HAVE INTRODUCED RENEWABLE ENERGY

13 SITES

RENEWABLE ENERGY CERTIFICATE (REC) PURCHASE AGREEMENT

To reduce GHG emissions from our Jombang and Pasuruan sites in Indonesia, we signed the REC purchase agreement with the Indonesian power company PLN. Under the REC scheme, producers of geothermal and hydroelectric power seek zero emission certification from internationally accredited certification bodies and are allowed to sell the carbon credits by adding up certain amounts to the existing tariffs. Through this REC purchase agreement, we reduced 147,000 tCO₂eq of GHG emissions and had them verified by a third party. We anticipate 356,000 tCO₂eq of reductions by 2023.

INTRODUCING SOLAR ENERGY

CJ CheilJedang pursues innovation in the energy consumption structure by installing more solar facilities. In 2022, we completed the construction of power facilities in the Incheon 2 site, which are in full-scale operations now. Our overseas sites in Vung Tau, Vietnam, and Kerteh, Malaysia have introduced and commissioned solar facilities. In 2023, we plan to expand the solar facilities in the Jincheon, Incheon 1, Jincheon BC, and Jombang in Indonesia.



SOLAR ENERGY INSTALLATIONS

COUNTRY	BUSINESS SITE	COMPLETION
Korea	CJ Blossom Park	August, 2015
	Jincheon Blossom Campus	July, 2018
	Wonji Asan 1, Jincheon	August, 2022
	Incheon 2	November, 2022
	CJ Seafood) Icheon	January, 2023
	Nonsan	April, 2023
Vietnam	Vung Tau	April, 2022
Malaysia	Kerteh	May, 2022

RENEWABLE ENERGY CONSUMPTION

Unit: TJ



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



IMPROVING WATER EFFICIENCY

CJ CheilJedang's business innately involves water consumption for cleaning and sterilization. For this reason, we strive to conserve water resources and ensure sustainable water use. For wastewater management, we not only comply with laws and regulations including raw water management regulations, and apply even stricter standards. If headwaters flowing to areas where our sites are located or to be built fall underwater resource conservation areas, we relocate the facilities to areas free from the risk of water resource pollution even when that means higher costs and difficulty in logistic operations. We are also increasing investment in systems to recycle and reuse wastewater in response to water resource risks such as rises in water charges and government restrictions on water supply. We have also developed tasks to improve water treatment technologies at each site to improve the quality of water discharged from them and optimize their operations.

WATER WITHDRAWN AND DISCHARGED BY REGION

REGION	WATER WITHDRAWN	WATER DISCHARGED
Korea	Tap water	Sewage or wastewater treatment plants ¹⁾ Discharged to streams ²⁾
Indonesia	Surface water	Discharged to rivers
China	Groundwater, tap water	Sewage treatment plants
Brazil	Surface water, groundwater	Discharged to rivers (Piracicaba), no discharge (Selecta)
U.S.A	Tap water	Sewage treatment plants
Vietnam	Tap water	Sewage treatment plants
Malaysia	Tap water	Discharged to rivers

1) Effluent discharged at levels lower than 40% of the statutory standards and further treated at regional sewage or wastewater treatment plants (Incheon 1, Incheon 2, Incheon 3, Yeongdeungpo, Busan, Frozen Food, Jincheon BC sites)
 2) Effluent discharged to streams at levels lower than 50% of the statutory standards, hence no impact on the surrounding environment (Nonsan, Gongju, Namwon sites)

WATER CONSUMED

Unit: Thousand ton

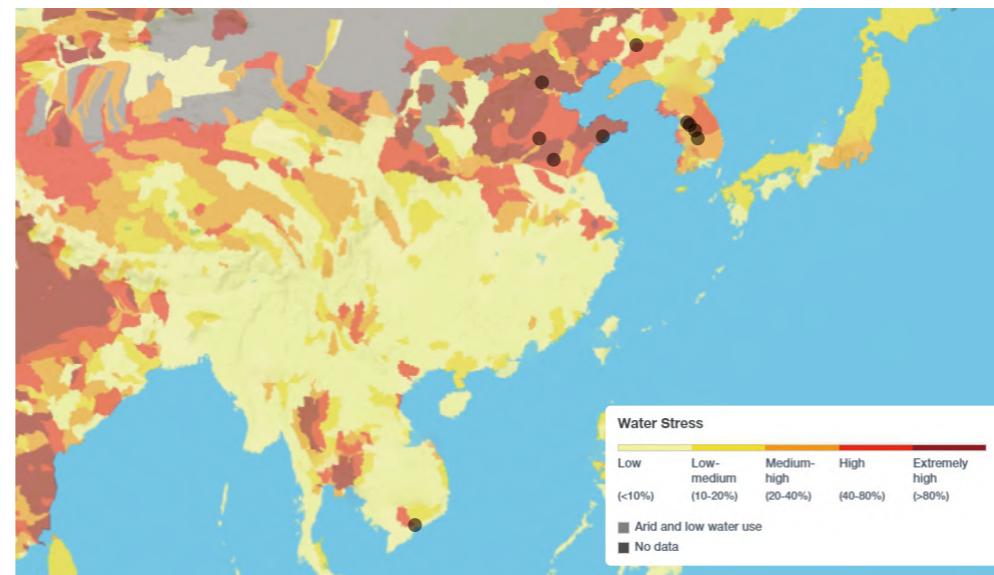


WATER RISK ANALYSIS

To analyze water risks that may affect its production sites, CJ CheilJedang conducts regular site assessments and management in areas under water stress based on the WRI Aqueduct Water Risk Atlas. Currently, we assess 36 sites, 10 of which are in areas under "High" or "Extremely High" water stress. To contribute to tackling the water problems in areas where we operate our business and improve resource efficiency, we plan to achieve a 20% reduction in water consumption (water intensity) per production unit by 2030. In particular, we will prioritize areas exposed to severe water risks in straightening our investment in infrastructure such as water recycling systems to improve water efficiency.

SITES EXPOSED TO WATER RISKS

CATEGORY	DETAILS
Risk Analysis Tool	WRI Aqueduct Water Risk Atlas
Analysis Scenario	<ul style="list-style-type: none"> • Time Frame: Baseline • Physical Frame: 36 domestic and overseas sites • Indicator: Water stress



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

- Sustainable Packaging
- Eco-friendly Material Solutions
- Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

ZERO WASTE TO LANDFILL FROM OUR SITES

Aspiring to achieve zero waste to landfill by 2030, CJ CheilJedang strives to reuse, recycle, and recover energy from waste generated from our production sites. Our domestic food production sites have already reached zero waste to landfill by using wastes as industrial feedstock, agricultural feed, or compost, and we are working to have more sites obtain the zero waste to landfill certification. Now we plan to disseminate the best practices of our domestic sites first to sites in China, the United States, and Vietnam where a large amount of waste is generated and disposed of, and then to all our global sites.

ZERO WASTE TO LANDFILL CERTIFICATION

BUSINESS SITE	CERTIFICATION VALIDITY
Jincheon	2022.04.15 ~ 2023.04.15
Gongju	2022.09.06 ~ 2023.09.06
Wonji Ansan 1	2022.11.08 ~ 2023.11.08
Incheon 1	2023.04.24 ~ 2024.04.24
Frozen Food	2023.05.04 ~ 2024.05.04

WASTE TO LANDFILL FROM DOMESTIC SITES

Unit: Ton



WASTE RESOURCE CIRCULATION ACCREDITATION

CJ CheilJedang pursues the Waste Resource Circulation Accreditation to reduce waste generation and contribute to building a circular economy. The Waste Resource Circulation Accreditation acknowledges resources produced and/or used from the circulation of wastes, and their environmental, economic, and technological feasibility is recognized by the Ministry of Environment. CJ CheilJedang has acquired the Waste Resource Circulation Accreditation for rice bran, brewers, bean curd refuse, and PP scraps that are generated in their sites.

RESOURCE CIRCULATION CULTURE IN THE ANSAN SITE

CJ CheilJedang's Ansan site has reduced wastes by 59.4% in 2022 compared to the 2018 level by reducing and circulating waste and promoting recycling. As a result, it won the Korea Ministry of Environment's Award for Resource Circulation in recognition of its contribution to building a sustainable circular economy. The site also promoted a waste reuse campaign to establish a waste resource circulation culture, which has contributed to the surge in the recycling of waste that would otherwise be incinerated (plant residue, waste resin) from 4.1% in 2020 to 62.9%.

HAZARDOUS SUBSTANCE MANAGEMENT

CJ CheilJedang has established an integrated environmental monitoring system for odor, water quality, and air quality at its domestic sites and surrounding areas, which is managed by the Environment Health System (EHS). Water pollution indicators include total organic carbon (TOC) and chemical oxygen demand (COD), and concentrations of nitrogen oxides serve as an indicator for air pollution. We also monitor odor levels that may negatively affect the surrounding areas 24/7 and take instant measures in response to incidents and abnormalities, thereby minimizing the impact on these areas. In 2022, we introduced a system to warn odor levels exceeding the threshold and a 3D monitoring screen to strengthen monitoring.

EFFORTS TO REDUCE AIR POLLUTION

We keep the concentrations of air pollutants discharged from our sites at lower than 30% of the statutory standards. Two of our domestic sites (Incheon 1 and Incheon 2) signed voluntary agreements with the Metropolitan Air Quality Management Office for total air pollutant management, under which they strive to save more energy and optimize boiler operations. In addition, four sites (Incheon 1, Incheon 2, Jincheon BC, and Yeongdeungpo) have signed voluntary particulate matter management agreements with local governments, under which they enforce a fifth-day no-driving system, vacuum-clean roads on premises, and partial shutdown of the production lines.

CHANGING MATERIALS AND RELOCATING A SULFURIC ACID TANK FOR PHA WASTEWATER PRETREATMENT

The PHA wastewater generated in our Pasuruan site is treated with sulfuric acid for pH regulation. The existing sulfuric acid tank was placed on the roof of the anaerobic treatment tank building and connected to a carbon pipeline, posing high risks of structural corrosion and damage in the event of leaks. To address this issue, we relocated the sulfuric acid tank to the ground, replaced the carbon pipes with stainless steel (SUS316), and installed a concrete structure in front of the tank to prevent the liquid from overflowing into the surrounding soil.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► [Response to Climate Change](#)

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

COLLABORATE & PARTNERSHIP

BUILDING A FOUNDATION FOR VALUE CHAIN MEASUREMENT

To build a foundation for GHG management and reduction that encompasses the value chain (Scope 3), in addition to reductions from our operations, we identified priorities based on the proportion and significance of category-specific Scope 3 emissions, which we used to calculate Scope 3 emissions across the value chain, from product and service purchases to upstream and downstream transportation, logistics, post-consumer product disposal, waste disposal at business sites, and other energy-related carbon-emitting activities. All relevant departments, including purchase SCM, environment, and ESG, held more than ten online and offline meetings and workshops to define the scope of estimation, collect activity data, and develop guidelines for estimation and a Microsoft Excel spreadsheet tool. These served as the basis for our R-C-O Framework for achieving carbon neutrality in our products. Moving forward, we plan to expand category-specific coverage and establish and communicate detailed targets and strategies.

ROADMAP FOR STEP-BY-STEP PROGRESS



PROMOTION STRATEGY FOR CARBON NEUTRALITY IN OUR PRODUCTS

We aim to reduce direct emissions across the value chain, work with suppliers to reduce carbon footprints, and pursue product-based carbon neutrality beyond emissions from our operations.

R-C-O FRAMEWORK



REDUCING FOOD LOSS AND WASTE

The world is facing a food imbalance, where fresh food is wasted while many suffer from hunger. Recognizing that food loss and waste exacerbate the waste of energy, water, and human resources and increase GHG emissions, CJ CheilJedang strives to monitor and improve processes throughout the value chain from production to manufacturing, processing, distribution, consumption, and disposal. We minimize waste to landfills by recycling operational waste. To reduce food loss and waste at the distribution and consumption stages, we conduct various activities for inventory management and consumer awareness.



¹⁾ Good food project: Products that are under their standard weight, about-to-expire, or that are misshapen and have lower product value but have no issues with taste and nutrition

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

- Sustainable Packaging
- Eco-friendly Material Solutions
- Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

INNOVATE ECO-PRODUCT

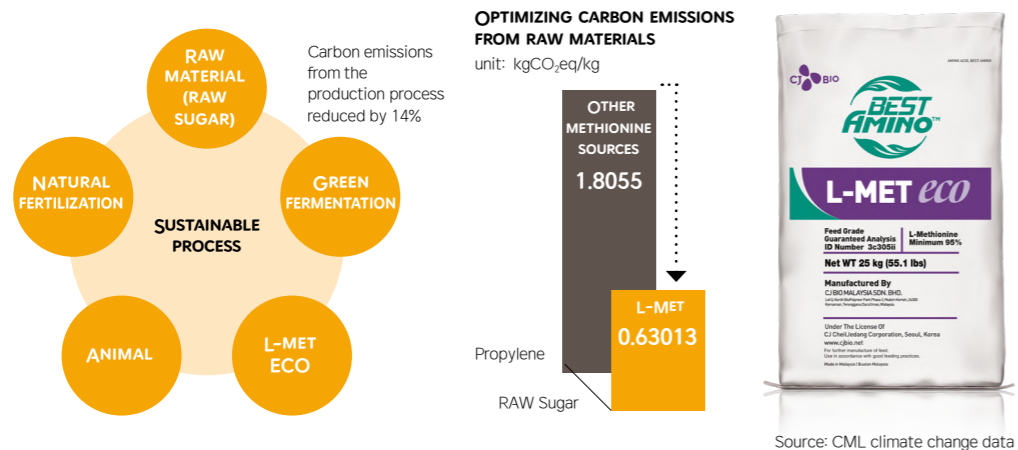
EXPAND THE PRODUCT LINEUP FOR SUSTAINABILITY

CJ CheilJedang is committed to contributing to reductions in consumer and downstream GHG emissions through sustainability-based product and solution innovation. To this end, we are working to provide a wider range of sustainable offerings, including plant-based products, sustainable amino acid products, and biodegradable materials.

SUSTAINABLE AMINO ACIDS

L-MET ECO FOR GHG REDUCTIONS

As the first product in the eco line, L-Met eco sets new standards for amino acids by offering increased bioavailability and cost reduction benefits. Optimized fermentation and refining processes help reduce emissions and shorten the time to slaughter weight, thereby reducing feed consumption.



AMINO ACID SOLUTION, E-BALANCED DIET CAMPAIGN

The E-balanced Diet Campaign aims to provide solutions that are eco-friendly (reduced nitrogen and carbon), economical (replacing grain protein) and efficient (using amino acids to improve the quality and quantity of livestock and meat). We utilize our microbial fermentation technologies and state-of-the-art bio production processes to produce eight key amino acids for feed. We provide tailor-made solutions to improve feed efficiency by increasing digestibility and contribute to a sustainable environment by reducing nitrogen compounds in manure.

8 KEY AMINO ACIDS FOR FEED



SUSTAINABLE FEED AND FERTILIZER

THE BEEF METHANE SOLUTION FOR REDUCED METHANE EMISSIONS

The Beef Methane Solution is a feed that helps reduce methane emissions from cattle burps and farts. It was first launched in South Korea in June 2022. Methane, along with carbon dioxide, is considered a major contributor to the greenhouse effect. According to the IPCC, annual methane emissions from cattle are more than 50 kg per beef cow and more than 120 kg per milk cow. When cows eat feed, they ruminate it in the first of their four stomachs, and methane, a byproduct of micro organism activity in the stomach, is produced. CJ Feed&Care developed a patented technology for feed additives that inhibit methane-producing bacteria in cow's stomach and applied it to its feed products. As a result, there was a significant reduction in methane in cows' belches and farts while maintaining milk production levels.

ORGANIC FERTILIZER USING LIVESTOCK EXCRETIONS: ECO POWER1

In November 2022, we introduced ECO POWER1, an organic fertilizer made from pig manure, in Vietnam. Livestock excretions must undergo a curing process to decompose and stabilize them through microbial reactions to prevent ammonia gas emissions and eliminating pathogenic microorganisms that have not been killed, thereby preventing potential adverse effects on crops and the environment. The Vietnamese market is witnessing a surge in demand for eco-friendly organic fertilizers driven by consumer awareness of environmental pollution and the government's strengthening of animal farming environment laws. With this fertilizer, which transforms waste resources that adversely affect the environment into valuable and eco-friendly resources, we plan to promote the resourcification of livestock excretions in the Vietnamese livestock market and expand supply to meet the demand for eco-friendly fertilizers.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

- Sustainable Packaging
- Eco-friendly Material Solutions
- Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

FOOD UPCYCLING PRODUCTS

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

The Excycle Basak Chip is made by upcycling broken rice from Hetbahn and residual bean curd from the Happy Bean Tofu. To make it even more eco-friendly, we utilize upcycled PET film (post-consumer recycled PET) certified by the Global Recycled Standard (GRS) for the packaging. We've replaced wheat flour with rice and bean curd remnants, which allowed our products to contain 7g of protein and 4g of fiber. Moreover, these chips are puffed rather than fried to provide consumers with more health and nutritional value. We plan to develop more products that leverage byproducts to minimize food loss and waste while promoting resource circulation.



ALTERNATIVE AND CULTURED MEAT PRODUCTS

A BRAND FOR 100% PLANT-BASED PRODUCTS

PlanTable PlanTable brand offers sustainable food products that substitute plant-based ingredients like soybeans for meat, aiming to reduce GHG emissions and environmental pollution caused by animal farming. In December 2021, we launched two PlanTable Mandu products (launched three export-only Mandu) made with 100% plant-based ingredients such as textured vegetable protein and vegetable oil. In 2022, we further expanded the PlanTable brand portfolio which includes Tteokgalbi, rice balls, hamburg steak, and grain bowls to meet diverse consumer preferences. PlanTable achieved 3 million units in sales within just 10 months, and we aim to reach KRW 200 billion in sales by 2025.

LEADING THE CULTURED MEAT MARKET TO SUSTAIN THE FUTURE OF HUMANITY

CJ CheilJedang has established a portfolio of food-grade amino acids and a microbial mass fermentation technology platform to develop and commercialize innovative cultured meat media. Cultured meat is a good option to mitigate ecosystem damage, reduce carbon emissions and minimize food resource waste from conventional animal farming. However, the production process currently involves the use of costly animal serum, making it crucial to develop eco-friendly alternative media for efficient mass production and enhanced cost competitiveness. In February 2022, we signed a memorandum of understanding with KCell Biosciences, the largest cell culture media producer in South Korea which has the second-largest production capacity in the Asia-Pacific region, with the aim to develop media that will give us a competitive edge in cultured meat mass production.

ALTIVE: ALTERNATIVE PLANT-BASED HIGH-PROTEIN MILK

ALTIVE ALTIVE is our plant-based, high-protein alternative milk brand. It was initially introduced as a prototype in June 2022 and later officially launched in December of the same year. The name "ALTIVE" derives from "alternative" and reflects our commitment to providing a superior dairy alternative that benefits both people and the planet. Made with our proprietary blend of brown rice and pea protein, ALTIVE milk contains eight essential amino acids similar to milk protein and has 1.5 times more plant protein than regular milk (9g per 200ml) and 1.7 times more calcium (374mg per 200ml), making it not only eco-friendly but also nutritionally beneficial. We plan to develop and launch new products that provide excellent plant-based alternatives to conventional dairy items.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

► Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

SUSTAINABLE PACKAGING

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

PERCENTAGE OF PACKAGING RATED "NORMAL" OR HIGHER IN THE EASE OF PACKAGING RECYCLABILITY RATING

95%

COMPASS-BASED LCA PERSPECTIVES

Building process to measure packaging sustainability

PLASTIC REDUCTIONS FROM DOMESTIC R&D-BASED PROJECTS

812 TONS

Sustainable Packaging Policy

WHY IT MATTERS

For every industry, packaging is an essential element for the convenient use and distribution of products. In particular, it plays a significant role in providing important information such as the origin of ingredients and nutritional values. Additionally, it ensures product protection, upholds quality and safety standards, and extends product freshness. However, it is essential to acknowledge the adverse effects of packaging waste. Driven by industrial growth and changes in lifestyles, packaging waste is on the constant rise globally, leading to an increase in harmful elements like micro-plastics and environmental hormones, while expediting climate change. In this context, it is necessary to consider the positive and negative impacts of packaging and work to ensure sustainable packaging.

OUR APPROACH

CJ CheilJedang recognizes the negative impacts of packaging and is fully committed to reducing it by making a transition towards recyclable, reusable, and compostable packaging. While striving to reduce usage of packaging materials, we also aim to facilitate the recycling of essential packaging and prioritize the elimination of plastics that are harmful to the environment. To achieve this goal, we have developed a Negative List¹⁾ of plastics that have detrimental effects on the environment, and we are working to reduce them. Our goal is to reduce the amount of packaging as much as possible while ensuring the quality and safety of our products and to minimize environmental impact.

1) Materials with negative impacts on wellness and sustainability; this list may be updated as needed.

NEGATIVE LIST

MATERIALS REPLACED	MATERIALS TO BE REPLACED
<p>2019 • OXO-BIODEGRADABLE ADDITIVES [all plastic packaging]</p> <p>2020 • COLORED PET¹⁾ [plastic bottles] • TOLUENE AND BENZENE [ink solvents]</p> <p>2021 • PVC (POLYVINYL CHLORIDE) [shrink labels]</p>	<ul style="list-style-type: none"> • PET-G (GLYCOL-MODIFIED PET) [containers, trays] • COLORED GLASS BOTTLES²⁾ [glass bottles] • PVDC (POLYVINYLIDENE CHLORIDE) [casing film, plastic or paper coatings] • PFAS (PERFLUOROCTANESULFONIC ACID) [paper coatings] • EPS³⁾(EXPANDED POLYSTYRENE) [perishable packaging, Cookit boxes] • PS (POLYSTYRENE)

1) Only beverages in 2022; to be expanded to all product categories

2) Excluding brown and green bottles

3) Prioritizing to replace the material in regions without EPS recycling infrastructure

WHAT'S NEXT

Achieving sustainability in packaging requires investment and innovation that addresses the constraints of existing regulations and technologies. For example, the infrastructure for collecting, sorting, reusing, and recycling packaging waste varies from not only from country to country but also between regions. Moreover, only a few countries have effectively implemented packaging waste collection and recycling plans that support the circular economy. Despite these challenges, CJ CheilJedang will expand R&D investments to minimize the environmental impact of packaging materials, facilitate the use of recyclable, reusable, and compostable packaging materials, and promote the use of recycled materials in essential packaging.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

▶ Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



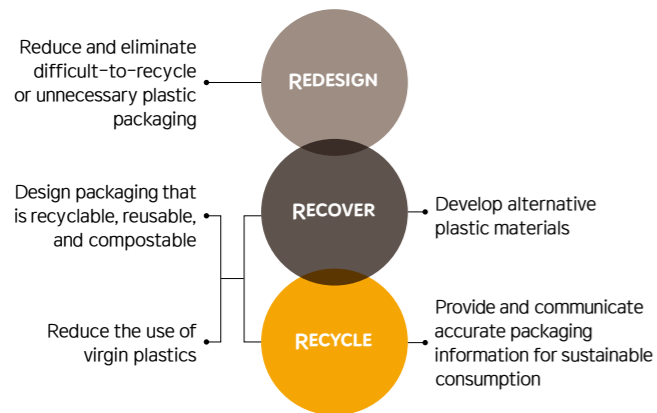
SUSTAINABLE PACKAGING STRATEGY

In our commitment to upscale sustainable packaging for nature and society, CJ CheilJedang has implemented comprehensive action plans across product planning, research and development, production, consumption, disposal, and recovery in collaboration with research and execution organizations. In 2022, we allocated 47% of our packaging R&D budget to research focused on sustainable packaging, with 37% of our packaging research staff dedicated to sustainable packaging projects. Our sustainable packaging strategy revolves around the key principles of Technology, Communication, and Collaboration, all aimed at reducing the use of virgin plastics and minimizing waste.

TECHNOLOGY

We have the 3R policy in place to reduce plastic materials and CO₂ emissions. Eco-friendly Redesign contributes to removing unnecessary plastics and optimizing the size and thickness of packaging. We also promote the use of Recovered eco-friendly materials, thus encouraging the adoption of biodegradable options. Additionally, we strive to use of virgin plastic in containers by using recycled plastics.

3R POLICY FOR PACKAGING



COMMERCIALIZING THE MULTI-LAYER SCRAP REUSE TECHNOLOGY FOR HETBAHN CONTAINER PRODUCTION

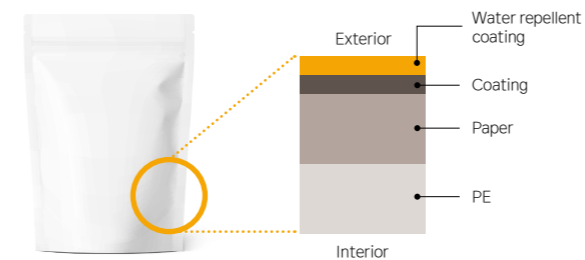
Traditionally, Hetbahn containers are manufactured through thermoforming. We've developed an innovative technique that reintegrates scraps from this process back into Hetbahn container production, while also succeed at its large-scale mass production. Furthermore, we've successfully completed safety verification for the use of recycled materials, aligning with global regulations. In 2022, we incorporated 30% scraps in the manufacturing of Hetbahn containers, which is the maximum amount of scrap input. This substantial increase has led to significant reductions in the use of virgin plastics and CO₂ emissions, making Hetbahn containers even more sustainable.

MULTI-LAYER SCRAP REUSE PROCESS



DEVELOPING RECYCLABLE PAPER-BASED PACKAGING MATERIALS

We've developed a recyclable paper-based packaging material to reduce plastic consumption. Through meticulous research, we've identified an optimal paper formulation (60% paper content) to improve water repellency by applying coatings on both sides of the paper and increased the use of pulp. Our estimate, using our internal COMPASS tool, suggests that this innovation will cut plastic usage by 50% compared to conventional frozen rice products, ultimately resulting in a 55% reduction in emissions.



WONJI OBTAINED THE ISCC PLUS CERTIFICATION



CJ CheilJedang's subsidiary Wonji became the first food packaging manufacturer in South Korea to receive ISCC PLUS certification in July 2022. ISCC PLUS is an international sustainability and carbon certification system that acknowledges the environmental, social, and economic contributions of various bio and recycled products within the global supply chain. It is required to promote eco-friendly materials and products in non-European countries. Wonji established a manual to strengthen the traceability of raw materials based on FSSC22000 (Quality System) at its Asan Plant (container and flexible packaging production) and Jincheon Plant (container production), and strengthened the management system. Based on this, the company passed audits of management system, traceability, and chain of custody and obtained ISCC PLUS certification, which strengthened the credibility of its bio-ESG activities.



ISCC PLUS Certificate I Asan Plant

ISCC PLUS Certificate I Jincheon Plant

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

► Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

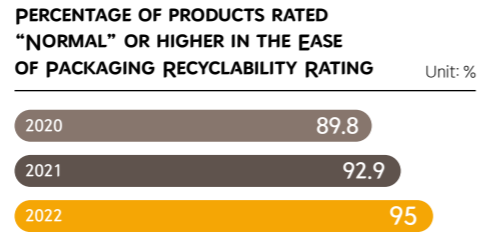
APPENDIX

COMMUNICATION

Communication with consumers is essential for promoting recycling at the post-consumer stage. CJ CheilJedang strives to make recycling easier for consumers.

IMPROVING THE RECYCLABILITY RATING

CJ CheilJedang manages the packaging recycling ratings of approximately 4,000 products and works to make them easier to recycle according to the Packaging Material Ease of Packaging Recyclability Rating Standards. In 2022, we made improvements to 42 out of 252 products rated "Difficult to Recycle" in the 2021 ratings, and increased the percentage of products rated "Normal" or higher from 92.9% to 95%.



BEKSUL SESAME OIL: AN EASY TO REMOVE PLASTIC CAP

We've improved the way consumers can remove the cap from our sesame oil bottles, making it easier for them to recycle the container. By adding a diagonal incision on the outer part of the cap, the cap can now be easily removed with a small amount of force, eliminating the need for any additional tools. As a result, the product received "Excellent" rating in the Ease of Recycling Rating and won the World Star Packaging Awards 2022 - Recyclable Packaging from the World Packaging Organization (WPO).



SCHWAN'S PARTNERSHIP WITH MBOLD



As part of its efforts to reduce GHG emissions and waste by investing in packaging R&D and facilities, American frozen food company Schwan's signed a partnership agreement with Minnesota-based MBOLD. MBOLD, an alliance

of global food and agricultural companies and research institutions, is dedicated to establishing a circular economy for film packaging. Schwan's is collaborating with MBOLD members to invest equity in film recycler Myplas USA, aiming to construct a film recycling facility in Minnesota, U.S., expected to be operational in the first half of 2023. This facility will recycle approximately 40,000 tons of low and high density polyethylene packaging annually, further reducing GHG emissions and waste.



COLLABORATION

CJ CheilJedang actively collaborates with various stakeholders, including companies, governmental bodies, and consumer associations, to establish a sustainable packaging network.

BUILDING A SUSTAINABLE PACKAGING NETWORK

JOINING THE EU 4EVERGREEN ALLIANCE



CJ CheilJedang has participated in the EU 4evergreen alliance to contribute to a carbon-neutral society by ensuring the circularity and sustainability of packaging.

The members of the 4evergreen alliance collaborate through a four-step process to develop tools and guidelines on various aspects of packaging and share the outcomes with stakeholders.



JOINING THE SUSTAINABLE PACKAGING COALITION (SPC) IN THE U.S.



CJ CheilJedang acknowledges that enhancing packaging sustainability requires the active involvement of the entire supply chain. To this end, we have established a green packaging network in the U.S. through participation

in the Sustainable Packaging Coalition's SPC Engage 2022 and SPC Advance 2022. The Sustainable Packaging Coalition is comprised of members spanning the entire packaging lifecycle and is the leading voice on sustainability in packaging. Key members include global brands, packaging raw material producers, raw material converters, packaging designers, logistics, retailers, solid waste handlers, academia, and government organizations.

DEVELOPING A PROCESS TO MEASURE PACKAGING SUSTAINABILITY

We implemented "COMPASS", a packaging software platform developed by the U.S. Sustainable Packaging Coalition (SPC), to create a process for measuring packaging sustainability from a life cycle assessment (LCA) perspective in the new product development process. Previously, we only required innovative new products to undergo the Sustainable Packaging Assessment in the ideation and validation phases. By adding the Sustainable Packaging Assessment to the packaging specification review phase, now we ensure that all new products incorporate the results of the COMPASS calculations into their development process.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

► Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

HETBAHN UPCYCLE: SCALING UP THE RESOURCE CIRCULATION PLATFORM

HETBAHN CONTAINER COLLECTION CAMPAIGN IN 2022

CONTAINERS COLLECTED

300,000^{EA}

PARTICIPATING EMPLOYEES

2,518^{PEOPLE}

TRANSFORMATION OF THE HETBAHN CONTAINER

LIGHT STICKS FOR THE 2022 MAMA AWARDS

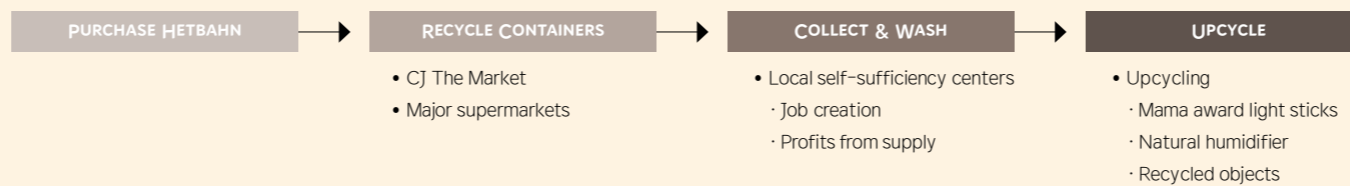
CJ CheilJedang took the collected Hetbahn containers, recycled them, and transformed them into raw plastic to create handles for light sticks. These light sticks were then sold at the 2022 MAMA Awards held at the Kyocera Dome Osaka in Japan.

All proceeds from the sale were utilized for tree planting and conservation activities. Total 3,000 Hetbahn containers were used to make the light sticks, and they were easy to be recycled, which only required separating the handles and throwing them away in plastic collection bins.



CJ CheilJedang has established an upcycling process to promote the recycling of Hetbahn containers. When customers purchase Hetbahn from CJ The Market and finish using the containers, they can wash and place them in designated collection boxes. Upon request, local self-sufficiency centers, in collaboration with CJ CheilJedang, collect these containers free of charge and ensure they are thoroughly cleaned for various recycling purposes. In June 2022, we joined E-Mart's "Bring Plastics and Save the Seas" campaign to further expand offline collection points as part of our efforts to encourage consumer participation. However, the plastic recycling system in South Korea is primarily focused on the recycling of PET materials. To enable the separate collection of Hetbahn containers for obtaining high-quality white PP materials, long-term infrastructure and policy improvements are required. Additionally, consumer participation is crucial as they need to clean and make the containers available for separate collection. In 2022, we successfully collected approximately 300,000 Hetbahn containers. Nevertheless, our aim is to go further; we aspire to create a world where our Hetbahn containers are collected and transformed into valuable products instead of being wasted. To this end, we will continue to expand the resource circulation platform by engaging employees and introducing the Hetbahn Upcycle initiative to more customers who play a key role in the packaging circular economy.

HETBAHN CONTAINER UPCYCLING PROCESS



NATURAL HUMIDIFIER KITS

CJ CheilJedang repurposed collected Hetbahn containers to create natural humidifiers, which create a healthy and electromagnetic wave-free environment. These natural humidifiers were subsequently donated to those in need. To encourage employee participation in the volunteer activity, we produced a natural humidifier kit consisting of a humidifier body made of plastic materials using collected, washed, and reprocessed Hetbahn containers and non-woven fabrics. While the local self-sufficiency centers were responsible for the separate collection and washing of the Hetbahn containers, i2m produced the humidifier kit for the employees, and the Change Maker took over exploring potential recipients.



RECYCLED OBJECTS

CJ CheilJedang collaborated with CJ ENM's year-end pop-up, "tvN Let There Be Joy First (ZZLGUN CHEIL)" to showcase various items crafted from recycled Hetbahn containers. This pop-up campaign creatively highlighted the content of tvN, CJ ENM's channel. We utilized the collected Hetbahn containers to create a large tree ornament placed in the venue, along with furniture inspired by construction sites, including sofas, tables, and rubber cones. Moving forward, we aim to continue this collaboration to engage customers in the recycling of resources and promote the value of eco-friendliness.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

► Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

ECO-FRIENDLY MATERIAL SOLUTIONS

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

1Q

Started the mass production of PHACT

ACQUIRED 4 BIODEGRADABILITY AND COMPOSTING CERTIFICATIONS



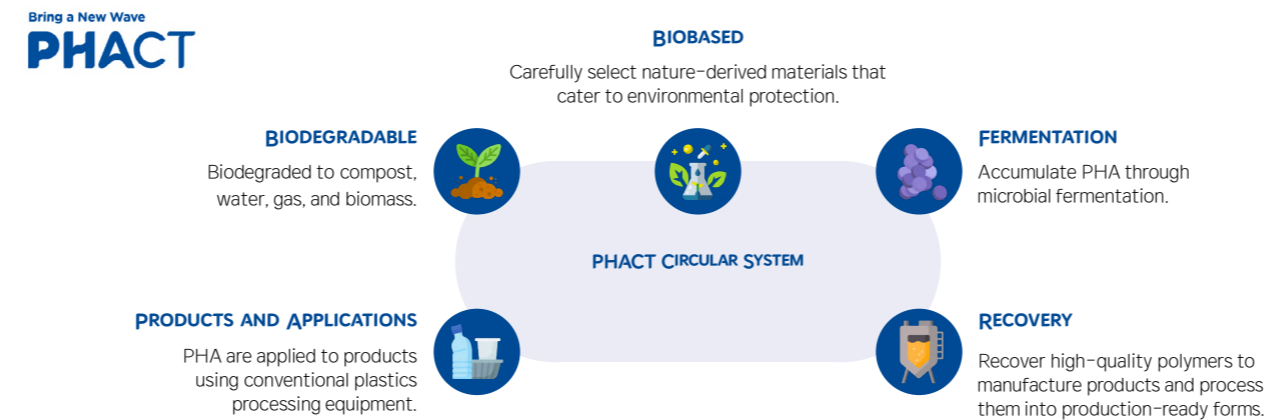
WHY IT MATTERS

Plastic packaging is necessary to protect products and ensure quality and safety while packaging wastes leave microplastics behind that pollute soil and oceans. Microplastics are a global problem because they take hundreds of years to break down naturally. Not only do they harm the environment, but they can also affect everyone, including unborn children, who consume vegetables and seafood grown in contaminated soil and water. This highlights the need to develop new material solutions to address the problems caused by microplastics that stay in the environment for a long period of time.

OUR APPROACH

As part of our efforts to address the issue of microplastic debris in the environment, we developed polyhydroxyalkanoate (PHA), a biobased and biodegradable polymer that prevents packaging from contaminating the environment. PHA is an innovative material that is compostable at industry and home environment and is biodegradable in soil and water. We aim to present sustainable material solutions through PHACT, a brand dedicated to biodegradable materials based on our PHA technology portfolio. Launched in 2022, PHACT is produced through microbial fermentation of bio-based feedstock. In particular, CJ CheilJedang is the only company in the world that can mass produce amorphous PHA which is soft just like rubber. By utilizing PHA to develop products for packaging, food service, and household products, we aim to reduce the usage of fossil fuel-based plastics and address the issue of plastic pollution, thereby contributing to the achievement of the SDGs.

PHACT PROCESS



WHAT'S NEXT

CJ CheilJedang participates in the White Bio Circular Economy Technology Research Association to develop circular economy technologies related to biodegradable plastics. In collaboration with 20 organizations, including Incheon National University, we are developing ways to recycle biodegradable plastic wastes and technologies to improve biogas productivity from the mixed decomposition of biodegradable materials with organic waste resources (food wastes, etc.). We are playing our role in the research association to advance sustainable technologies such as biobased and biodegradable polymer. In addition, we plan to create policy frameworks at home and abroad to publicize the properties of PHA as a sustainable and innovative material that is biodegradable in all natural environments with the presence of microorganisms, whether it is soil or water, by establishing communication networks with global governments, associations, and organizations. We will continue to invest in R&D to develop various applications of PHA. Our ultimate goal is to replace plastics that persist in the environment for long periods of time with PHA.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

- Response to Climate Change
- Sustainable Packaging

► Eco-friendly Material Solutions

- Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



KEY FACTS & FIGURES

PHACT IS USED IN PLASTIC CONTAINERS FOR COSMETICS

Cosmetic containers are primarily made of plastic or glass. They are rarely cleaned and disposed of separately, making them difficult to recycle. CJ CheilJedang developed cosmetic containers made of PHA, a biobased and biodegradable polymer. PLA is the most used biodegradable material but is vulnerable to impact and difficult to mold into various shapes. Therefore, we developed a material suitable for cosmetic containers by mixing PHA and PLA and applied it to actual products after evaluating the suitability of the container.

WAKEMAKE WATER VELVET VEGAN CUSHION

WAKEMAKE Water Velvet Vegan Cushion, released in December 2022, was the first cosmetic product in Korea to use PHA in its packaging. The entire container, except for the inner part that directly holds the product and the mirror, is made of biodegradable material.



BANILA CO CLEAN IT ZERO CLEANSING BALM

Launched in January 2023, the Banila Co Cleansing Balm features a container and an enclosed spatula made of PHA-based materials. The product package, too, is made of FSC (Forest Stewardship Council) certified paper.



CJ HDC BIOSOL BUILT A BIODEGRADABLE MATERIAL COMPOUNDING PLANT

CJ HDC Biosol, a joint venture formed by combining CJ CheilJedang's microbial fermentation and purification technology with HDC Hyundai EP's polymer compounding technology, held a ceremony to celebrate the completion of the construction of bioplastic compounding plant at the Gwanghyeowon Industrial Complex in Jincheon, Chungcheongbuk-do. The plant started full-scale production with the aim of accelerating its eco-friendly biobased materials compounding business. The Jincheon plant was built at a cost of KRW 24 billion, has a floor area of 12,060 m², and can

produce 11,000 tons of biobased material compounds annually, including PLA, PBAT, cellulose, and aPHA, which we are the only company in the world to produce on a commercial scale. Going forward, CJ HDC Biosol plans to capture and expand the eco-friendly material compounding market based on the Jincheon plant.



INTERVIEW WITH AN INTERNAL STAKEHOLDER

COMMERCIAL, WB, BIO
SENECHAL, MAX

Q WHO ARE THE STAKEHOLDERS CLOSELY ASSOCIATED WITH THE ECO-FRIENDLY MATERIAL SOLUTION PROJECT? HOW DO YOU COOPERATE WITH THEM?

Plastic pollution is a global crisis, and we believe that the use of single-use packaging is a major cause of the problem. We must find a solution before it is too late. As a provider of technologies and solutions, CJ CheilJedang is in an ideal position to lead the way by rapidly adopting sustainable packaging across its food business. We are working closely with internal and external stakeholders to accelerate this process, starting with the application of a bundle packaging to the Happy Bean Tofu in 2021. Our most important external stakeholders are major brand owners. They are committed to improve their ESG levels, and our PHA-based products can play a key role in improving the ESG level of their packaging systems. We are also working closely with the supply chain (material manufacturers, compound manufacturers, and converters) to commercialize PHA for use in packaging. As internal stakeholders, we are cooperating with Schwan's Company and CJ Freshway to develop sustainable packaging solutions. Our most important goal in 2022 was to develop sustainable packaging solutions with our strategic partners (such as NatureWorks). As a result, we have successfully developed flexible and robust packaging options, which are being tested and commercially applied in selected brands in the first half of 2023.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

► Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

SUSTAINABLE RAW MATERIALS SOURCING

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

PERCENTAGE OF RSPO¹⁾-CERTIFIED PALM OIL IN DOMESTIC OPERATIONS

100% ACHIEVED

PERCENTAGE OF NON-AMAZON SOY PURCHASED BY CJ SELECTA²⁾

90%

1) Roundtable on Sustainable Palm Oil.

2) % purchased compared to the 400,000-ton purchase goal by 2025.

Sustainable Raw Material Sourcing Policy

Sustainable Palm Oil Policy

WHY IT MATTERS

CJ CheilJedang sources raw materials from around the world for the production and distribution of products. These raw materials are primarily obtained from forests and agricultural resources, and forests, in particular, play an overarching role in mitigating climate change, preventing soil erosion, providing habitat for wildlife, and sustaining people's livelihoods. Indiscriminate deforestation can have devastating effects on agriculture, animals, and people, accelerating the loss of natural capital and climate change. We recognize that managing the transparency of raw materials and preventing deforestation will reduce risk for supply chain and production, and is essential for sustainable growth. Therefore, it is imperative to understand the positive and negative impacts of raw materials sourcing on forests and agriculture and strategically pursue the management of raw materials that may affect sustainable food production systems.

OUR APPROACH

In 2019, CJ CheilJedang established the Sustainable Raw Material Sourcing Policy to mitigate environmental impacts and contribute to more traceable and transparent sustainable sourcing. We selected core ingredients based on their potential for positive and negative impacts on forests and agriculture, and defined approaches to address them. Recognizing the importance of forest conservation, we also established the Sustainable Palm Oil Policy in 2021. Currently, all palm oil used in our domestic operations is 100% RSPO certified. In addition, CJ Selecta, CJ CheilJedang's soy protein concentrate production business in Brazil, achieved its goal of purchasing 100% non-Amazonian soybeans in 2023, two years ahead of the original plan of 2025. We also supported farmers to obtain RTRS¹⁾ certification, resulting in a 30% increase in RTRS-certified soybeans in 2023 compared to the previous year. CJ Selecta's commitment to the environment has been supported by global customers, including Unilever and Nestle, who have recognized the sustainability of CJ Selecta's zero deforestation soybean oil and pledged to support its eco-friendly activities.

1) Round Table On Responsible Soy



ROADMAP

~2019	~2021	2022	2023	2024~
<ul style="list-style-type: none"> Establish the Sustainable Raw Material Sourcing Policy. 	<ul style="list-style-type: none"> Establish the Sustainable Palm Oil Policy. Zero deforestation declaration by CJ Selecta. 	<ul style="list-style-type: none"> Develop sustainability strategies for core raw materials. Discover sustainable raw materials. 	<ul style="list-style-type: none"> Pursue to ensure the traceability of key raw materials. <ul style="list-style-type: none"> Identify major suppliers of raw materials. Gradually increase the use of sustainable raw materials. 	<ul style="list-style-type: none"> Enhance the traceability of raw materials. Increase the purchase of sustainable raw materials. <ul style="list-style-type: none"> Obtain certifications and discover more low-carbon raw materials.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

► Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

KEY FACTS & FIGURES

ENSURE THE TRACEABILITY AND TRANSPARENCY OF RAW MATERIALS TO PREVENT DEFORESTATION

INTRODUCING A DEFORESTATION-FREE SATELLITE MONITORING SYSTEM

CJ Selecta prioritizes the purchase of deforestation-free¹⁾ Brazilian soybeans to prevent ecosystem destruction caused by deforestation and slash-and-burn agriculture. To ensure that soy farms do not cause deforestation, we introduced a satellite deforestation monitoring system in key regions of Brazil in 2022. In March 2023, the system was integrated with our SAP system to enhance traceability and enable real-time monitoring.

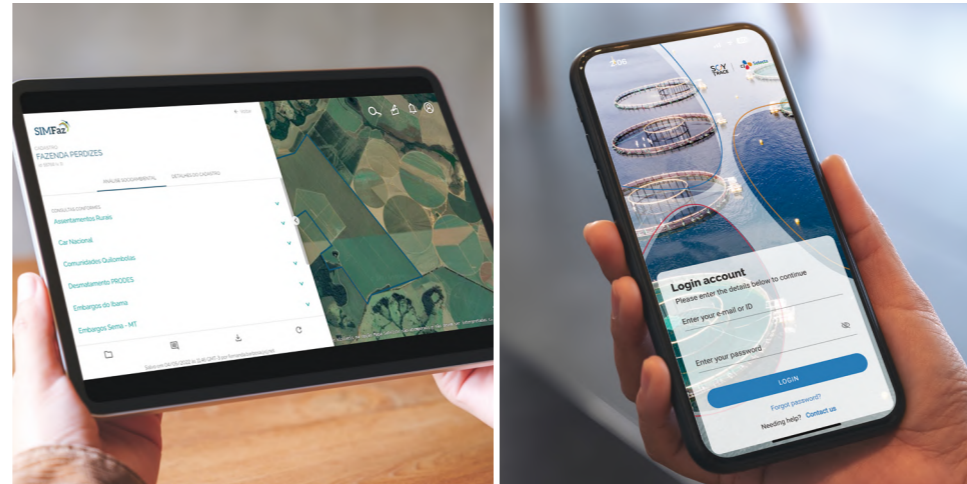
1) Deforestation-free: No soybeans purchased from farms that cause deforestation.

DEVELOPING THE SOY TRACE APPLICATION FOR SOURCING TRANSPARENCY

CJ Selecta has developed the Soy Trace application, which provides comprehensive information on soybeans, including information on non-GMO (genetically modified organism) soybeans. The application is designed to improve transparency in soy sourcing, and the data ranges from where soybeans are grown, how they are processed, and how much carbon they emit, to documentation on genetic modification analysis and quality compliance certificates. With this application, CJ Selecta aims to meet the consumer needs for transparency in sourcing and respond to EU's enactment of EU Regulation on Deforestation-Free Products, which requires agricultural products to be deforestation-free. We also plan to further expand the scope of information disclosure.

TREE PLANTING CAMPAIGN TO PREVENT DEFORESTATION IN INDONESIA

CJ CheilJedang launched a tree planting campaign in Indonesia to promote the value of eco-friendly low carbon emissions throughout the global community and prevent deforestation and its negative impact on the environment. In July 2022, students from the Elementary School State of Made Surabaya joined us to plant trees in Kudu District, Jombang, where our Indonesian sites are located. A total of 5,000 trees were planted during this campaign, and environmental education was provided to the students to raise awareness about climate change.



- 1
 - 2
 - 3
- ① Satellite deforestation monitoring system
 ② CJ Selecta Soy Trace application
 ③ Tree planting campaign in Indonesia

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

► [Sustainable Raw Materials Sourcing](#)

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

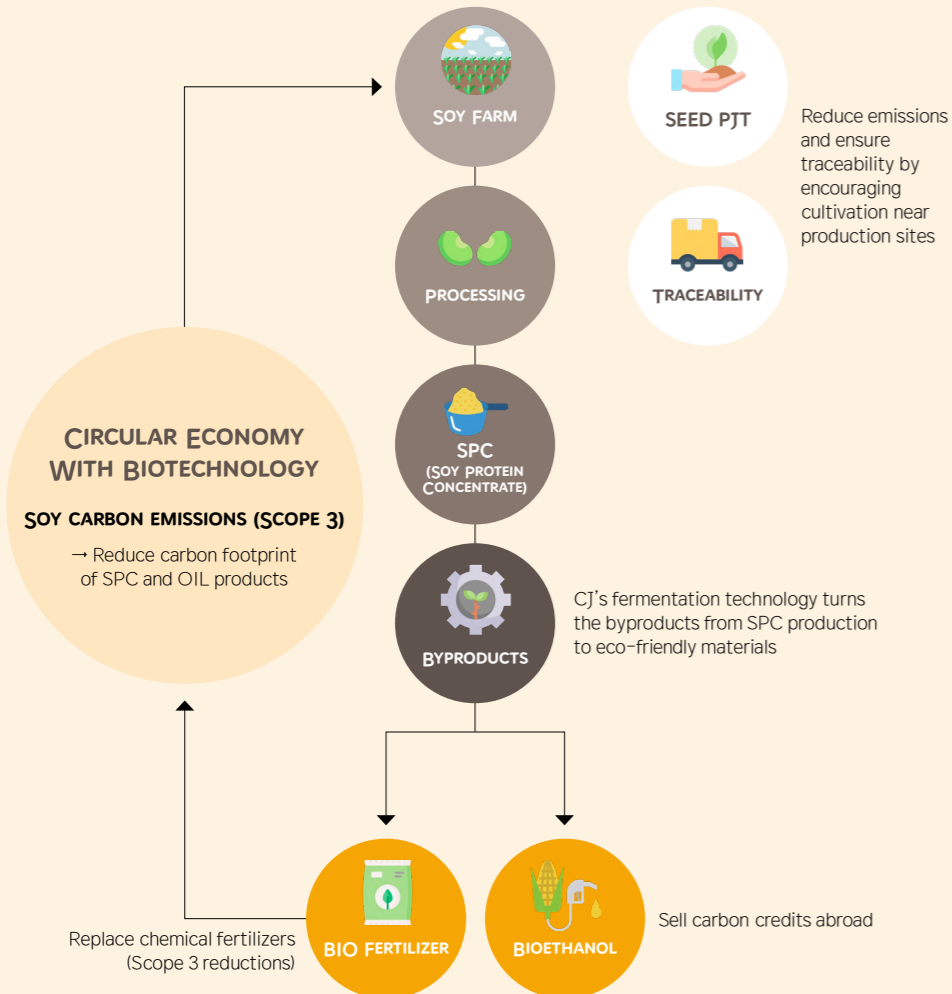
FUNDAMENTALS

ESG FACT SHEET

APPENDIX

CJ SELECTA'S CIRCULAR ECONOMY SYSTEM

Through the Seed Project, CJ Selecta is building a virtuous cycle system to recycle soybeans after processing. We use our fermentation technologies to reprocess byproducts from soy protein concentrate production into eco-friendly materials, such as specialty fertilizers and bioethanol. The eco-friendly specialty fertilizers and bioethanol serve as alternatives to conventional chemical fertilizers and gasoline for automobiles, respectively. In addition, we continuously reduce carbon emissions throughout the soy protein concentrate production process by practicing near-sourcing of soybeans.



THE SEED PROJECT FOR SUSTAINABLE SOYBEANS

CJ Selecta is working on the Seed Project to replace Amazon soybeans. Through this project, we provide seeds and financial support to local farmers in Brazil and purchase all the soybeans they harvest. In August 2022, we provided supplies (seeds and fertilizers) and funds totaling \$6 million to local farmer associations and large farms. We also provided \$14 million in seed development and quality improvement funding to developers and distributors of non-GMO seeds, pesticides, and fertilizers. In 2023, we plan to purchase approximately 250,000 tons of soybeans from these farmers.

PERCENTAGE OF NON-AMAZON SOY PURCHASED BY CJ SELECTA¹⁾

Unit: %



1) Reached the goal in April 2023, two years ahead of the original plan of 2025.

2022 SEED PROJECT SUPPORT

\$20 MILLION

INTERVIEW WITH AN EXTERNAL STAKEHOLDER

FARMER PARTICIPATING IN THE SEED PROJECT

BRAZIL LUÍZ FAVA JÚNIOR

Q WHAT HAVE YOU GAINED FROM WORKING WITH CJ SELECTA? WHAT MORE CAN WE DO TO INCREASE OUR POSITIVE ENVIRONMENTAL AND SOCIAL IMPACT?

For the past two decades, I've partnered with CJ Selecta to sell soybeans and soybean seeds. We work to reduce greenhouse gas emissions, prevent soil erosion, manage fertilizers, prevent fires, promote reforestation and properly dispose of packaging materials. This collaboration has not only helped to reduce environmental impact, but also to provide healthy food. I've also seen improvements in profitability with reduced production costs. In the future, I hope to continue to collaborate and expand the positive impact by facilitating technological innovation (seed improvement, agricultural technologies to increase yields, etc.) to consistently produce more from the same amount of land and ensure proper management of resources.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

- Response to Climate Change
- Sustainable Packaging
- Eco-friendly Material Solutions

► Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

PROTECTING BIODIVERSITY AS A NEW CORPORATE RESPONSIBILITY

Biodiversity Policy



Protecting biodiversity provides a "safety net" for the survival and prosperity of all living things on Earth. By maintaining a balanced natural ecosystem, it creates positive effects such as environmental purification, soil conservation, climate control and disease control. CJ CheilJedang is committed to valuing biodiversity and its sustainable use for the survival and well-being of humankind. To this end, we strive to identify and minimize potential impacts on the environment that may arise from our business activities. They include reducing natural habitat loss, preserving genetic diversity, seeking sustainable agriculture, managing aquaculture and forestry areas, and sustainably managing fisheries resources. As part of this, we established the Biodiversity Policy in June 2021. Meanwhile, we are also monitoring major global trends related to biodiversity. We plan to develop concrete strategies and activities based on the Kunming-Montreal Global Biodiversity Framework adopted at COP¹⁾ 15 and the final draft of the Taskforce on Nature-Related Financial Disclosure (TNFD²⁾) framework to be released in September 2023.

1) Conference of the Parties

2) Taskforce on Nature-Related Financial Disclosure

KEY PRINCIPLES OF THE BIODIVERSITY POLICY

- We comprehensively forecast, analyze, and evaluate the environmental impacts of our business, policies, and projects, review biodiversity, continuously monitoring their impacts.
- We established the Sustainable Raw Material Sourcing Policy to reduce environmental impacts through sustainable management of forests, agriculture, and fisheries while ensuring transparency and traceability in sourcing.
- We conduct research and development activities to increase the diversity of genetic resources, protect indigenous resources, and strive to increase the economic benefits of genetic resources and ensure their fair and equitable distribution, guided by the 2010 UN Convention on Biological Diversity.
- To protect biodiversity and sustainably use resources, we will support biodiversity conservation initiatives in the regions and countries and in parts of the world where we operate. We will also provide information and education to our employees and stakeholders to increase their understanding of relevant issues.
- For biodiversity, we will prevent any loss of biodiversity resulting from our sites (NNL: no net loss) and generate a net positive impact (NPI: net positive impact) at all sites located in or near important habitats.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

► [Sustainable Raw Materials Sourcing](#)

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



WELLNESS AND SAFETY

To promote the wellness of individuals and society, we aim to improve the nutritional value of our products and provide healthier and safer food through an industry-leading integrated quality and safety system.

- ENHANCEMENT OF HEALTH AND NUTRITION
- FOOD AND PRODUCT SAFETY
- STRENGTHENING PRODUCT & SERVICE RESPONSIBILITY



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

► WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



ENHANCEMENT OF HEALTH AND NUTRITION

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

CUMULATIVE SODIUM REDUCTIONS¹⁾

46 TONS

CUMULATIVE SATURATED FAT REDUCTIONS¹⁾

399 TONS

MAXBON

Obtained the quality certification in Children's Preferable Food.

¹⁾ Cumulative domestic reductions in 2021 and 2022

WHY IT MATTERS

Facing hectic lifestyles and the context of COVID-19, many consumers choose processed foods as a good alternative. In addition, there is a growing need for healthy processed foods in line with the health and wellness trend. In particular, the World Health Organization (WHO) published the Global Report on Salt Reduction in 2023, which states that a 30% reduction in sodium intake by 2025 could save approximately 7 million lives worldwide. In this context, processed foods with enhanced nutritional value can increase access to nutritious foods for people around the world and contribute to improving consumer health and nutrition. It is therefore more important than ever for food companies to realize their social responsibility on consumers' health and nutrition.

OUR APPROACH

CJ CheilJedang aims to promote sustainability by improving the nutritional value of its products. We aim to improve nutrition by reducing negative nutrients such as sodium, saturated fat, and sugars to address the global obesity issue, and by developing products with increased positive nutrients. To this end, we have established and are implementing the mid- to long-term nutrition strategy and are pursuing gradual improvements in the nutritional quality of our products under our mid- to long-term goals of 'Nutrition Commitment 2025.' In particular, we plan to extend our nutrition policy from Korea to all regions of the world, further expanding our activities to provide better health and nutrition to our global consumers. In addition, we are conducting research on consumer dietary behaviors related to health and nutrition, such as target-specific nutrient intake and dietary pattern analysis, so that we can better design nutrition for our products. In this way, we will continue to proactively identify community and country-specific nutrition issues and establish nutrition strategy by each region/country.



MISSION & STRATEGY

IMPROVE BRAND/CORPORATE EQUITY BASED ON HIGHER CONSUMER TRUST AND MORE SUSTAINABLE BUSINESS

	IMPROVE PRODUCT	IMPROVE CORPORATE EQUITY	IMPROVE SOCIETAL IMPACT
KEY STRATEGIES	<ul style="list-style-type: none"> Expand Health & Wellness Portfolio Gradually reduce the use and prevalence of negative nutrients Incorporate more positive nutrients/raw ingredients by design 	<ul style="list-style-type: none"> Provide transparent nutritional information proactively Engage in responsible marketing Communicate externally and broadly our responsible nutrition strategies to support ESG 	<ul style="list-style-type: none"> Contribute to solving global consumers' nutrition issues Strengthen communication to enhance health and nutrition Implement proactive research that enhances consumers' health

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

► Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

KEY FACTS & FIGURES

CJ CJ NUTRITION POLICY: SET UP GLOBAL EXPANSION PLAN

As the prevalence of chronic diseases continues to rise, countries around the world are tightening policies and legislation on diet and food intake to prevent them. In particular, an increasing number of countries are requiring the nutritional quality of products to be displayed on the front of the package or enforcing sales regulations based on the nutritional quality of products to help consumers choose healthier products. In line with these global trends in nutrition policy, CJ CheilJedang has proactively identified the nutritional quality of its products and the risks, and opportunities associated with them. We also plan to establish and implement nutrition strategies for each region and country outside Korea to provide products with improved nutritional value to consumers around the world. As a global food company, CJ CheilJedang will continue to contribute to the health and nutrition of consumers and strengthen transparency regarding the nutritional value of its products.



OPERATING THE NUTRITION COMMITTEE

CJ CheilJedang strives to continuously implement the CJ CJ Nutrition Policy and strengthen its execution. We hold quarterly meetings of the Nutrition Committee, which is attended by the CEO and involves all players in the value chain, including marketing, R&D, and communication departments. We review the nutritional quality of our products, discuss ways to improve their nutritional value, and make decisions accordingly. Not only our Korean sites but also our global sites joined the effort to specify the direction for the expansion of our nutrition policy. CJ CheilJedang will continue to strengthen its activities to promote consumer's health and nutrition.

IMPLEMENTING ROADMAP TO ENHANCE PRODUCT'S NUTRITIONAL VALUE

In line with its mid- to long-term nutrition policy, CJ CheilJedang is pursuing activities to enhance consumer's health and nutrition. First, we have identified categories and products with high levels of sodium, saturated fat, and sugars, which can be potentially harmful to health. To address this, we have established the mid-term nutrition quality improvement roadmap, and implemented gradual improvements. In particular, we have reduced the total accumulated amount of sodium and saturated fat by 46 tons and 399 tons respectively between 2021 and 2022. In addition, we have incorporated the nutritional quality assessment stage within the development process for strategic brands with strong consumer awareness to improve the nutritional value of new products. Moving forward, CJ CheilJedang will strive to provide consumers with healthy food in a socially responsible manner.

ENHANCING TRANSPARENCY IN GLOBAL NUTRITION LABELLING

As a global food company, CJ CheilJedang strives to provide healthy values to consumers worldwide and communicate relevant information transparently. First, we are proactively reviewing and addressing risk factors associated with our products related to country-specific nutrition regulations, such as High in Fat, Salt or Sugar (HFSS)¹⁾ in the UK and Nutri-Grade System²⁾ in Singapore. We also aim to adopt voluntary nutritional labeling systems, such as the Health Star Rating and the Nutri-score to provide clear information on the nutritional quality of our products and to establish a system that facilitates transparent disclosure of such information.

1) A policy to limit advertising and promotion of foods high in saturated fat, sodium, or total sugars.

2) A policy to assign nutritional levels to beverages based on their saturated fat and sugar content.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

► Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



DEVELOPING PRODUCTS FOR HEALTH AND NUTRITION

CJ CheilJedang is committed to developing products that provide nutritional value in line with consumer's healthy trends and needs. In particular, our Nutrition Commitment 2025 guides us in selecting categories and products that contribute to sodium, saturated fat, and sugar intake, and to gradually reduce sodium, saturated fat, and sugar while expanding health-oriented product portfolio. We have also expanded our portfolio to include new products with plant-based ingredients. By continuously expanding our range of health-oriented products, CJ CheilJedang aims to provide consumers with more choices and contribute to their healthy lifestyles.

LAUNCHING HEALTH-ORIENTED PRODUCTS

THE BIBIGO MANDU LITE WITH 25% FEWER CALORIES

In response to consumer's demands for nutritious ingredients, we launched the new bibigo Mandu Light in three flavors which have 25% fewer calories. We used lean pork or chicken breast as fillings, replaced glass noodles with konjac noodles, and added konjac powder to the wrapper to reduce calories. Moving forward, we plan to expand our health-oriented frozen mandu products including plant-based mandu to cater to evolving consumer trends.



THE HETBAHN MULTIGRAIN KONJAC WITH DIETARY FIBER

For consumers looking for a healthy diet, we launched Hetbahn Brown Rice, Oat and Konjac and Hetbahn Oat, Purple Rice and Konjac, which offer ideal blends of mixed grains such as brown rice, oat and purple rice, etc. Each bowl of multigrain konjac rice contains more than five grams of fiber, which can help improve safety. To ensure even and thorough cooking of the konjac rice, we used a different cooking method from existing Hetbahn products which better preserves the moisture and texture while maximizing flavors.



DEVELOPING HEALTHY PRODUCTS FOR SPECIFIC TARGET CONSUMERS

EXPANDING THE PLANT-BASED FOOD BRAND "PLANTABLE"

CJ CheilJedang's plant-based product brand, "PlanTable" launched the PlanTable Mandu and the PlanTable Kimchi in 2021, followed by Tteokgalbi (Korean-style beef patties), a hamburger steak, two types of rice balls, and a grain bowl in 2022. To achieve healthy flavors using 100% plant-based ingredients, we developed Textured Vegetable Protein (TVP), which has a meat-like texture, and utilized our proprietary plant-based "TasteNrich" seasoning. The brand will help bring healthier and more delicious options to consumers' tables.



MAXBON OBTAINED THE CHILDREN'S FAVORITE FOODS SAFETY CERTIFICATION

By adding more calcium and iron compared to original products, CJ CheilJedang's Maxbon received the quality certification in Children's Preferable Food from the Korea Ministry of Food and Drug Safety. This certification is bestowed upon foods commonly preferred and consumed by children, such as cookies, chocolates, and carbonated beverages, and products with this certification are subject to stringent monitoring by the government. Maxbon is certified to contain over 15% of the recommended daily amount of calcium and iron. The details of the quality certification are available on the product and safety information page of the 'Consumer 24' portal.



THE "LOW PROTEIN RICE" FOR PEOPLE WITH HEREDITARY METABOLIC DISORDERS AND THE "RICE THAT MAY HELP CONTROL BLOOD SUGAR AFTER MEALS" FOR BLOOD SUGAR CONTROL

Since 2009, CJ CheilJedang has been developing and selling low-protein rice products that contain only 10% of the protein of regular Hetbahn for people with hereditary metabolic disorders such as phenylketonuria (PKU). The idea for these products was originated from a CJ CheilJedang employee who had a child with PKU, and since then the company has developed original technologies and built production facilities. The production of low-protein rice requires a special process that is inefficient and far from profitable. Nevertheless, CJ CheilJedang has kept the production line running for 12 years. In addition, we developed "Rice That May Help Control Blood Sugar After Meals" to help consumers who need to control their blood sugar levels enjoy delicious meals in their daily lives instead of relying on inconvenient diets. The product was certified as a healthy functional food by the Ministry of Food and Drug Safety in 2013 and has been on the market since then.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

► Enhancement of Health and Nutrition

- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

FOOD AND PRODUCT SAFETY

UN SDGS CONTRIBUTIONS



WHY IT MATTERS

As a food company, managing food safety is critical to protecting the health of individuals and society. According to the World Health Organization (WHO), approximately 600 million people worldwide become ill and 420,000 people die each year from consuming contaminated food.¹⁾ Food safety issues threaten public health and well-being, and damage global economic activity. For businesses, they can also negatively impact brand reputation and profits if product recalls and consumer boycotts occur. We thoroughly manage food safety to provide healthy and safe products and strive to ensure a safe food supply by establishing systems and processes to review, assess, improve, and control risk factors.

¹⁾ Source: GRI 13 Agriculture Aquaculture and Fishing Sectors 2022

OUR APPROACH

CJ CheilJedang established the CJ Quality Philosophy and operates a global quality and safety system to prevent quality issues throughout the value chain. In order to provide customers with safer food products, we seek Global Food Safety Initiative(GFSI) certification for food and ingredient production sites. We also support employees to strengthen their quality competencies and internalize quality and safety through the Quality and Safety Academy. In addition, we have the CJ Early Warning System (CJ EWS), which monitors trends in domestic and foreign food laws and regulations, as well as quality and safety issues, to identify risk factors in advance and respond proactively with relevant teams.



VISION AND STRATEGY

QUALITY PHILOSOPHY

WE VALUE THE SAFETY OF OUR CUSTOMERS, CONSUMERS, AND EMPLOYEES BY PLACING THE 'ONLY ONE SAFETY FIRST CULTURE' AS THE TOP PRIORITY OF OUR BUSINESS.

FIVE PRINCIPLES

CUSTOMER/CONSUMER SATISFACTION	COMPLIANCE FIRST	EVOLUTION AND INNOVATION	PREVENTIVE MANAGEMENT	CREATING SHARED VALUE
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2022 KEY FACTS & FIGURES

PERCENTAGE OF GFSI CERTIFIED SITES

90%

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition

► Food and Product Safety

- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

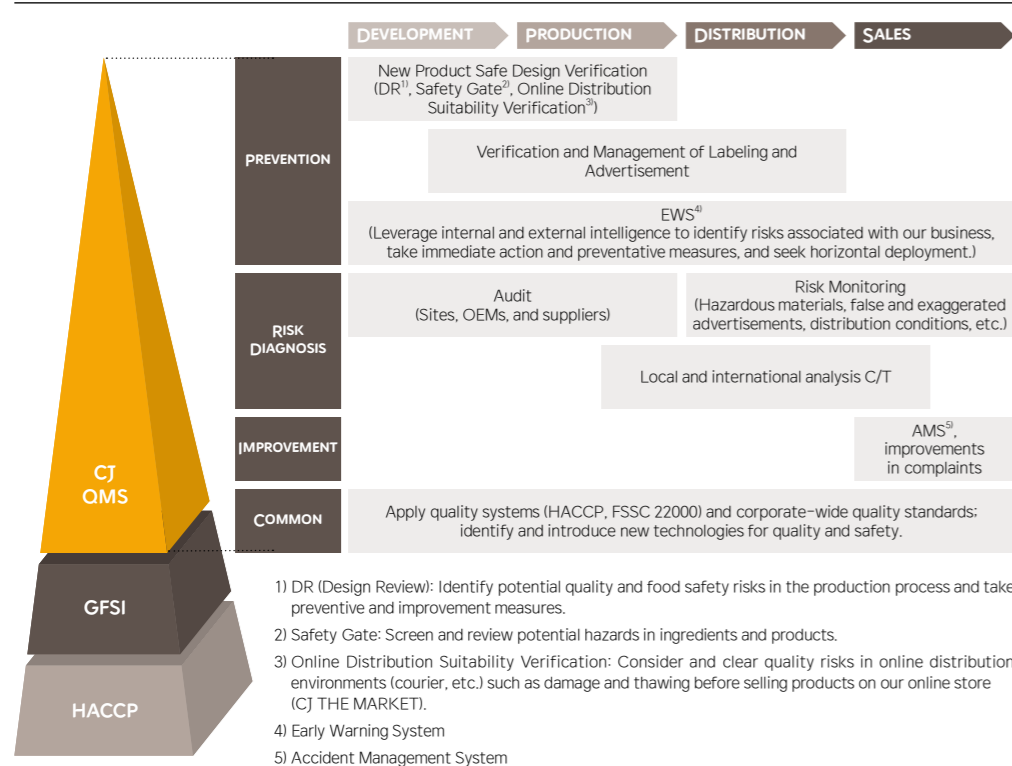
QUALITY AND SAFETY MANAGEMENT SYSTEM

CJ CheilJedang is committed to providing safe food and products based on its quality philosophy and five quality principles. We prioritize the safety of our customers and provide safe food through the CJ Quality Management System (CJ QMS). To this end, the Food Business has dedicated quality and food safety organizations in the four global regions, countries, and sites. The Manufacturing HQ assumes overall responsibility for global quality and food safety and reports to the CTO. We prevent and manage safety and quality issues throughout the value chain, from R&D to production to sales.

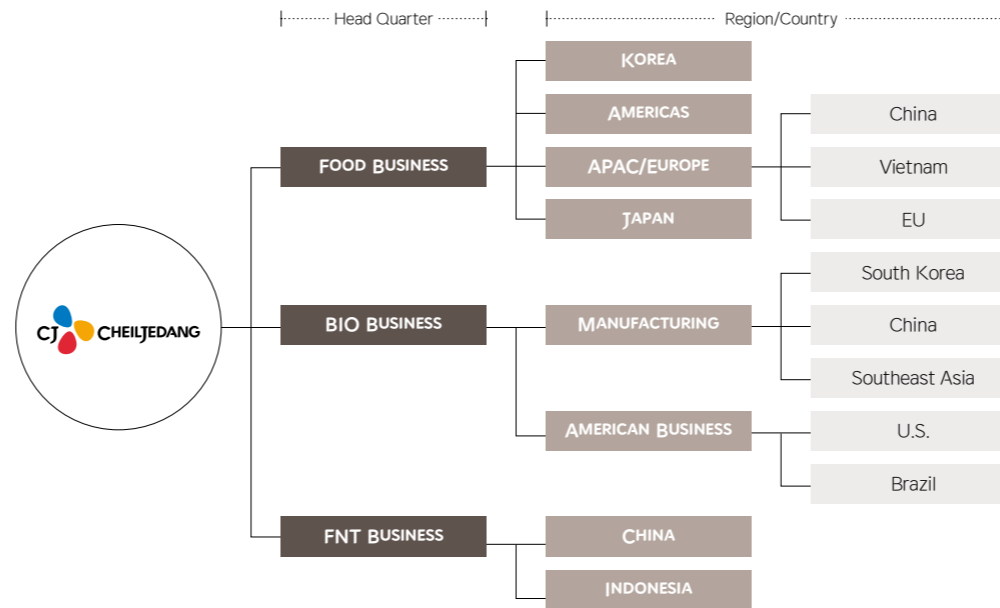
ADVANCEMENT OF THE CJ GLOBAL QMS

CJ CheilJedang actively prevents quality issues across the value chain, ranging from R&D to production and sales, to ensure safety. In particular, we have established its own global quality and safety process, which adopts stricter standards than those required by the Hazard Analysis and Critical Control Points(HACCP) or GFSI systems, and is disseminating the system throughout its global sites, including Korea. Since 2022, amid the expansion of our global presence we've focused on process advancement and localization to provide the safest food in the world.

CJ GLOBAL QMS FRAMEWORK



CJ GLOBAL QMS APPLICATION STRUCTURE



GLOBAL FOOD SAFETY INITIATIVE (GFSI) CERTIFICATION

CJ CheilJedang continuously pursues GFSI certification for its global sites in order to provide safer food. As of 2022, CJ CheilJedang Food Business has certification for 46 sites around the world, including sites in Korea (including subsidiaries), the United States, and China. In addition, a few sites have adapted to region-specific GFSI standards in consideration of global diversity. In the BIO and FNT Businesses, all food ingredient manufacturing sites are GFSI certified. We have expanded the scope of disclosure compared to 2022 to disclose the status of GFSI certification in the global sites of the Food, BIO, and FNT Businesses, and we plan to have our new sites to obtain GFSI certification.

GFSI CERTIFICATION STATUS

90%¹⁾

1) 52 out of 58 food manufacturing sites in the Food, BIO, and FNT Businesses are certified.

REGION-SPECIFIC GFSI STANDARDS

- U.S.** • SQF(Safe Quality Food)
- EUROPE** • BRCGS Global Food Safety Standard
- IFS(International Featured Standards)
- ASIA** • FSSC22000(Food Safety System Certification 22000)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition

► Food and Product Safety

- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

QUALITY AND SAFETY RISK MANAGEMENT

QUALITY AND SAFETY ACADEMY

To nurture quality and safety experts and provide high-quality products and services, CJ CheilJedang provides regular quality and safety training for its employees. The Quality and Safety Academy has eight competency areas and its own competency grading system. The academy provides well-organized training curricula for each competency area and coaching by leading experts with Excellence qualification.

QUALITY AND SAFETY COMPETENCIES



QUALITY SAFETY PROFESSIONAL COMPETENCY RATING SYSTEM

EXCELLENCE	Provide internal and external coaching and build the capacity of employees in their respective areas.
ADVANCED	Exercise leadership in business operations.
BASIC	Conduct basic business operations.

RISK PREVENTION AND MANAGEMENT SYSTEM: CJ EARLY WARNING SYSTEM (EWS)

CJ CheilJedang operates a continuous preventive control system that enactment and revisions of food-related laws and regulations, quality and safety issues, and hazardous substance information both at home and abroad to identify and respond to potential risks in a timely manner. In particular, we issue EWS Alarm Documents to encourage relevant teams to take joint action to prevent risks and work to prevent the occurrences of risks through follow-up standardization and execution checks.

CJ EWS INFORMATION RESPONSE PROCESS



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 analyze all GMO events for the approved GMO products and continue 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 examine documents such as IP (Identity Preservation) certificates, Government certificates, Manufacturer's declarations, and test reports for beans, corns, and other imported products based on the Ministry of Food and Drug Safety's GMO safety inspection standards. Also, we established a designated analysis method for untraceable and unapproved soybeans, corns, and wheat to control potential food safety risks.

- 2022** In line with 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.
- 2023** In response to the enforcement of the new food labeling system for GMOs in Japan, we continue to monitor relevant information and maintain a response system to assess the impact on our business and launch products that meet the requirements.

CJ EWS CASE

NOTICING A THIRD PARTY'S POOR FROZEN PIZZA HYGIENE ISSUE AND TAKING PREVENTIVE MEASURES

In March 2022, France experienced an outbreak of hemolytic uremic syndrome (HUS), a disease that causes acute kidney failure in infants and the elderly. The victims were found to have consumed contaminated frozen pizza produced in a factory with substandard hygiene. The product was recalled, and the factory shut down. Recognizing the incident as a potential risk, CJ CheilJedang conducted preventive inspections of its pizza manufacturing sites - Schwan's in the U.S., Jincheon BC, and OEMs. No specific problems were found at any of the production sites, but CJ CheilJedang conducted additional hygiene inspections of production facilities, pest control monitoring, and intrusion prevention management.

VETERINARY DRUG RESIDUE MONITORING IN COMMONLY CONSUMED LIVESTOCK AND SEAFOOD PRODUCTS FOR RISK PREVENTION

CJ CheilJedang noticed a trend in the strengthening of safety management regulations for agricultural and livestock products in Korea, which resulted in many cases where processed egg products were found to be incompatible with veterinary drugs. Recognizing the potential impact of this risk on our raw materials, we implemented analytical monitoring to prevent non-compliant raw materials from entering our supply chain. We also strengthened the screening and inspection process for relevant raw materials as a fundamental preventive measure. To prevent occurrences, we are continuing to expand the scope of hazardous substance verification and strengthen preliminary inspections for raw materials.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition

► Food and Product Safety

- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

STRENGTHENING PRODUCT & SERVICE RESPONSIBILITY

ENVIRONMENTAL LABELLING AND ADVERTISING GUIDELINES

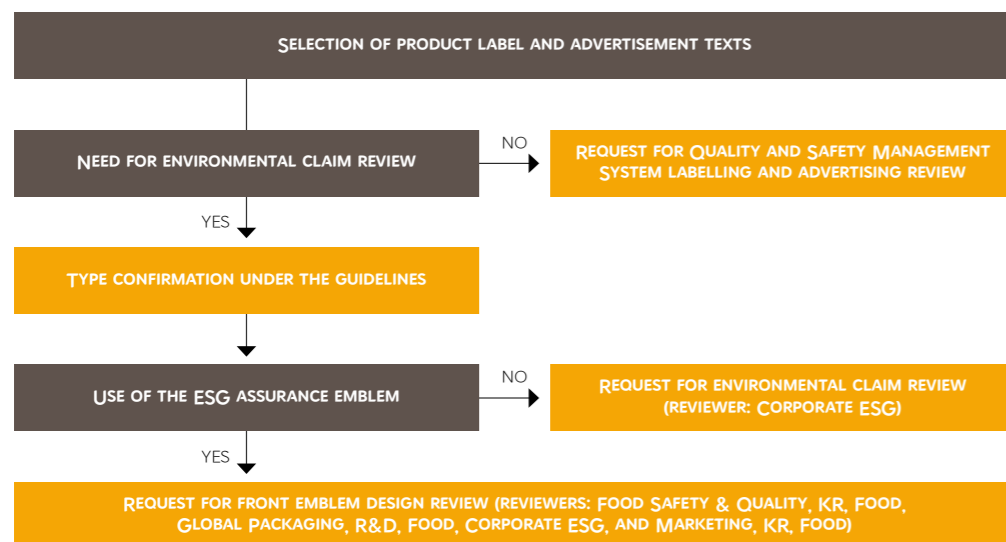
CJ CheilJedang has established the CJ CheilJedang Environmental Labeling and Advertising Guidelines to prevent greenwashing, mitigate legal risks, and provide consumers with clear and intuitive information about the environmental attributes of our products. The guidelines provide eight basic principles to be followed when providing consumers with information derived from the environmental attributes of products on their labels and advertisements. Environmental claims or front emblem designs are applied depending on the results of the review process. If we are unable to determine whether labeling or advertising violates the law, we request that the Korea Environmental Industry & Technology Institute conduct a preliminary review.

8 BASIC PRINCIPLES OF ENVIRONMENTAL LABELLING AND ADVERTISING



- 1) The environmental claim should not be exaggerated beyond the actual improvement achieved, and should be supported by specific and statistically significant evidence.
- 2) The claim should be directly related to the materials, properties, and uses of the product. It should not mislead consumers about unlikely improvements in environmental load.
- 3) The label or advertisement should be verifiable with accurate, reproducible, and current scientific and objective evidence.

REVIEW PROCESS IN THE FOOD BUSINESS



ESG EMBLEM DEVELOPMENT: EAT FOR EARTH

CJ CheilJedang developed the ESG emblem to communicate its ESG management activities at consumer touchpoints and to raise consumer awareness of sustainability. The ESG emblem is composed of the slogan "eat for earth" to emphasize the need for sustainability, and symbols represent plants, earth, and growth. The emblem is applied to products in 11 categories that carry the value of sustainability, including sustainable packaging, upcycling, sustainable food, and health and nutrition. We plan to apply the ESG emblem to 12 categories by July 2023 and are working with the Food Research Center to secure documentary evidence to further expand the application.

ESG EMBLEM AND SLOGAN



APPLICATION OF THE ESG EMBLEM

CATEGORY	APPLICABLE ITEMS
Sustainable Packaging	① Packaging made from reused materials
	② Packaging that is 100% recyclable
	③ Packaging made from biomaterials
	④ Packaging certified for the use of sustainably produced materials
	⑤ Packaging that uses less plastic than existing products
	⑥ Packaging that uses improved printing methods
Upcycling	⑦ New value created from the use of existing packaging or byproducts
Sustainable Food	⑧ Certified vegan ingredients
	⑨ Ingredients that are certified for the use of sustainably produced materials
Health and Nutrition	⑩ Emphasis on positive/negative nutrients
	⑪ Comparative emphasis on positive/negative nutrients (comparative advantage over our own or competitors' products)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety

► Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

PRODUCTS AND SERVICES THAT VALUE THE VOICE OF CUSTOMERS

Committed to consumer-centered management, CJ CheilJedang not only answers customers' questions and address their complaints but also identifies the root causes of dissatisfaction to improve products and services. In 2022, we identified improvement tasks based on the voice of the customer (VOC) and made improvements in cooperation with relevant teams. The results range from improvements in product design and manufacturing to labeling and providing accurate information, and we conduct thorough follow-up management to track their progress.

PACKAGING

Considering the in-store display circumstance, we improved the packaging design for bibigo Beef Jangjorim by adding a perforation to the top of the pouch so that it can be displayed using a hook.



INFORMATION DISTRIBUTION (ONLINE)

We updated the microwave cooking instructions on the Hetbahn product description page to reduce consumer confusion.



MICROWAVE COOKING

Please peel back the dotted portion of the lid and microwave for cooking.

	1 Product	2 Products
700W	2 mins	3 mins
1,000W	1 mins 30 secs	2 mins 30 secs

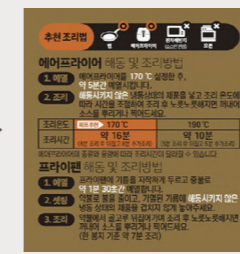
INFORMATION DISTRIBUTION (PACKAGING)

We added thawing and proofing instructions for the Gourmet Bakery Croissant to ensure it rises sufficiently and cooks well to the center for a satisfying texture.

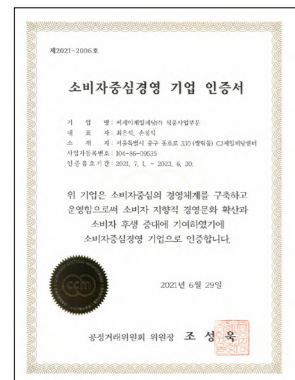


Tip. Before baking, place the unthawed product in an airtight container and let it thaw and rise for 2-3 hours for a crustier, fluffier and tastier result.

Considering the different kitchen settings of consumers, we added recommended instructions for the Gourmet Tangsuyuk in addition to the primary recipe. (Added notation of kitchen tools not to be used for cooking.)



MAINTENANCE OF CCM(CUSTOMER-CENTERED MANAGEMENT) CERTIFICATION, KOREA



CJ CheilJedang obtained the Consumer Centered Management (CCM) certification in 2015 for the first time and passed the third recertification audit in 2021, maintaining the certification endorsed by the Fair Trade Commission for eight years. The CCM certification evaluates a company's commitment to a consumer-centered approach from the consumer's perspective, along with continuous improvements in relevant business operations.

CUSTOMER SATISFACTION SURVEY, KOREA

We conduct annual customer satisfaction surveys to gather consumer feedback on our products and services and to identify areas for improvement so that we can reflect them in our service quality and product development. In 2022, we achieved a customer satisfaction score of 93.9, an improvement from 90.9 in 2021.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

► Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

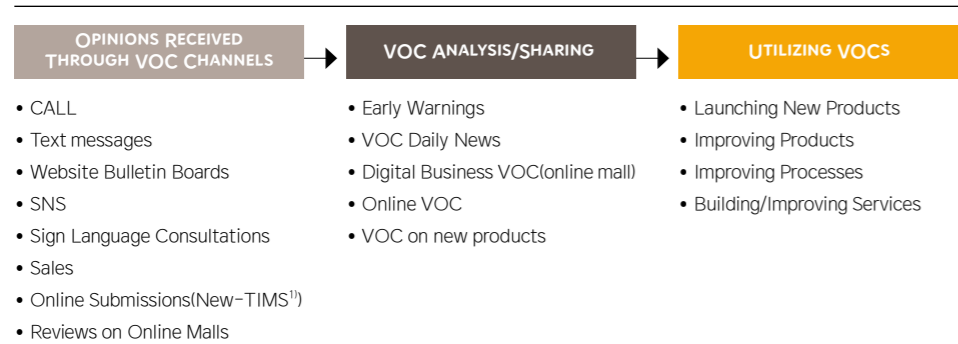
CUSTOMER-CENTERED MANAGEMENT

CJ CheilJedang ensures accountability for its services based on a consumer-centric mindset. To this end, we have established a customer-centric management system and the Customer Contact Center to collect customers' opinions on our business and products and facilitate easy communication with our customers. Our efforts to improve customer satisfaction include various channels for communicating with customers and incorporating their voices into a new product development.

VOICE OF CUSTOMERS(VOC)

CJ CheilJedang listens to its customers through various channels. In addition to answering customers' questions and addressing their complaints, we analyze and share the insights gained from VOCs with relevant teams to enhance existing products and develop new ones.

VOC MANAGEMENT PROCESS



1) Trend & Insight Monitoring System

SUPPORT FOR BUILDING A GLOBAL CUSTOMER SATISFACTION SYSTEM

We are supporting the establishment of VOC systems in our global operations to improve customer satisfaction around the world by expanding our domestic customer satisfaction system globally. The new VOC system developed in 2022 will empower us to better satisfy our customers in China, Japan, and Vietnam by advancing global customer satisfaction management.

NEW PRODUCT TRAINING FOR CUSTOMER TOUCHPOINTS

To provide consumers with accurate information about new products introduced each year, we create videos where product managers discuss the background and features of the products and share recipes and tips with viewers. We also produce One Page Lessons (OPLs) to help our service staff easily understand and communicate up-to-date product information to customers. In 2022, we produced training materials and conducted training for 88 new products.

DIVERSIFICATION OF CONSUMER COMMUNICATION CHANNELS

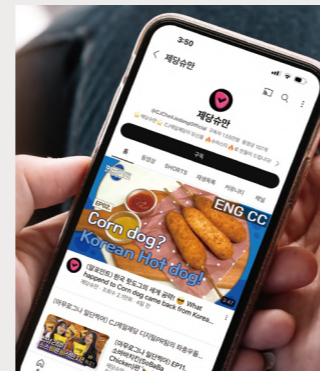
CJ CheilJedang is diversifying its communication channels for smooth communication with customers. In addition to the existing telephone and website channels, we were the first in the industry to introduce text consultation and sign language calls for the communication-vulnerable. We also use portals, YouTube and other social network channels. In 2022, we received 74,662 inquiries, 36,618 complaints, 411 suggestions, and 47 compliments, and we were able to answer and handle all inquiries and complaints.

NAVER KNOWLEDGE iN AND OPEN DICTIONARY

In response to the increasing demand for online self-service options, we started communicating with users on the NAVER Knowledge iN (Knowledge Partners) platform in 2022. As leading companies, institutions, and organizations in relevant fields, Knowledge Partners provide official answers to questions posted on Knowledge iN. CJ CheilJedang answers customers' questions about food, which is the company's specialty. In 2022, CJ CheilJedang answered 150 questions, and such efforts were recognized by receiving a plaque of appreciation in October 2022 in celebration of the 20th anniversary of NAVER Knowledge iN.



JEDANG SHUMAN "R POINT" ON YOUTUBE



Jedang Shuman YouTube Channel

In line with changes in channels for customers to seek information, we operate the YouTube channel "Jedang Shuman" (which stands for "CJ CheilJedang will make you a superstar"). The R Point is a program on Jedang Shuman where we communicate with customers by sharing fun points about our food products, answering their questions about CJ CheilJedang products, and making a point based on VOCs. In 2022, we uploaded 12 'R Point' videos on the channel, which are short mythbuster videos about our products. As of May 2023, the Jedang Shuman channel has 16,100 subscribers with accumulated views of 3,198,000.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety

► Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

PEOPLE AND COMMUNITY

To be a more sustainable company, we collaborate with all of employees, operations, external supply chains, and local community. We strive to grow together by building a creative and flexible culture of DE&I, ensuring workplace safety, eliminating human rights risks, and partnering with our global suppliers.

- HUMAN RIGHTS
- RESPECT FOR DE&I
- SAFETY AND HEALTH
- SUSTAINABLE SUPPLY CHAIN



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

▶ PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



HUMAN RIGHTS

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

SCOPE OF HUMAN RIGHTS DUE DILIGENCE

Expansion to Global Sites

WHY IT MATTERS

Human rights management helps companies avoid risks associated with human rights infringements, attract and retain top talent, enhance the reputation of the company and its brands, and secure investment opportunities. Recent studies have shown that good human rights management practices contribute to productivity and profitability by enhancing employees' engagement and motivation, ethical practices, and stakeholders' trust. As public interest in human rights management grows, relevant regulations and systems are becoming more stringent. CJ CheilJedang hires a large number of employees worldwide and cooperates with supply chain workers to manufacture various products. Recognizing the need to manage issues such as the human rights and safety of all workers involved in the production process, as well as the environment of the local community, we aim to proactively check for potential human rights infringements and manage our impact on the local community.

OUR APPROACH

True to the CJ managerial philosophy of "respect," CJ CheilJedang strives to respect and promote human rights of all employees and stakeholders, including ones involved in the supply chain. In doing so, we respect international human rights norms, taking a comprehensive and systematic approach to prevent infringements of the rights of various stakeholders and local communities in all business activities. Aiming at "Zero Human Rights Risks," we announced the Human Rights Declaration in 2017 and established the Human Rights Management System in 2021 to incorporate human rights impacts into our business activities across the value chain. To promote systematic human rights management, our highest decision-making body oversees the performance of human rights management and reviews and votes for strategies and directions. We also operate working-level organizations to regularly check for human rights risks and take improvement measures. We have a remedy procedure for any employees' or stakeholders' infringed human right and aim to establish culture of respect for human rights by forming consensus on our human rights management process and efforts and by transparently disclosing them.



ROADMAP



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

► Human Rights

- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



KEY FACTS & FIGURES

ESG EVALUATION FOR GLOBAL SITES TO IDENTIFY POTENTIAL DAMAGES AND MAKE IMPROVEMENTS

To lay the foundations for sustainable management and human rights management, CJ CheilJedang conducted pilot human rights due diligence for its domestic sites in 2021. In 2022, we conducted an ESG evaluation based on human rights due diligence for our Vietnamese and Indonesian sites to improve ESG management at our major global sites, identify relevant risks, and find areas for improvement.

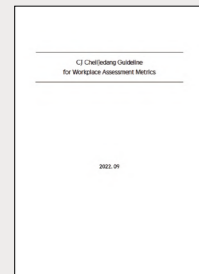
GLOBAL FOOD SITES: VIETNAM (KIZUNA, VUNG TAU)

In October 2022, we conducted training on human rights management and due diligence at the Kizuna and Vung Tau sites in Vietnam. Aiming to proactively identify ESG risks, the due diligence involved preliminary data research, document inspection, and interviews with HR managers and employees to delve into their human rights management (policies, forced/child labor, working hours and breaks, wages and benefits, humane treatment, anti-discrimination, grievance procedure, safety, and health), environmental management, information disclosure, and response to ESG risks. The results of the due diligence confirmed that major labor and human rights risks to the employees were systematically managed through the HR system operations in line with CJ Global HR Policy and Vietnamese labor law. The employees were satisfied with their working environment and found it better than other companies in Vietnam, hence neither internal nor external human rights risk was detected. We reviewed and took improvement measures, including systematization of human rights management policies, working hours and breaks, consideration for pregnant workers, and grievance procedure. In 2023, we plan to expand our due diligence program to all global sites.

GLOBAL BIO SITES: INDONESIA (PASURUAN, JOMBANG)

In April 2022, we conducted an ESG evaluation and due diligence for our Pasuruan and Jombang sites in Indonesia. The process involved document reviews, interviews, and on-site inspections to check 59 items (182 indicators) in the area of labor and human rights, health and safety, and the environment.

The evaluation indicators covered policy and certification, governance, activity, and long-term ESG performance and goal management, designed to identify region-specific issues and incorporate them into policies in consideration of laws and evaluation indicators. We established mid-to-long-term improvement plans for the risks detected from the due diligence, building foundations to develop a mid-to-long-term roadmap for ESG management at our global sites and expand the due diligence program to all global sites.



Guideline for ESG Assessment Metrics



Training for Human rights in Vietnam

KEY ESG INDICATORS

CATEGORY	DETAILS
Labor and Human Rights	General, forced labor and voluntary work, child labor, working hours, wage and benefits, humane treatment, anti-discrimination, freedom of association
Health and Safety	Occupational safety, contingency, occupational accidents, industrial hygiene, physical labor, machinery safety, food/hygiene, and housing
Environment	General, environmental permits and reporting, pollutant reduction, hazardous materials control, waste management, air pollutants, water resource management, energy, and GHG emissions



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

► Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

HUMAN RIGHTS IMPACT ASSESSMENT

CJ CheilJedang conducts human rights impact assessments to prevent infringements of the rights of employees and all stakeholders involved in supply chains. Following the human rights due diligence for 15 domestic sites in 2021, we expanded the scope of human rights due diligence to our global sites in 2022. Based on this, we plan to build a standard model and program for due diligence. As part of the human rights due diligence for supply chains, we identify and respond to potential human rights issues. We used a range of academic data and news database, including the U.S. State Department's Human Rights Report and the World Bank's data, to identify high-risk raw materials that may affect human rights. Accordingly, we designated palm oil, sea salt, etc., as high-risk raw materials to human rights and established a management system for them. We only purchase RSPO-certified palm oil for our domestic sites. For sea salt, we monitor news articles and visit supply sources to identify actual risks and take mitigation measures as needed. Based on the human rights due diligence in the domestic sea salt supply chain, we are planning to establish a Plan-Do-Check-Act (PDCA) system to monitor the issues in consultation with relevant departments, aiming to manage human rights issues in domestic and international supply chains for other agricultural products than sea salt.

HUMAN RIGHTS IMPACT ASSESSMENT (DUE DILIGENCE) PROCESS

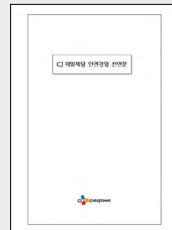


HUMAN RIGHTS IMPACT ASSESSMENT ITEMS

- Discrimination in employment
- Humane treatment
- Bullying/sexual harassment
- Freedom of association
- Forced labor
- Protection for locals
- Child labor

DECLARATION OF HUMAN RIGHTS

The Declaration of Human Rights is a public declaration of our willingness to honor human rights, conduct due diligence on human rights risks, and introduce remedial measures. In 2022, we amended the Declaration of Human Rights to include key human rights principles we uphold: the core components of human rights management, human rights due diligence, and remedial measures.



Declaration of Human Rights

In particular, we presented concrete measures to manage stakeholder-specific human rights risks that affect employees, suppliers, customers, and communities. CJ CheilJedang respects the rights of all stakeholders throughout the value chain, including women, children, indigenous peoples, migrant workers, and third-party contract workers, aiming to review and manage the human rights management system when advancing into new businesses through mergers and acquisitions. To this end, CJ CheilJedang plans to establish human rights management guidelines in 2023 to materialize the Human Rights Management Policy.

CONSIDERATIONS FOR KEY IMPROVEMENTS

CATEGORY	INDONESIA (PASURUAN, JOMBANG)	VIETNAM (KIZUNA, VUNG TAU)	KOREA (SINEUIDO SEA SALT)
Human Rights	<ul style="list-style-type: none"> • Manage labor contracts and overtime work in accordance with legal standards 	<ul style="list-style-type: none"> • Share and systematize policies related to human rights management • Manage overtime work • Proactively consider pregnant worker • Systemize employee grievance procedure 	<ul style="list-style-type: none"> • Monitor the employment of salt field workers • Raise awareness to prevent human rights issues • Consider support for automation to mitigate human rights risks
Health and Safety	<ul style="list-style-type: none"> • Involve labor representatives in the Occupational Health and Safety Committee and manage industrial accident statistics • Establish an emergency evacuation system 	<ul style="list-style-type: none"> • Ensure systemic management of on-site hazards 	
Environment	<ul style="list-style-type: none"> • Strengthen hazardous chemical and waste management • Manage environmental data consistently and comprehensively 	<ul style="list-style-type: none"> • Introduce solar energy to improve energy efficiency • Build infrastructure for zero waste to landfill and circular economy 	



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

► Human Rights

Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

GRIEVANCE HANDLING AND REPORTING SYSTEM

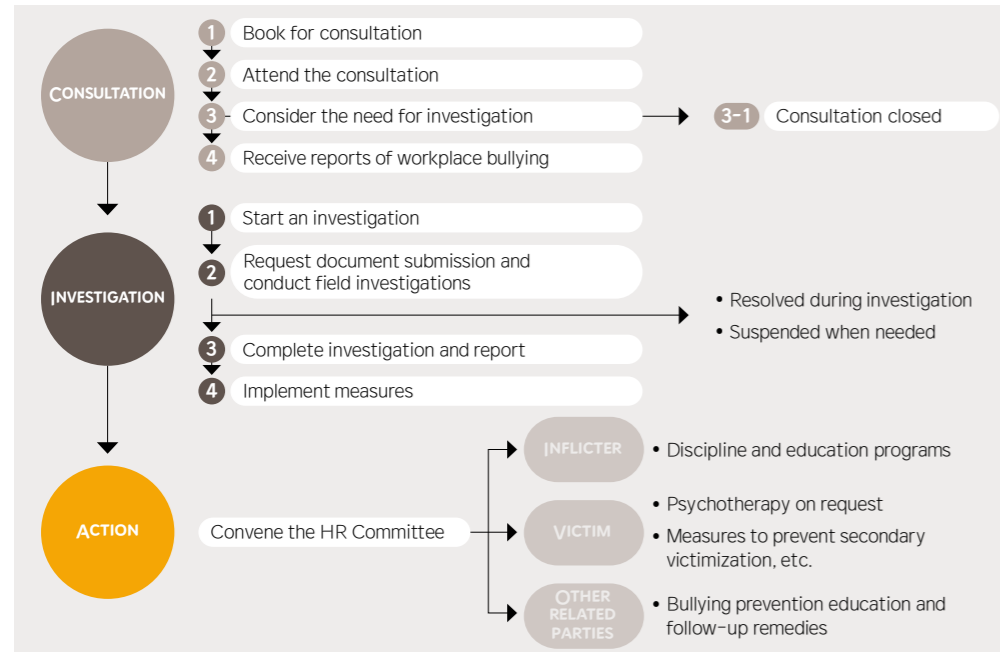
Believing in culture of respect, CJ CheilJedang strictly prohibits any conduct that may violate the rights of employees. The company has an online reporting system for employees to report issues and seek advice. Reports can be submitted with or without names. The system covers unlawful conduct and corruption, as well as issues that hinder corporate culture such as sexual harassment and bullying. In addition to this internal reporting system, all employees and external stakeholders can report through the external system, K-Whistle¹⁾, which recently added a mobile reporting channel using QR codes to the existing web-based system. As part of our Whistleblower Protection Policy, we keep the identity and information of whistleblowers strictly confidential and protect them from any retaliation. Reports received are reviewed by investigators while reporters are notified of the results.

1) K-Whistle: An anonymous reporting system powered by database encryption technology and operated by an independent organization (Korea Business Ethics Institute).

TYPES OF REPORTS AND INQUIRIES

COMPLIANCE	SAFETY MANAGEMENT	CORPORATE CULTURE	INTEGRITY
<ul style="list-style-type: none"> Violations or suspected violations of law (collusion, etc.) Partner and supplier grievances 	<ul style="list-style-type: none"> Accident risk factors (safety, fire, environment, etc.) On-site safety 	<ul style="list-style-type: none"> Unfair instructions (forcing or coercing non-work-related matters, etc.) Detrimental conduct to corporate culture (slandering, hatred, sexual harassment, verbal abuse, bullying, etc.) 	<ul style="list-style-type: none"> Corruption (bribery, embezzlement, coercion, etc.) Inefficiency (distraction, etc.) Information security breaches (leakage of internal information)

ACTION GUIDE FOR WORKPLACE BULLYING AND SEXUAL HARASSMENT



RAISING EMPLOYEE HUMAN RIGHTS AWARENESS

CJ CheilJedang is committed to strengthen employees' human rights awareness and prevent human rights risks by offering statutory training as well as communication and education activities.

COMMUNICATION ON HUMAN RIGHTS MANAGEMENT: ESG NEWSLETTER

The June 2022 edition of our monthly ESG newsletter was distributed to all employees, featuring human rights management trends and CJ CheilJedang's human rights management activities.



HUMAN RIGHTS EDUCATION FOR EMPLOYEES

CJ CheilJedang trains all employees for sexual harassment prevention, disability awareness, and workplace bullying prevention. It also provides human rights education for new hires and leaders to promote the awareness and value of human rights in the organization.

- NEW HIRES (CAREER POSITIONS)**
 - SUBJECT:** Human Rights & Culture
 - CONTENT:** Culture of respect, importance of human rights protection, etc.
 - EMPLOYEES WHO COMPLETED THE COURSE:** 300
- NEW LEADERS**
 - SUBJECT:** Introduction to Organizational Labor Management
 - CONTENT:** Managers' roles in human rights protection, etc.
 - EMPLOYEES WHO COMPLETED THE COURSE:** 159

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

▶ Human Rights

- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

RESPECT FOR DE&I

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

2022 WIN AWARDS, KOREA

Excellent Company for Gender Equality

THE 27TH BPW (BUSINESS&PROFESSIONAL WOMAN) KOREA

Gold Award

PERCENTAGE OF FEMALE EXECUTIVES AT CJ CHEILJEDANG, KOREA

25.1%

WHY IT MATTERS

The organizational culture that values diversity, equity, and inclusion (DE&I) enables companies to achieve innovative results by encouraging free and open exchange of ideas from different backgrounds, experiences, and perspectives. From a business perspective, companies that understand and respond to markets and cultures shaped by diverse customers and stakeholders are poised to win in global competition. Therefore, building a DE&I organizational culture and changing the way we work are essential to maximizing performance and making a positive impact on society.

OUR APPROACH

CJ CheilJedang is committed to DE&I culture where we respond to the complex and diverse needs of customers, a fast-changing business environment, and the diverse experiences and backgrounds of individual employees. To this end, we established the DE&I Policy in September 2022, which is intended to build DE&I culture that provides employees with diverse opportunities and fair evaluations for the employees to grow. In May 2023, we established a roadmap to promote and gradually spread changes in the workplace based on the internalization of the DE&I mindset. To become a sustainable company, we will infuse CJ CheilJedang's culture of respect in the lives of all stakeholders, including customers, suppliers, and communities, starting with attracting top talent and developing excellent capabilities. To achieve this goal of internalizing DE&I, we will carry out major DE&I tasks and establish a mid-to-long-term roadmap by 2023.



GOAL & STRATEGY

GOAL	GROW AS A RESPECTED GLOBAL COMPANY BY SEEKING CHANGES IN HOW WE WORK AND EXERTING OUR FULL POTENTIAL BASED ON THE INTERNALIZATION OF THE DE&I MINDSET				
STRATEGY	BUILDING A FLAT AND TRANSFORMATIONAL CULTURE	DEVELOPING GLOBAL LEADERSHIP WITH DIVERSITY AND INCLUSION	MAKING ADVANCEMENTS IN OUR GLOBAL WAY OF WORKING	BUILDING AN ENVIRONMENT FOR FAIR COMPETITION	PROMOTING AN ENVIRONMENT FOR SELF-DIRECTED IMMERSION
DETAILS	A culture that promotes all members to freely present opinions, collaborate, and respect each other's roles and responsibilities regardless of their leadership, role, position, employment period, etc.	Institutional and educational support to enable all capable and willing employees to grow as global leaders with respecting the diversity of gender, age, educational background, nationality, and ethnicity	A matrix structure to encourage collaboration with colleagues from different backgrounds home and abroad to achieve common goals	Fair opportunities to grow based on performance and competence by banning discriminatory statements in internal documents (promotion/career market applications, profiles, etc.)	A smart working environment that respects employees' work and lifestyle (flexible working hours system, remote work)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- ▶ Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



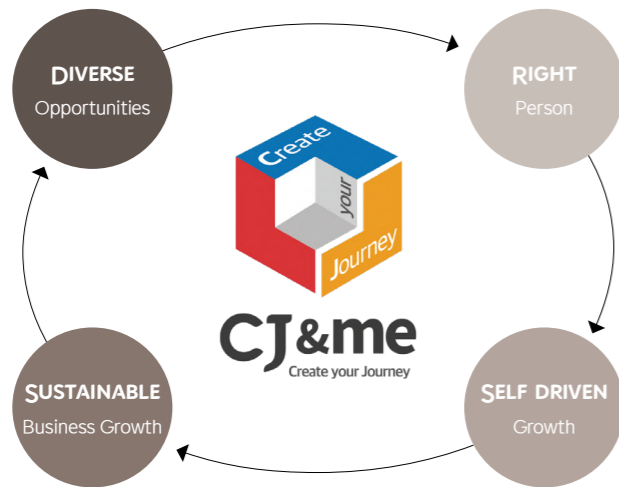
ATTRACTION AND DEVELOPMENT OF INTERNAL TALENT BY EXPANDING THE SCOPE AND GROWTH PATH FOR GLOBAL ACCELERATION

GLOBAL MOBILITY INNOVATION STRATEGY

CJ CheilJedang is growing as a global company, with the share of its global sales exceeding domestic sales. In response to the global expansion, we have transformed the paradigm of our talent development system and established an innovative strategic plan, "Global Mobility," to enable individuals to develop their careers in the global market, rather than being limited to one country or region. The key to the "Global Mobility" strategy is to create a virtuous cycle in which internal experts can take the initiative in building their capacity on the global stage guided by our talent development philosophy of "growth from within," which will in turn grow the company's business competitiveness. We define our talent pool as all of 37,000 global employees, rather than only the ones working for our domestic sites, enabling them to find the true value and purpose of their work in a variety of opportunities. We also support their willingness to grow by offering them multi-dimensional growth paths, for example, career development plans and overseas experiences. To this end, we have established various global acceleration programs and operational standards such as flexible reward and promotion systems, thereby growing as a global leader.

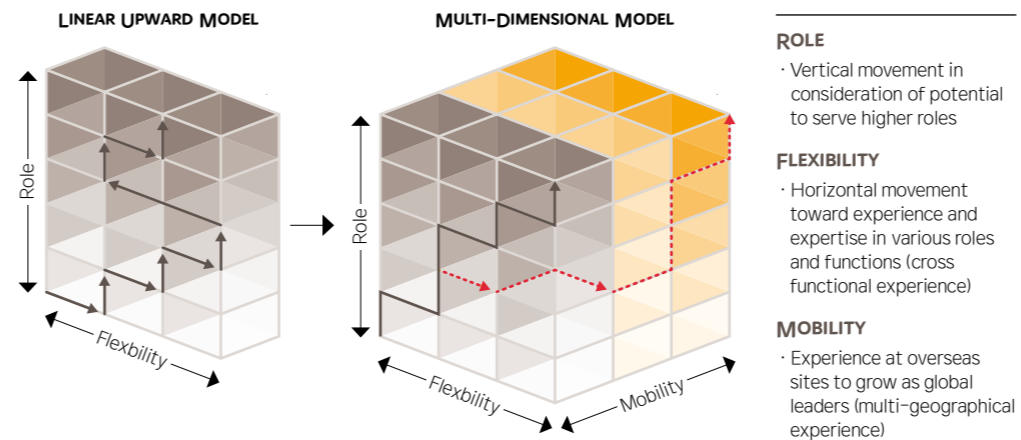
CJ&ME: 'CREATE YOUR JOURNEY' GLOBAL TALENT DEVELOPMENT PROGRAM : BUILDING A VIRTUOUS CYCLE WHERE INDIVIDUAL GROWTH LEADS TO SUSTAINABLE ORGANIZATIONAL GROWTH

To create a workplace where we grow with top talent, CJ CheilJedang provides its employees with more opportunities for growth, while the employees seize these opportunities and take the initiative to contribute to the company's sustainability. The company in turn provides them with even more opportunities, hence creating a virtuous cycle.



CAREER DEVELOPMENT MODEL : TRANSITION TO A MULTI-DIMENSIONAL MODEL

The existing linear upward model that primarily focuses on promotion and role expansion in a certain country or region may limit opportunities for employees to grow in the company. By establishing a multi-dimensional model, we aim to facilitate cross-border movements and collaborations, allowing employees to design their careers across multiple countries and regions.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

BUILDING A FLAT AND TRANSFORMATIONAL CULTURE

COMMUNICATION WITH THE CEO: EUN STAY

CJ CheilJedang organizes small-group online and offline meetings between the CEO and employees, "Eun Stay," to build consensus and facilitate genuine communication. Eun Stay is open to applicants selected from different teams by role and position for each meeting. During the group meeting, the CEO gives them advice, not as a CEO but as a forerunner, and the participants can openly share their thoughts about work and life. A comfortable atmosphere in small groups for focused conversations has enabled horizontal and bidirectional communication. In 2023, we plan to strengthen communication to meet the different needs of each position and to deliver consistent messages from the CEO to all employees.

2022 EUN STAY

20 SESSIONS, 141 PARTICIPANTS

ORGANIZATIONAL CULTURE REVIEWS

CJ CheilJedang conducts organizational culture reviews to measure employees' understanding of the company's vision and bolster its implementation. We have transitioned the existing group culture survey to 'CJ Voice ON,' incorporating mid-term vision alignment/engagement levels, implementation of management philosophy, and other elements into the survey criteria. Furthermore, we have made specific changes to the questioning approach. From 2022 onwards, the "CJ Voice ON" survey is conducted twice a year, where employees receive feedback on the results of continuous improvement of the organizational culture.

2022 DOMESTIC EMPLOYEE ENGAGEMENT SCORE

84.1 POINTS



EQUAL OPPORTUNITIES FOR ALL



In order to build a culture where experts are given fair opportunities based solely on their performance and competence, we have deleted discriminatory statements (age, gender, education, nationality, etc.) that may cause stereotypes from internal documents (promotion/career market applications, profiles, etc.) to ensure that only information that is essential to determining their performance, competence, and experience is included. In addition, we encouraged employees to refrain from asking unnecessary questions to colleagues.

The INNO it! campaign is an organizational culture transformation initiative where all employees work together towards change to "flat and transformational organizational culture," encouraging them to freely suggest ideas and work smarter.

CALL MY NICKNAME



In 2000, CJ CheilJedang became the first company in South Korea to introduce 'Nim Culture,' an horizontal appellation system. As a global company, we launched the "Call My Nickname" campaign to encourage employees to call their colleagues by their nicknames (English names or Korean initials) that can value the inclusion of diverse members.

INTERNAL COUNCIL FOR MILLENNIALS AND GEN-Z

In 2021, CJ CheilJedang organized an internal council of 24 young employees in their 20s and 30s from various backgrounds, such as marketing and R&D departments. The council focused on planning "new and tailored products" preferred by younger generations, presenting 100 ideas based on their work experience as well as opinions collected from millennials and Gen-Z. Among these, around 50 ideas were adopted while around 20 were commercialized. The process, from product planning and decision-making to launching them product, was completed within four months, enabling them to capture the latest trends.



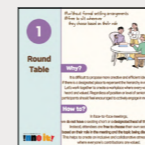
OPEN COUNCIL

We operate the Open Council (Labor-Management Council) to promote the welfare of employees, improve the work environment, and contribute to the growth of the company through labor-management cooperation addressing employees' grievances and suggestions. The agreement made by the Open Council is applicable to all the employees. Labor representatives are appointed at the meeting of all employees from all sites. Currently, approximately 120 employees are serving as labor representatives of their respective sites. We hold quarterly meetings with management representatives to discuss issues such as improving employees' working conditions and welfare, enhancing productivity and immersion, and promoting organization and communication.

IMPORTANT ANNOUNCEMENT GUIDE

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

ROUND TABLE & SMART EMAIL



As part of its efforts to build a flat organizational culture, CJ CheilJedang launched the Round Table Initiative, which allows employees to sit wherever they want in face-to-face meetings based on their role in the meeting and the topics to be discussed without any predetermined seat arrangement or hierarchy. The Smart Email campaign aims to improve work efficiency by avoiding unnecessary honorifics or Chinese characters in email and by focusing on essential content.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- ▶ Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

DEVELOPING GLOBAL LEADERSHIP WITH DIVERSITY AND INCLUSION

CJ CheilJedang has an open talent development program that allows employees to take the initiative in creating development plans and learn accordingly. We conduct surveys to understand their career development needs and provide career development programs tailored to their desired career paths and growth visions. As our HR system expands globally, we have introduced the Global Mobility System for global transferers and the DE&I Workshop for building a DE&I mindset.

INTRODUCING THE GLOBAL MOBILITY SYSTEM

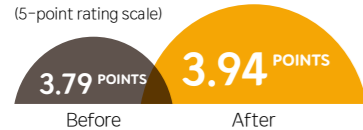
We have trained employees transitioning into global roles to provide support for soft landing and good performance. We have developed four training programs based on the Global Mobility Innovation Strategy – Global Vision, Way of Working, CJ Leadership, and Expertise. The training courses will be offered flexibly both home and abroad depending on the trainees.

DEVELOPING THE DE&I WORKSHOP PROGRAM

DE&I in the organization is a prerequisite to implement the CJ managerial philosophy into action, hence highlighted as a core competency of global leaders in the Global Mobility system. To this end, we worked with the Department of Education at Seoul National University to develop the DE&I Workshop Program.

CHANGES IN AWARENESS AFTER THE DE&I WORKSHOP

(5-point rating scale)



The first workshop was attended by 12 team leaders from our global departments. The key topics include DE&I awareness survey, concepts and significance, approaches to addressing issues, and action plans. We plan to expand the program to our global operations based on feedback from the participants.

KEY ACHIEVEMENTS IN TALENT DEVELOPMENT

CJ CheilJedang provides training for new hires and job-specific onboarding and job-specific training programs to support employees' adaptation and performance.

NEW HIRE TRAINING (FOOD BUSINESS UNIT, SOUTH KOREA)

ONBOARDING

634

employees completed the course

- (Career positions) Established a system for timely onboarding that is appropriate for their roles
- (Career positions/new hires) Established 'Understanding the Value Chains' Training Program: department-specific OJT to improve employees' understanding of the entire value chain of the food industry

SPECIALIZED TRAINING FOR THE FOOD BUSINESS – UNDERSTANDING THE VALUE CHAINS

"Understanding the Value Chains" is a course designed to help new hires better understand the industry and work with other departments. It is taught by incumbents with 14 functions of the food industry value chain. In addition to new hires, all Food Business employees have taken the course.

868

employees completed the course

JOB-SPECIFIC TRAINING (FOOD BUSINESS UNIT, SOUTH KOREA)

SALES

560

employees completed the course

- Reformed the existing Basic course and developed a new Advanced course to enhance the job training system
- (Staff) Built data analysis capacity and proactively fostered outstanding talent

MARKETING

123

employees completed the course

- (PM) Supported P&L management competencies
- Provided insights on P&L practices from PM/TM perspectives

B2B

783

employees completed the course

- New sales/MKT training courses specifically developed for B2B channels both inside and outside of the organization

DIGITAL

AVERAGE SATISFACTION RATE WITH THE TRAINING: 4.5 POINTS (5-point rating scale)

497

employees completed the course

- Developed new training courses in the Digital Business HQ based on internal members' needs
- <Digital Essential> 5 courses
- <Digital Basic> Planned, developed, and operated 3 new courses

ADMIN

36

employees completed the course

- Fostered working-level experts by helping them acquire knowledge and skills necessary to understand the business structure and practice, providing them with job insights and trend-catching skills in response to changes in the external environment

OFFERING DIVERSE OPPORTUNITIES FOR GROWTH

GLOBAL CAREER MARKET (GLOBAL RECRUITMENT PROGRAM)

We expanded the Career Market, which had been introduced to our domestic operations to ensure diverse opportunities and fair competition, into the Global Career Market. As our global operations are growing, we aim to present a multi-dimensional model to facilitate cross-border collaborations and movements and allow employees to design their career visions across countries and regions. While we previously relied on an international placement program sending Korean employees to overseas sites, the Global Career Market allows us to bring outstanding employees from overseas sites to Korea, or vice versa.

GLOBAL EXPOSURE PROGRAM (GLOBAL EXPERIENCE OPPORTUNITIES)

The Global Exposure Program allows employees to gain global experience for up to six months without physical or cultural restrictions through global project collaboration related to their jobs. Through this program, we initiate projects of great strategic importance and involve employees from relevant global operations. It also arranges them to virtual projects when travel is limited.

COMPENSATION FOR MOBILITY TYPES AND A FLEXIBLE ORGANIZATIONAL STRUCTURE

Facilitating global mobility requires a flexible organizational structure that removes restrictions and establishes compensation criteria for employees moving from one site to another. We plan to further strengthen our global talent development system by establishing standards that empower and motivate employees who want to grow globally.

TRAINING HOURS IN 2022 (SOUTH KOREA)

CATEGORY		2022
By gender	Male	208,740 HOURS
	Female	127,597 HOURS
By rank	Member	238,794 HOURS
	Manager	94,420 HOURS
	Executive	3,124 HOURS

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

► Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

MAKING ADVANCEMENTS IN OUR GLOBAL WAY OF WORKING

GLOBAL DIGITAL COLLABORATION PLATFORM M365

As an effort to fundamentally innovate the way of working, we have deployed a global digital collaboration platform, M365. Available anywhere, anytime, and on any device, M365 provides a global work environment in a digital workplace that facilitates communication and collaboration between Korean and global employees. (M365 Office provides email, chats, online meetings, schedule management, document sharing, etc.) M365 platform enables us to build a flat and transformational corporate culture by promoting open communication based on mutual respect and collaboration, and establishes a smart work environment where employees can proactively work whenever and wherever they want.

PROCESS INNOVATION WITH RPA (ROBOTIC PROCESS AUTOMATION)

We started replacing inefficient, low-valued tasks with RPA from 2018 to innovate our way of working through work process automation. RPA increased employees' overall work efficiency and therefore it has been widely used in CJ CheilJedang since 2021. In 2022, we additionally saved 519 hours for 13 departments on 33 RPA projects, and monthly time savings amounted to around 7,345 hours in total. We will continue our RPA projects to innovate way of working for employees in 2023.

MONTHLY TIME SAVINGS

Unit: Hour



CATEGORY	UNIT	2021 ¹⁾	2022
Tasks performed	Number	130	163
Departments using RPA	Number	47	60

1) The difference from the reported monthly time savings in 2021 (8,470 hours) is due to a decrease in the total amount of work performed by RPA.

BUILDING AN ENVIRONMENT FOR FAIR COMPETITION

FAIR COMPETITION

CJ CheilJedang has streamlined its position structure into three levels, aiming to eliminate the seniority system based on ranks, seniority, and age. We are building a robust competition system that facilitates equitable and transparent evaluations focused on competence and performance. In addition, we have introduced a self-directed promotion support system and abolished the minimum service year requirements for promotions to enable high-potential talent to advance more rapidly.

STRENGTHENING SELF-DIRECTED PERFORMANCE MANAGEMENT

CJ CheilJedang has a performance management system, PMDS+¹⁾, which supports employees' innovative development. The PMDS+ framework consists of goal setting, continuous performance management, multi-dimensional feedback, and final evaluation. To ensure focused performance management, we conduct three quarterly reviews each year, while consistently overseeing goal progression within the performance management framework. Our continuous performance management has empowered employees to pursue self-directed growth and alleviated relative evaluations, thereby reflecting employees' actual performance and strengthening fairness. The multi-dimensional feedback system is designed to strengthen the authority and responsibility of leaders and highlight improvement itself to promote personal and collective growth.

1) PMDS+: Performance Management & Development System

OUTSTANDING REWARD FOR OUTPERFORMERS

In consideration of industry-specific traits, CJ CheilJedang employs a market value-based rewards policy. This policy delegates significant authority to organizational heads in determining employees' salaries, while also ensuring exceptional remuneration for high-performing individuals. We aim to encourage bold challenges and innovation by providing rewards and operating award programs for outperforming organizations and individuals.

OUTSTANDING REWARDING PROGRAMS AND AWARDS

INNO X BONUS	• Providing outstanding rewards to key contributors to outstanding performances
ONLYONE AWARDS	• CJ Group's most prestigious award program "ONLYONE Awards" rewarding ONLYONE achievements and sharing best practices
CJ CHEILJEDANG AWARDS	• CJ CheilJedang's corporate-wide award program to reward organizations' and employees' contributions to financial performance, change, and innovation
HQ/TEAM AWARDS	• HQ/Team award programs to encourage employees' performance, ambition, and morale support

ABOLITION OF THE WAGE CEILING

In 2023, we abolished the wage ceiling to provide employees with greater compensation in recognition for their expertise and allow competent talents to grow faster.

REMUNERATION WITHOUT DISCRIMINATION

CJ CheilJedang pays both employees and non-employee workers above the legal minimum wage. We do not discriminate in compensation against a certain gender or region. We offer the same base salary to new employees.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

► Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

PROMOTING AN ENVIRONMENT FOR SELF-DIRECTED IMMERSION

CJ CheilJedang is expanding a self-directed immersive environment to create a company that top talent aspires to join. In support of our employees' work concentration, we have a series of family-friendly programs, including lifecycle support programs for employees' children and a family care system. Furthermore, we endorse gender-neutral policies that treat maternity and paternity equally. We are committed to creating and promoting the smart work environment by introducing a flexible work system and remote work arrangements that fit each employee's work and lifestyle.

STRENGTHENING FAMILY-FRIENDLY PROGRAMS

CJ CheilJedang operates various maternity protection, childcare, and family support systems beyond the legal standards to retain employees throughout their lifecycle of pregnancy, childbirth, and childcare. We promote a culture of care for pregnant employees by issuing badges and gifts to them. For employees who need to breastfeed their babies, we have built nursing rooms with comfortable environments. Our workplace daycare center, CJ Kidsville, allows employees to commute with their children, so they can focus on their work without having to worry about childcare. In April 2023, we introduced paid leave for those who adopted a child and for those who accompany their spouses when they move overseas. We also accepted a suggestion from the Open Council to extend parental leave to two years. As a result, we were re-certified as the Best Family Friendly Management in 2022.

EMPLOYEES IN KOREA WHO OPTED FOR FLEXIBLE WORK ARRANGEMENTS IN 2022

51.5%

LIFECYCLE SUPPORT PROGRAMS FOR EMPLOYEES

PREPARATION	PREGNANCY	BIRTH	CHILDCARE
<ul style="list-style-type: none"> ■ Infertility leave ■ Infertility time-off¹⁾ ■ Support for infertility 	<ul style="list-style-type: none"> ■ Gift for expectant moms (employees and their spouses) ■ Shortened office hours during pregnancy²⁾ ■ Leave for fetal checkup ■ Pregnancy leave (in addition to parental leave during pregnancy)³⁾ 	<ul style="list-style-type: none"> ■ Gift to celebrate childbirth ■ Leave for before and after childbirth ■ Maternity leave for miscarriage, stillbirth, neonatal death ■ Paid leave for child adoption ■ Support for childbirth expenses ■ Parental leave for spouses ■ Parental leave for miscarriage, stillbirth, neonatal death (maximum of 3 days) 	<ul style="list-style-type: none"> ■ Shortened office hours for newborn care ■ Leave for children's school entrance ■ Shortened office hours for children's school entrance⁴⁾ ■ Emergency shortened office hours for childcare⁵⁾ ■ Parental leave plus⁶⁾ ■ Reduced working hours for childcare ■ Leave to accompany spouses moving overseas⁷⁾ ■ Workplace daycare center

1) Maximum of 6 months
 2) Additional 12-36 weeks
 3) Can take leave for 1-10 months during pregnancy (can register by monthly units, can split the term into two times in maximum)
 4) Can reduce working hours by 1 hour per day (max. 1 year in total)
 5) Can reduce working hours by 2 hours per day (max. 1 month in total)
 6) Additional leave after parental leave (max. 1 year in total)
 7) Maximum of 2 years

■ ONLY CJ: Support system that goes beyond the legal standards
 ■ Korea's legal standards

EXPANDING MATERNITY PROTECTION TO MALE EMPLOYEES

Recognizing the evolving societal perspective on the extension of maternity benefits to men and the importance of DE&I for our workforce, CJ CheilJedang has extended the fetal checkup leave program, originally available only to female employees, to male employees who are spouses of pregnant women, thus helping them fulfill their family roles. In addition, male employees who are spouses of pregnant women now receive the pregnancy gift (Mom First Care Box), which was previously offered only to pregnant female employees, which has improved employee satisfaction.

INTERVIEW WITH AN INTERNAL STAKEHOLDER

INNOVATION 3, B2B, KR, FOOD

TOM LEE

Q WHY DID YOU TAKE PARENTAL LEAVE, AND WHAT POSITIVE CHANGES HAVE YOU SEEN?

My wife and I both took parental leave because our child was born with a health problem, so it was difficult for one of us to take on the responsibility alone. The significant advantage was that I was able to dedicate my time to my child's recovery. Now I see my child thriving without any issues, and it was a very positive experience for me to spend 11 months together as a family. I was able to fully recharge during that time, which has had a positive impact on my performance at work since I returned.

Q WHAT DO YOU THINK OF CJ CHEILJEDANG'S FAMILY-FRIENDLY PROGRAMS FOR WORK-LIFE BALANCE?

I see that the company is making institutional and infrastructural improvements to reduce working hours for greater efficiency (and time for personal life) and encouraging employees to utilize the programs. Also, CJ CheilJedang offers a comprehensive range of family-friendly programs compared to other companies in South Korea, and I have found that no one has judged me negatively for taking parental leave. However, it seems that men are less likely to take advantage of these programs than women, which I think is due to stereotypes in our society. As people's attitudes toward fathers getting involved in taking care of children are gradually changing and the government continues to improve the system, I hope more employees at CJ CheilJedang will embrace these good work-life balance programs.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

► Respect for DE&I

Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

SUPPORT FOR EMPLOYEES' AND FAMILIES' HEALTH

CJ CheilJedang supports health checkups for employees and covers expenses for comprehensive health checkups for employees and their families based on their position, age, and seniority. In consideration of the diversity of family types and employees' marital status, we reshaped this health checkup support program as a family health checkup program, where an employee is entitled with a comprehensive health checkup as one of the family members, and allowed a full-day leave, instead of the existing half-day leave system, for sufficient time to recover. We also have multi-faceted family health support programs including infertility support, surgeries for congenital heart disease for employees and their children, and support for children with disabilities. In addition, Café La Mer is our employee assistance program (EAP) where employees can seek psychological advice from professional counseling agencies nationwide on various topics such as emotions, family relationships, child rearing, and work stress. We also operate in-house fitness centers that offer personal training and group exercise programs.

SELF-DIRECTED FLEXIBLE WORK ARRANGEMENTS

CJ CheilJedang encourages employees to work flexibly and autonomously by granting them freedom to design their own working hours and locations. We have established work-from-home settings, hub offices, and flexible work systems such as elective work hours. These measures allow employees to choose their work environment and schedule according to their roles and personal situations. Moreover, in 2022 we institutionalized self-approved leave and hourly time off policies to encourage employees to take leave without need to wait for their supervisors' approval. This change aims to create a more open and supportive leave policy.

CJ CHEILJEDANG'S FIRST HUB OFFICE: BLOSSOM OFFICE

In July 2022, we opened Blossom Office, a hub workspace exclusively for CJ CheilJedang employees, allowing them to work in a place close to their homes. With the intention to create a comfortable and vibrant organizational culture by enhancing immersion and autonomy, we located the Blossom Office in Bundang, a midpoint between the CJ CheilJedang Center (head office) in Jung-gu, Seoul and Blossom Park (R&D center) in Suwon, Gyeonggi Province. Moving forward, we will encourage R&D staff to use the Blossom Office in addition to administrative staff.



CJ WORK ON: CJ GROUP HUB OFFICES

CJ Work ON is a program that allows CJ Group employees to choose their own workspace among the hub offices of CJ Group companies in the Seoul metropolitan area (Dongdaemun, Seoul Station, Gangnam, Yongsan Station, and Ilsan). Employees can choose offices close to their homes to save commuting time and fully immerse themselves in their work.

CHANGES IN HOW WE WORK

MARCH 2020

INTRODUCED THE WORK-FROM-HOME PROGRAM

- Introduced the program as a measure to fight COVID-19, which afterwards served as the foundation for the settlement of work-from-home arrangements



JULY 2021

INTRODUCED THE ELECTIVE WORK HOURS

- Introduced to improve work efficiency and productivity

JANUARY 2022

SELF-DESIGNING OF TIME AND LOCATION

- CJ Work ON hub offices, self-approved leave, and hourly time off



LEADERS TO INITIATE CHANGES IN THE WORK ENVIRONMENT

We have the Leader Free Day Program that encourages team leaders and higher positions to take a day off every month. The goal is to give the leaders a well-deserved break and allow employees to self-direct and self-lead their work on Leader Free Days, promoting further growth and responsibility. Smart changes in how we work start from leaders taking the initiatives. We organize Leader Smart Working Days on which team leaders and higher positions are asked to work remotely (from home or in a hub office) at least once a month to create an atmosphere where employees feel free to work remotely.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- ▶ Respect for DE&I
- Safety and Health
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

SAFETY AND HEALTH

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

TOP RISK TASKS COMPLETED IN 2022 (KOREA)

100%

PERCENTAGE OF HEALTH AND SAFETY CERTIFIED SITES¹⁾

50%

1) 7 ISO45001-certified sites and 12 KOSHA18009-certified sites out of 38 sites

WHY IT MATTERS

Ensuring health and safety of our employees is a top priority of our business. Failure to ensure them not only affects short-term profitability but also has a devastating impact on stakeholders' trust, long-term brand reputation, and the realization of mid- to long-term visions. Safety is also important from a corporate social responsibility perspective. Therefore, companies need to create safe working environments to keep their employees safe and healthy, and establish a sustainable health and safety management system to build their own safe and healthy culture. Achieving it requires active participation and commitment from employees as well as mutual trust.

OUR APPROACH

CJ CheilJedang is committed to developing and implementing a sustainable health and safety management system guided by our health and safety management philosophy, "We create the OnlyOne safety-first culture that values the safety of the community and employees more than anything else." Safety management plans and results are reported to the Board of Directors annually. In 2022, we revised the health and safety management policy to upgrade the system and installed the Safety Management Office as the corporate control tower for safety management to pursue activities that ensure the employee health and safety. For instance, the Stop&Care system authorizes all employees to immediately stop operation in case of any safety accident or near-miss situations and provides psychological care to help employees overcome trauma. In addition, we have established the CJ Safety Code as a guideline for employee conduct for a safe and healthy workplace. In order to strengthen the health and safety management system of all global sites, we have established the Global Audit Team under the Safety Management Office to carry out various activities. Moving forward, we will continue to pursue the value of respect and build the first, best, and OnlyOne safety culture. Our mid- to long-term goal is to establish a safety management system by 2024, operate a shared growth platform to internalize safety management by 2026, and integrate safety management into our corporate culture by 2027, thereby achieving "Global Top Tier" safety management.

VISION AND STRATEGY

SAFETY AND HEALTH STATEMENT	WE ARE COMMITTED TO BUILDING AN "ONLYONE SAFETY FIRST CULTURE" THAT PRIORITIZES SAFETY OF LOCAL COMMUNITY AND EMPLOYEES IN OUR MANAGEMENT.				
	RECOGNITION	IMPROVEMENT	PREVENTION	RESPONSE	DIAGNOSIS
SAFETY MANAGEMENT SYSTEM	<ul style="list-style-type: none"> Identify risks and evaluate quantitative risks Select key health and safety risks that must be prevented 	<ul style="list-style-type: none"> Make continuous improvements to identified risks to ensure safety Make decisions on investment for improvements as needed 	<ul style="list-style-type: none"> Prevent the recurrence and elevation of existing risks by designing consideration and validation of constructions, expansions, and equipment installations 	<ul style="list-style-type: none"> Minimize damage from accidents Conduct post investigations to identify causes and develop preventive measures, make improvements, and promote them horizontally within the organization 	<ul style="list-style-type: none"> Regular diagnosis and troubleshooting on the safety management system
INSTITUTIONS AND ACTIVITIES	<ul style="list-style-type: none"> Improvement activities on Top Risks No Touch campaign 	<ul style="list-style-type: none"> RM Day¹⁾ 	<ul style="list-style-type: none"> SDR²⁾ 	<ul style="list-style-type: none"> AMS³⁾ 	<ul style="list-style-type: none"> Health and safety audit <ul style="list-style-type: none"> Review on implementation of Serious Accident Punishment Act Smart Audit

1) Risk Management Day: Individual sites regularly review the top risk tasks to mitigate risks.

2) Safety Design Review: All investments are made in full compliance with all environmental, health, and safety regulations, with a focus on preventing risks.

3) Accident Management System: Environmental and safety accidents at sites are thoroughly analyzed to identify causes and prevent recurrence.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

► Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

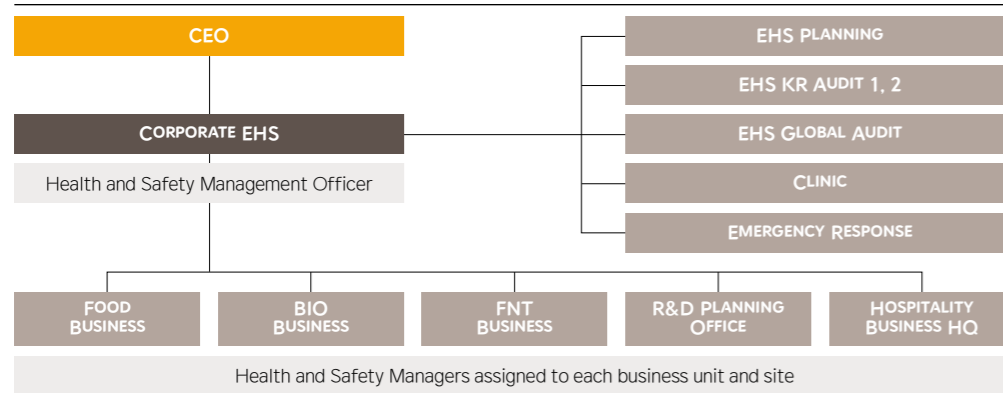


PROMOTING HEALTH AND SAFETY MANAGEMENT

HEALTH AND SAFETY SYSTEM

CJ CheilJedang's health and safety governance is centered around the corporate-wide Safety Management Office (Health and Safety Management Officer), and the Food, BIO and FNT Businesses, R&D Planning Office and Hospitality Business HQ have their own health and safety organizations. Sites managed by these businesses and offices have Health and Safety Managers responsible for safety management.

SAFETY MANAGEMENT ORGANIZATION



PROMOTING HEALTH AND SAFETY COMMUNICATION

HEALTH AND SAFETY TRAINING AND EDUCATION

Since 2022, we have introduced regular training for supervisors, regular statutory training, safety awareness campaigns, safe environment forums, and regional safe environment councils. Through these programs, we aim to raise safety awareness and prevent potential risks based on the guidelines to corporate-wide health and safety training. We also conduct surveys to assess needs and effectiveness.

KEY HEALTH AND SAFETY TRAINING AND EMERGENCY DRILLS

HEALTH AND SAFETY TRAINING

- Pre-work Safety Training
- Regular Safety Training
- Supervisor Training
- Training for New Hires and Transfers

EMERGENCY DRILLS

- Fire Response Drill
- Hazardous Substance Leak Drill
- Emergency Evacuation Drill
- Pressurized Gas Leak Drill
- Enclosed Space Rescue Drill

PROMOTING THE SAFETY MANAGEMENT FORUM

In 2022, CJ CheilJedang initiated the Safety Management Forum to foster a consensus on safety management and strengthen the group-level community. The CJ CheilJedang Safe Environment Forum involves safe environment team leaders and working-level staff from health, safety, and environment organizations to facilitate discussions on roles and responsibilities.

	CJ GROUP SAFETY MANAGEMENT FORUM	CJ CHEILJEDANG SAFE ENVIRONMENT FORUM	DIVISIONAL COUNCILS
Participants	<ul style="list-style-type: none"> • Managers from affiliates, CJ CheilJedang Safety Management Office 	<ul style="list-style-type: none"> • CJ CheilJedang safe environment leaders and working-level staff 	<ul style="list-style-type: none"> • Safe environment team leaders, working-level staff, and managers from departments involved in safe environment management
Details	<ul style="list-style-type: none"> • Build a consensus for safety and management and strengthen communication between affiliate managers 	<ul style="list-style-type: none"> • Facilitate communication of information on a safe environment 	<ul style="list-style-type: none"> • Raise safety awareness, support capacity building, build a sense of roles and responsibilities, and share information and issues
Frequency	<ul style="list-style-type: none"> • Bimonthly and as needed 	<ul style="list-style-type: none"> • Monthly 	<ul style="list-style-type: none"> • According to division-specific schedules

EMPLOYEE HEALTH MANAGEMENT

As part of employee health management, we provide general and special health checkups for employees who work in places exposed to physical or chemical hazards. In particular, we conduct regular work environment surveys to identify hazards (physical and chemical) that may negatively affect employees' health. Our office health services include medical examinations, counseling, and physiotherapy. Moreover, our Safety Rescue is available 24/7 to provide prompt first aid in the event of emergencies and injuries, thereby saving the lives of employees and visitors. To create a safe and healthy workplace, we have established the Safety Code to draw employees' attention to often overlooked areas in daily operations and encourage them to practice safety.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- [Safety and Health](#)
- Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

KEY SAFETY MANAGEMENT ACTIVITIES

AWARENESS AND IMPROVEMENT ACTIVITIES

TOP RISK IMPROVEMENT ACTIVITIES

Committed to minimizing health and safety risks that need to be prevented at all costs, CJ CheilJedang identifies Top Risks and pursues improvements. In 2022, we identified 151 Top Risks and made improvements to all of them. The most common risks included crushing, ignition sources, inflammable structures, clash, lack of fire equipment, falling accident, power failure, and building collapse.

NO TOUCH CAMPAIGN

CJ CheilJedang runs campaigns that strive to eliminate accidents completely. In 2022, we initiated a campaign under the slogan "No Stop, No Touch!" to instruct employees not to touch equipment while it's in operation.

PREVENTIVE AND RESPONSIVE ACTIVITIES

SDR (SAFETY DESIGN REVIEW)

SDR is an operational system that ensures safety and environmental risks identified in existing facilities are not repeated in new facilities through pre-inspection. We have strengthened preventive management by establishing design standards and clarifying criteria for construction, fire, health and safety, electricity, and environmental safety. In 2023, we plan to update the procedures of strengthening roles and responsibilities and adjust the standards based on accident cases. Moving forward, we will extend these standards into our global sites, sales offices, and restaurants.

AMS (ACCIDENT MANAGEMENT SYSTEM)

AMS prevents accidents from recurring by identifying the causes, establishing and implementing preventive measures, and verifying their effectiveness. For the safety accidents that occurred in 2022, we developed 513 tasks to eliminate the risk of recurrence and completed 504 of them (98%). In 2023, we plan to implement improvements for the remaining tasks as part of safe environment investment programs. In addition, we will expand the scope of AMS and strengthen the effectiveness verification process to integrate results into the preliminary safety assessment for an effective recurrence prevention system by 2023.

BUILDING AN ENVIRONMENTAL SAFETY COMPLIANCE SYSTEM

We conducted an EHS (Environment Health Safety) compliance check for our BIO sites in China, thereby establishing a system to prevent the risk of non-compliance. In doing so, we categorized the Chinese EHS laws and regulations into 10 topics and developed checklists for each of them in a local language and English, established a self-diagnosis plan, and conducted training and self-evaluation for environmental safety managers. For non-compliances identified, we developed improvement measures and established plans to follow-up and make further improvements. In 2023, we plan to introduce the compliance risk check system to Malaysia, Indonesia, and Vietnam to validate the system's effectiveness, after which we will gradually expand it to our global sites.

DIAGNOSIS ACTIVITIES

RESPONSE TO THE SERIOUS ACCIDENT PUNISHMENT ACT

Following the enforcement of the Serious Accident Punishment Act in 2022, we conducted semi-annual inspections at our domestic manufacturing sites, research institutes, sales offices, distribution centers, and restaurants. We also developed a new tool to verify compliance with the Act, leading to detailed and objective on-site checkups and activities to identify risk factors. In addition, we collaborated with the Legal and Compliance Office to incorporate requirements under the Serious Accident Punishment Act into the Compliance Management System (CMS) 2.0.

CHECKLISTS AND TARGETS IN 2023

- 8 requirements under the Serious Accident Punishment Act (Health and safety goals, organizations, budget, risk assessments, voice of employees, training, contingency, supplier management)
- Health and safety legal compliance diagnosis (occupational safety, occupational health, electrical safety, fire safety, hazardous substances, etc.)
- Performance of health and safety officers' duties

CATEGORY	PRODUCTION SITES/ RESEARCH INSTITUTES	SALES/ RESTAURANTS	SUBSIDIARIES
Subjects	17 SITES <ul style="list-style-type: none">• 15 FOOD sites• 1 BIO site• CJ Blossom Park	22 SITES <ul style="list-style-type: none">• 7 sales offices• 15 restaurants	12 SITES <ul style="list-style-type: none">• 2 sites for Sam Hae Commercial, CJ Seafood, and Feed&Care respectively• 1 site for CJ MD1, CJ Bioscience, and CJ Wellcare respectively• 3 Wonji sites

PROMOTING SAFETY CULTURE GLOBALLY

To promote safety culture globally, CJ CheilJedang strengthens communication with global sites through regular Safety Environment Council meetings. We also aim to build internal capacity and promote safety management culture through competitions and cross-checks. From 2023, regular global EHS conferences for each business will discuss key initiatives, accident cases, and checkup results.

ESTABLISH GLOBAL STANDARD GUIDELINES FOR HEALTH AND SAFETY POLICIES

With the aim of further improving corporate-wide health and safety management, we have worked to develop standard health and safety policies that are applied across the company and at each site. We also established health and safety standards for our sites in China, Indonesia, and Vietnam, and plan to cover other global sites in the future.

EXPANDING GLOBAL HEALTH AND SAFETY RISK ASSESSMENT

To expand the scope of health and safety risk assessments for our global sites, we developed an audit tool and the Smart Audit System based on global health and safety laws and compliance systems. These have facilitated online and offline audits and self-assessments, laying the foundation for further development and consolidation of the assessment process.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

► Safety and Health

Sustainable Supply Chain

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



SUSTAINABLE SUPPLY CHAIN

UN SDGs CONTRIBUTIONS



2022 KEY FACTS & FIGURES

CONTRACTS IN COMPLIANCE WITH THE SUPPLIER CODE OF CONDUCT IN 2022¹⁾

84%

FOR 7 CONSECUTIVE YEARS

Rated “Best” in the Korea Win-Win Growth Index

1) Excluding global food suppliers

Supplier Code of Conduct

CJ Shared Growth Portal

WHY IT MATTERS

Sustainable Supply Chain management plays an important role in our sustainable business endeavors. Recently, the global supply chain crisis caused by COVID-19 and changes in international politics have revealed the vulnerability of supply chain management, which has led to increased interest in environmental and social issues arising from corporate supply chains. In particular, the industry in which we operate involves complicated and diverse supply chains for production. We must strive to minimize the risks associated with this process by identifying potential risks, such as resource supply instability, environmental issues, human rights infringements, and safety accidents and by establishing improvement measures and response strategies. In addition, we need to address trends towards new trade barrier such as the EU's Corporate Sustainability Due Diligence Directive (EU CSDDD) and build trustful partnerships with suppliers and other stakeholders to sharpen our competitive edge and advance into global markets.

OUR APPROACH

CJ CheilJedang aims to achieve a sustainable supply chain by eliminating negative factors affecting ethics, human rights, and the environment in the supply chain. As part of this, we established the Supplier Code of Conduct in 2017, which provides minimum expectations for ethics, human rights, environment, health and safety that is continuously updated and revised. In 2022, we organized a working-level council of experts from the procurement organizations of each business to discuss and implement the revision of the Supplier Code of Conduct and supplier support, with the aim of strengthening sustainable supply chain management and accelerating the implementation of strategic tasks. Our sustainable supply chain management plans and policies undergo approval by the Corporate Sustainability Committee under the Board of Directors. In addition, we worked with an external consultant to conduct the first-ever second-party due diligence to identify potential risks along the supply chain. In the future, we will establish a global supply chain management system covering the entire global supply chain, enhancing information credibility and execution.



ROADMAP



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

► [Sustainable Supply Chain](#)

FUNDAMENTALS

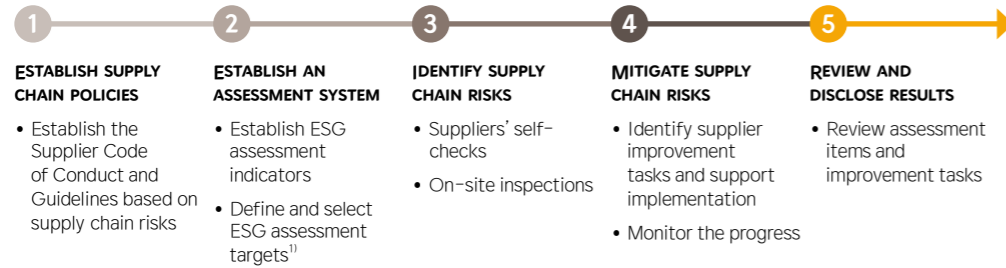
ESG FACT SHEET

APPENDIX

SUSTAINABLE SUPPLY CHAIN MANAGEMENT SYSTEM

CJ CheilJedang operates a global supply chain to source raw materials, goods, packaging materials, and equipment. To enhance the sustainability of the supply chain, we have established and updated the Supplier Code of Conduct and Guidelines and developed supply chain management processes to ensure its sustainability.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT PROCESS



SUPPLY CHAIN POLICY

CJ CheilJedang has established the Supplier Code of Conduct to assess and manage ESG risks in the supply chain. To consider sustainability factors when selecting and evaluating suppliers, we specifically include provisions from the Supplier Code of Conduct, including human rights, environment, safety, and ethical management in standard contracts for compliance. In 2022, 84%²⁾ of all contracts were in compliance with the Supplier Code of Conduct.

ESG INDICATORS IN THE SUPPLIER CODE OF CONDUCT³⁾

HUMAN RIGHTS MANAGEMENT	<ul style="list-style-type: none"> Identify risks related to labor practices and human rights such as wage, working hours, grievance settlement, and discrimination
SAFETY MANAGEMENT	<ul style="list-style-type: none"> Identify health and safety risks in sites such as machinery safety, emergency response, occupational accidents, and employee health
ENVIRONMENTAL MANAGEMENT	<ul style="list-style-type: none"> Identify environmental risks such as environmental management systems, energy management, pollutant emissions, hazardous chemicals, etc.
ETHICAL MANAGEMENT	<ul style="list-style-type: none"> Identify ethical risks such as transparent management, forged components, information security, and corruption

1) In consideration of the criteria such as trade volume and replaceability: scope to be further expanded in response to the EU's Corporate Sustainability Due Diligence Directive (EU CSDDD)

2) Excluding overseas food production sites

3) Established based on the RBA Code of Conduct, international norms, and key domestic laws (Labor Standards Act, Occupational Health and Safety Act, Framework Act on Environmental Policy, etc.)

SELECTION OF CORE SUPPLIERS

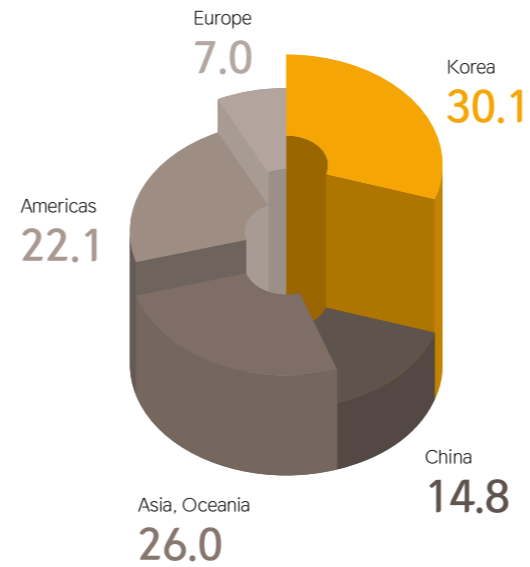
Out of 4,779 primary suppliers in 2022, 331 were designated as our core suppliers in consideration of trade volume, strategic importance, and relationships with them. They accounted for 79% of our total annual purchases of KRW 4,589.1 billion, excluding overseas food production sites.

PURCHASING STATUS

CJ CheilJedang's total purchases in 2022 were KRW 5,828.4 billion²⁾. Below is the regional breakdown.

PERCENTAGE OF PURCHASES FROM SUPPLIERS BY REGION IN 2022

Unit: %



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

► [Sustainable Supply Chain](#)

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

SUPPLY CHAIN SUSTAINABILITY ASSESSMENT

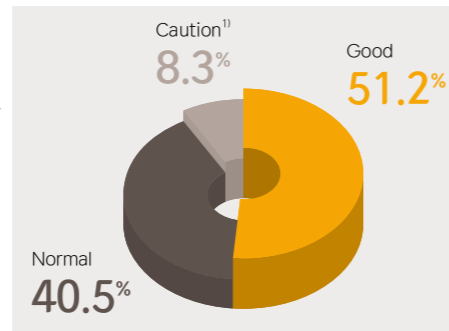
CJ CheilJedang conducts ESG assessments for its suppliers to strengthen the sustainability of its supply chain. In 2022, we improved our supply chain ESG assessment system and assessed our suppliers' ESG practice through online self-assessments and on-site inspections. The supplier ESG assessment is based on the Supplier Code of Conduct and covers four areas: human rights management, safety management, environmental management, and ethical management. We use the results of the supplier assessment to implement improvement plans.

SUPPLY CHAIN ESG ASSESSMENT RESULTS AND DIRECTIONS FOR IMPROVEMENT

The self-assessments revealed that manufacturing suppliers scored low on energy, GHG emissions, and sustainable sourcing. They also need improvements in human rights management and ethical management. For non-manufacturing suppliers, inadequacies were identified in human rights management and ethical management. On-site inspections were conducted at seven companies, resulting in 122 improvement tasks, the majority of which were related to environmental management. Based on these findings, we have requested corrective actions and will monitor the progress of the tasks on a quarterly basis.

SUPPLY CHAIN SELF-ASSESSMENTS

- Period: November 2022 – January 2023
- Subjects: 131 core suppliers (83 companies participated, 64.1% completion rate)
- Results
- Details
 - Conducted in three languages: Korean, English, and Chinese
 - Preliminary ESG training for suppliers (online)
 - ESG training for procurement personnel



1) Seven companies were found to be in need of improvements. They agreed to take corrective measures and implement improvement plans, and no contracts were terminated resulting therefrom.

CATEGORY	KEY INADEQUACIES	RISK LEVEL	INADEQUACY RATE (%)
Human Rights Management	Inadequacies in provisions to prohibit child labor		44.0
	Inadequacies in written regulations to prohibit discrimination based on gender, religion, age, etc.		40.5
Safety Management	Inadequacies in ensuring compliance with national and international health and safety management standards and seeking certifications such as ISO45001		58.2
	Inadequacies in procedural rules about occupational accidents and authorization, proof, testing, and reporting of occupational injuries		20.9
Environmental Management	Inadequacies in GHG emission disclosures (Scope 3)		93.9
	Inadequacies in environmentally and socially responsible sourcing policies		62.1
Ethical Management	Inadequacies in external certifications for transparent management plans		88.1
	Inadequacies in external disclosures of ethical charters (norms)		59.5

ON-SITE SUPPLY CHAIN INSPECTIONS

- Period: December 2022 – January 2023
- Subjects: 7 companies that completed self-assessments
- Items: Interviews with management and working-level staff, documentary evidence, room for improvement
- Remarks: On-site inspections conducted by a second-party

CATEGORY	KEY DIRECTIONS FOR IMPROVEMENT	NUMBER OF IMPROVEMENT TASKS
Human Rights Management	<ul style="list-style-type: none"> • Clearly provide provisions on child worker protection and revise the child labor prohibition principle • Establish a human rights charter and conduct human rights education • Establish workplace bullying prevention and response guidelines and sexual harassment prevention guidelines 	29
Safety Management	<ul style="list-style-type: none"> • Build a health and safety system and obtain health and safety management system certifications • Establish safety regulations and implement process-specific accident management guidelines 	12
Environmental Management	<ul style="list-style-type: none"> • Manage GHG emissions and energy consumption • Establish a code of conduct to fulfill social and environmental responsibilities and strengthen relevant systems • Establish environmental policies and organizations and acquire environmental management system certifications 	46
Ethical Management	<ul style="list-style-type: none"> • Strengthen activities to raise ethical management awareness • Review security regulations and develop regular checkup procedures • Operate channels to report unethical conduct 	35

INTERVIEW WITH AN EXTERNAL STAKEHOLDER

WOORYANG

JINYANG LEE, DIRECTOR

Q WHAT ARE IMPORTANT SUSTAINABILITY ISSUES IN YOUR COOPERATION WITH CJ CHEILJEDANG, AND WHAT SUPPORT DO YOU NEED?

Wooyang is a food company that supplies CJ CheilJedang with processed fruit and vegetable products used in condiments and sauces, as well as Gourmet brand corn dogs. We believe that food safety, product quality and sustainable sourcing are important sustainability issues for our partnership. For a sustainable partnership, we need to consider not only the cost increase when replacing regular plastics with biodegradable alternatives but also recognize the non-financial value created. In areas where our own capabilities are insufficient, such as energy conservation, I look forward to CJ CheilJedang's support with its infrastructure and experience.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

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

WELLNESS AND SAFETY

- Enhancement of Health and Nutrition
- Food and Product Safety
- Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

- Human Rights
- Respect for DE&I
- Safety and Health

► [Sustainable Supply Chain](#)

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

MUTUAL GROWTH

In line with CJ Group's shared growth philosophy, CJ CheilJedang carries out win-win activities to enhance capacity building along the supply chain. Notable examples include the CJ Partners Club dedicated to streamlined cooperation and the Joyful Companion program designed to help local food companies develop markets. In addition, we provide partnering small and medium enterprises with a range of shared growth programs, including education and training, funding, technical support, hygiene support, and employment security support.

ESG MANAGEMENT SUPPORT

To support suppliers' ESG management, CJ CheilJedang developed ESG management indicators and made them available on the Shared Growth Portal to help suppliers review their ESG practices. We have also provided 51 suppliers with training on global ESG trends and information on our ESG policies. In addition, we provide ESG consulting support to help suppliers fulfill their social responsibilities.

SUPPLIER ESG TRAINING SUPPORT

51 COMPANIES

SUPPLIER ESG CONSULTING

24 COMPANIES

TECHNICAL SUPPORT

We support suppliers' product and production technology development, work with them to co-develop various products for CJ CheilJedang and support original equipment manufacturing and launch.

KOREA'S BEST JOB CREATOR AWARD



Committed to bridging the wage gap for suppliers, CJ CheilJedang became the first private company in South Korea to offer the Naeil Chaeum Deduction for Win-Win Growth with Larger Enterprises. In recognition for its contribution to shared growth with suppliers, the company won the Korea's Best Job Creator Award in 2022.

CJ BREEDING SIGNS AN MOU FOR FOOD INDUSTRY DEVELOPMENT

In March 2023, CJ Breeding signed a memorandum of understanding with Jangseong County and Jangseong Agricultural Cooperative Rice Processing Complex (RPC) for the development of the food industry. Under the agreement, CJ Breeding will work on shared growth projects to help the county develop its agricultural industry, and the county will provide administrative support for agriculture, including the construction of an agricultural complex and local distribution, with the common goal of streamlining the supply of food products grown in Jangseong and achieving shared growth. Moving forward, CJ Breeding will prioritize introducing new strategic varieties in Jangseong County and expand contract cultivation.

FINANCIAL SUPPORT

To bridge the wage gap for our suppliers and help retain their core workforce, we offer the Naeil Chaeum Deduction for Win-Win Growth with Larger Enterprises and provide a range of financial support, including shared growth funds, interest-free loans, early payment for holidays, employee training costs, and welfare support, to indirectly support their ability to pay wages.

GRIEVANCE SETTLEMENT CHANNEL

To help our business partners sharpen their competitive edges and build trustworthy partnerships with them based on integrity, CJ CheilJedang operates the Subcontracting Dispute Settlement Council and the CJ Shared Growth Portal to receive reports on unfair trade and pain points. We also have a council of suppliers to discuss issues related to the health and safety of suppliers' employees and make improvements accordingly. In addition, we hold monthly meetings of the Internal Review Committee for Subcontracts to address key issues related to our suppliers.

HANDLING OPINIONS RECEIVED FROM SUPPLIERS

SUBCONTRACTING DISPUTE SETTLEMENT COUNCIL

100%

SUPPLIER COUNCIL

77%

SHARED GROWTH AND COOPERATION: 2022 DISTRIBUTOR PARTNER OF THE YEAR

The Korea Fair Trade Commission awarded CJ CheilJedang as the 2022 Distributor Partner of the Year. The company developed an electronic distributor contract system to ensure fairness in contracts, computerized all work processes at distributors for transparency, and offered KRW 6.4 billion to assist distributors in sales promotion that year, and these efforts were rewarded by winning this award. Furthermore, we invested KRW 5.5 billion in hiring personnel and equipment to deliver and display products for distributors' customers. Furthermore, we laid the foundation for long-term business partnership by guaranteeing the right to request contract renewal for at least five years when signing new distributor contracts.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

SUSTAINABLE ENVIRONMENT

Response to Climate Change

Sustainable Packaging

Eco-friendly Material Solutions

Sustainable Raw Materials Sourcing

WELLNESS AND SAFETY

Enhancement of Health and Nutrition

Food and Product Safety

Strengthening Product & Service Responsibility

PEOPLE AND COMMUNITY

Human Rights

Respect for DE&I

Safety and Health

► [Sustainable Supply Chain](#)

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

FUNDAMENTALS

- 073 Corporate Governance
- 079 Compliance Management
- 081 Information Security
- 082 Innovation
- 086 Social Contributions

- OVERVIEW
- OUR APPROACH TO SUSTAINABILITY
- PERFORMANCE
- FUNDAMENTALS**
- ESG FACT SHEET
- APPENDIX



BOARD OF DIRECTORS

CJ CheilJedang aims to ensure efficiency in business management and create synergies by prioritizing the public interest and working in the interests of shareholders and other stakeholders based on a transparent and reasonable governance structure. The Board of Directors of CJ CheilJedang represents the interests of shareholders and stakeholders. As the highest decision-making body committed to ensuring the Company's sustainable growth, the Board of Directors deliberates and resolves important matters related to the Company's business and matters specified in laws and regulations and the Company's Articles of Association. To serve as an effective oversight function on the directors and management, independent directors hold a majority on the Board of Directors. In order to ensure that the Board of Directors makes strategic decisions without being biased in favor of certain interests, independent directors are appointed from among different nationalities, genders, and geographic, religious, ethnic, and cultural backgrounds to incorporate various perspectives into the Board of Directors and take multifaceted views to issues discussed.

COMPOSITION OF THE BOARD OF DIRECTORS

As of the end of April 2023, the BOD of CJ CheilJedang consists of three internal directors and four independent directors appointed by the General Meeting of Shareholders. Pursuant to Article 542(8) of the Commercial Act (Appointment of Independent Directors)¹⁾ and Article 21 of the Company's Articles of Association (Appointment of Directors)²⁾, the target ratio of independent directors on the BOD is more than 51%. The Chairperson of the BOD is appointed from among the directors by a BOD resolution in accordance with the board regulations. Currently, Kyung Shik Sohn, the Company's CEO, who has proven his management ability and experience, is the Chairperson of the BOD. In addition, the BOD solicits opinions from various stakeholders through internal and external communication channels to identify important issues related to the Company's business, thereby contributing to a balanced and objective decision-making process.

1) Listed companies with assets of KRW 2 trillion or more must have at least three independent directors who constitute a majority of the board.

2) Not less than three and not more than nine directors.

BOARD SKILLS MATRIX

As of April 2023 ●: Chairperson, ○: Member

CATEGORY	NAME	ROLE	FIELD OF EXPERTISE	BOARD SKILLS & EXPERIENCE					GENDER	INITIAL APPOINTMENT DATE	COMMITTEE UNDER THE BOARD OF DIRECTORS				
				GLOBAL BUSINESS	LEADERSHIP/MANAGEMENT	R&D	FINANCE/RISK MANAGEMENT	ADMINISTRATION/POLICY			AUDIT COMMITTEE	INDEPENDENT DIRECTOR CANDIDATE RECOMMENDATION COMMITTEE	INTERNAL TRANSACTION COMMITTEE	REMUNERATION COMMITTEE	CORPORATE SUSTAINABILITY COMMITTEE
Internal Director	Kyung Shik Sohn	CEO, CJ CheilJedang	Management	✓	✓				Male	2007.09					
	Eun Seok Choi	CEO, CJ CheilJedang and Head of BIO Business, CJ CheilJedang	Management	✓	✓				Male	2020.03				○	○
	So Young Kim	Head of BIO Animal Nutrition at CJ CheilJedang	R&D		✓	✓			Female	2021.03					
Independent Director	Jong Chang Kim	Adjunct Professor, College of Business at Korea Advanced Institute of Science and Technology	Finance, Investment, Financial Advisory		✓		✓	✓	Male	2019.03	●	○	○	●	○
	Tae Yoon Kim	Professor, Department of Public Administration at Hanyang University	Policy Advisory				✓	✓	Male	2019.03	○	●	○	○	○
	Jung Hwan Yun	Professor, Department of Internal Medicine	BIO and life science			✓			Male	2020.03	○	○	○	○	●
	Si Wook Lee	Seoul National University Hospital Professor, KDI School of Public Policy and Management	International commerce	✓			✓	✓	Male	2019.03	○	○	●	○	○

About Board Members

APPOINTMENT OF DIRECTORS

All directors of CJ CheilJedang are appointed by resolutions of the General Meeting of Shareholders in accordance with Article 382 of the Commercial Act (Appointment of Directors, Relationship with the Company and Independent Directors). We strive to ensure fairness and independence in this process by presenting and voting on each candidate separately at the General Meeting of Shareholders. Internal directors are appointed from among the candidates recommended by the Board of Directors, and independent directors are appointed from among the candidates recommended by the Independent Director Candidate Recommendation Committee. The Independent Director Candidate Recommendation Committee is composed entirely of independent directors to ensure independence and fairness in the recommendation of independent director candidates. The Independent Director Candidate Recommendation Committee considers the candidates' experience and expertise, potential conflicts of interest, number of consecutive terms served and concurrent positions held in other companies, if any, and reviews their qualifications as set forth in relevant laws and regulations, such as the Commercial Act and the Enforcement Decree of the Commercial Act, before finally recommending them to the General Meeting of Shareholders.

TERMS OF OFFICE

The average length of service of the seven members of the Board of Directors was 5.14 years at the end of April 2023. The term of office for directors is guaranteed for three years, and the Commercial Act stipulates that the term of office for independent directors may not exceed six years. In order to ensure that the independent directors serve as a check and balance function on management, the rules of the Independent Director Candidate Recommendation Committee expressly provide that independent directors may not serve more than two consecutive terms. As of the end of March 2023, no independent director has served for more than six years or more than nine years in our affiliates.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

► Corporate Governance

Compliance Management

Information Security

Innovation

Social Contributions

ESG FACT SHEET

APPENDIX

BOARD OPERATIONS

The Board of Directors holds monthly meetings and extraordinary meetings as needed in accordance with the relevant regulations. In 2022, CJ CheilJedang held ten board meetings to discuss 29 agenda items. Directors are required to attend at least 75% of the meeting, and the attendance rate for the year was 97.1%. In accordance with the Articles of Association and the Board Regulations, the board meeting is convened by the Chairperson, and each director is notified of the time, place and agenda of the meeting at least seven days in advance. Resolutions of the Board of Directors require the presence of a majority of the directors and a majority of the votes by the directors present, except in some exceptional cases specified in relevant laws and regulations. Pursuant to Article 28 of the Articles of Association and Article 7 of the Board Regulations, directors who have a special interest in an agenda item are prevented from exercising their voting rights, which is an institutional measure to prevent potential conflicts of interest. The Board of Directors discloses the attendance of individual directors, their votes and details of their activities in the management information on the Company's website, the corporate governance report and the annual report.

COMMITTEES UNDER THE BOARD OF DIRECTORS

The Board operates committees to ensure the independence, transparency and fairness of the corporate governance structure. The Audit Committee, the Independent Director Candidate Recommendation Committee and the Internal Transaction Committee are all composed of independent directors to ensure a mutual check and balance between the Board and management. Details of the activities of the committees can be found on page 352 of the Annual Report published in March 2023.

COMMITTEE	COMPOSITION ¹⁾	KEY ROLES	COMMITTEE ACTIVITIES IN 2022		
			NUMBER OF MEETINGS	NUMBER OF AGENDA DISCUSSED	ATTENDANCE RATE (%)
Audit Committee	4 independent directors	AUDIT CORPORATE ACCOUNTING AND BUSINESS <ul style="list-style-type: none"> Survey corporate affairs and properties. State views to agenda and documents to be submitted by directors to the General Meeting of Shareholders. Appoint, replace, and dismiss external auditors. 	8	14	96.9
Independent Director Candidate Recommendation Committee	4 independent directors	RECOMMEND INDEPENDENT DIRECTOR CANDIDATES <ul style="list-style-type: none"> Identify and recommend candidates who meet the qualifications for independent directors under relevant laws, the Company's Articles of Association and Board Regulations. 	2	2	100
Internal Transaction Committee	4 independent directors	ENSURE TRANSPARENCY IN TRADE WITH AFFILIATES AND PARTIES IN SPECIAL RELATIONS <ul style="list-style-type: none"> Deliberate on trade with affiliates and parties in special relations that is subject to board approval under the Fair Trade Act and the Commercial Act 	5	8	100
Remuneration Committee	1 internal director 4 independent directors	ENSURE FAIRNESS IN THE EVALUATION OF PERFORMANCE INDICATORS FOR EXECUTIVE COMPENSATION POLICIES AND LONG-TERM INCENTIVE PAYMENTS <ul style="list-style-type: none"> Establish and change the compensation system for executives. Decide on matters related to the evaluation of executive performance indicators for long-term incentive payments. 	2	3	100
Corporate Sustainability Committee	1 internal director 4 independent directors	ESTABLISH A SUSTAINABLE MANAGEMENT SYSTEM <ul style="list-style-type: none"> Decide on the sustainability management strategy and activities thereunder. Decide on matters related to the E(environmental), S(social), G(economy/governance) aspects 	4	6	100

1) As of April 2023

BOD MEETING ATTENDANCE RATE IN 2022

INTERNAL DIRECTORS' ATTENDANCE RATE

96.6%

INDEPENDENT DIRECTORS' ATTENDANCE RATE

97.5%



BOD OPERATION RESULTS

CATEGORY	UNIT	2020	2021	2022
Number of meetings	Time	8	10	10
Number of agenda discussed	Case	24	34	29
Average attendance rate	%	98.2	94.3	97.1

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

► Corporate Governance

Compliance Management

Information Security

Innovation

Social Contributions

ESG FACT SHEET

APPENDIX

INDEPENDENCE OF INDEPENDENT DIRECTORS

In appointing independent directors, CJ CheilJedang complies with the provisions of Articles 382 and 542(8) of the Commercial Act to determine their independence from the Company. In particular, in accordance with Article 34(5) of the Enforcement Decree of the same Act, independent director candidates who have worked for any of the Company's affiliates or have material interests in the Company and are therefore deemed to be unable to faithfully perform their duties as independent directors are excluded. In addition, to ensure that the independent directors perform their duties in an objective and unbiased manner, the qualifications of the independent director candidates are verified and relevant teams, including finance, legal and public relations, redundantly check for potential disqualifications under relevant laws and employment restrictions for former public officials. When appointing independent directors, we obtain "Qualification Confirmation of Independent Director" from them, confirming their independence from the Company and qualifications, and file it with the Korea Exchange, and we make every effort to appoint impartial independent directors who have no conflict of interest with the Company. As of the end of March 2023, none of the independent directors had any material interest in the Company and/or its affiliates. Pursuant to Article 34 of the Enforcement Decree of the Commercial Act, independent directors of CJ CheilJedang are permitted to serve as directors and auditors of another company, and the Company's internal standards require them to comply with relevant laws and regulations.

CONCURRENT POSITIONS HELD

NAME	INITIAL APPOINTMENT DATE	END OF TENURE	ORGANIZATION	CONCURRENT POSITION HELD	TENURE AT THE ORGANIZATION	LISTED COMPANY
Tae Yoon Kim	Mar 29, 2019	End of General Meeting of Shareholders in 2025	Hanmi Pharmaceutical Co. Ltd.	Independent Director	Mar 2023 – Present	Listed

EXPERTISE AND DIVERSITY OF INDEPENDENT DIRECTORS

To ensure the expertise of the independent directors, CJ CheilJedang considers their professional knowledge and experience in various fields when appointing the directors. With this, we can ensure that we monitor, review and advise management from an objective perspective. CJ CheilJedang's independent directors are experts in the fields of finance, political consulting, international trade, and bio and life sciences to assist management in making informed decisions without bias. To equip them with the information they need to perform their duties, we provide training for independent directors and support them with expert advice as needed. In 2022, we conducted two rounds of internal and external training on compliance risks that may arise from the introduction of domestic sustainability disclosure standards and regulatory risks related to the government's ESG policies and ESG trends.

BACKGROUND OF INDEPENDENT DIRECTORS

NAME	MAJOR CAREER	SELECTION BACKGROUND
Jong Chang Kim	Governor, Financial Supervisory Service (2008-2011) Committee member, Bank of Korea (2004-2006) Chairman, Industrial Bank of Korea (2001-2004) Adjunct Professor, Korea Advanced Institute of Science & Technology College of Business (2013 – Present)	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	President, Korea Society for Regulatory Studies Professor, Department of Public Administration at Hanyang University	He has rich experience in national policy advisory, such as establishing national regulatory policies and proposing innovative growth tasks in preparation for rapid changes in the industrial environment, such as the advent of the 4th industrial revolution, and possesses innovative expertise. Based on a broad understanding of society as a whole, he can help us identify regulatory risks that may impact our business at an early stage and contribute to effective decision-making
Jung Hwan Yun	Head of Internal Medicine, Seoul National University Hospital Director, Liver Research Foundation of Korea	He has extensive medical work experience and expertise in BIO and life sciences R&D. As a medical professional who has promoted the fusion of IT technology and biotechnology, he can provide continuous advice and help to the BIO Business.
Si Wook Lee	Director, KDI Center for International Development (2015-2016) 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 contribute to risk management from a global perspective. Based on his experience in a knowledge sharing project to spread Korea's economic development experience to other countries, he can provide a global vision for our business.

EVALUATION AND REMUNERATION OF THE BOARD OF DIRECTORS

Considerations for directors' reappointment decision include an assessment of each director's attendance at board and committee meetings, as well as their independence, expertise and contribution to the overall management of the Company. Attendance at board and committee meetings and voting results are disclosed quarterly in the quarter, half-annual, annual reports. Directors' remuneration is paid within the limits of the 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 Association (Remuneration of Executive Officers). The remuneration of the independent directors is calculated taking into account the level of remuneration in the industry and their responsibility. The four independent directors are paid the same amount in the form of a fixed salary without any additional allowances or nominal expenses for meetings. The compensation of key executives, including the CEO, is divided into a base salary and a bonus in accordance with the executive regulations approved by the Board of Directors. The base salary is determined by taking into account the annual salary adjustment rate based on the previous year's KPI assessment rating, the level of responsibility and the contribution to the Company. The bonus consists of short-term incentives, which are linked to the revenue for the financial year, the achievement rate of the operating profit target and the KPI assessment rating, and long-term incentives, which are linked to the medium- to long-term business performance of the Company.

REMUNERATION FOR DIRECTORS IN 2022

CATEGORY	NUMBER OF DIRECTORS (PERSONS)	TOTAL REMUNERATION (KRW MILLION)
Internal Directors	3	10,583
Independent Directors	4	302

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

► Corporate Governance

- Compliance Management
- Information Security
- Innovation
- Social Contributions

ESG FACT SHEET

APPENDIX

STRENGTHENING SHAREHOLDER RIGHTS AND INTERESTS

PROTECTING SHAREHOLDER RIGHTS AND INTERESTS

CJ CheilJedang has established systems to protect the rights and interests of shareholders and enhance their convenience, such as an electronic voting system and a proxy voting system. In addition, in order to encourage as many shareholders as possible to attend the General Meeting of Shareholders, meetings are scheduled outside the periods when shareholders are likely to attend shareholder meetings of other companies. We provide shareholders with sufficient information to exercise their rights in accordance with relevant disclosure requirements, and post IR materials and earnings announcements on our website in a timely manner. Other channels through which we disseminate information include analyst meetings and investor briefings.

SHAREHOLDER RETURN POLICY

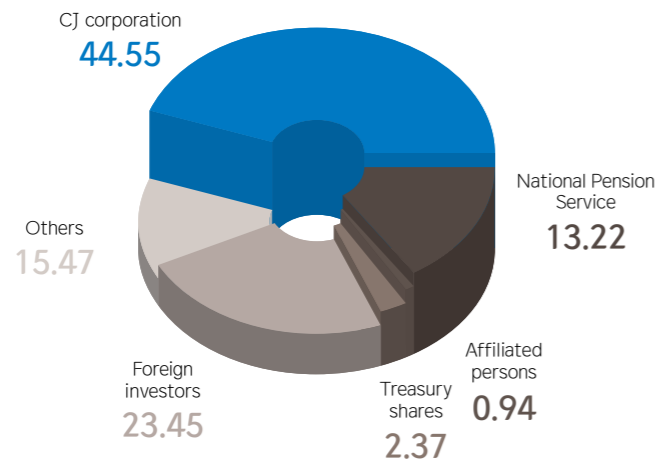
In February 2022, CJ CheilJedang established and announced a three-year dividend policy to provide greater predictability for investors and increase shareholder value. Under the policy of paying out at least 20% of net income (excluding one-time extraordinary gains and losses) based on separate financial statements for financial years 2021 to 2023, we began paying quarterly dividends in the first quarter of 2022. CJ CheilJedang will continue to strive to increase shareholder value by achieving better results and growth, and maintain a predictable and stable quarterly dividend policy.

SHARES OWNED BY BOARD OF DIRECTORS

CATEGORY	NAME	NUMBER OF SHARES
Directors holding shares of CJ CheilJedang (Internal directors)	Kyung Shik Sohn (CEO, Internal Director)	5,500 shares

SHAREHOLDERS

Unit: %



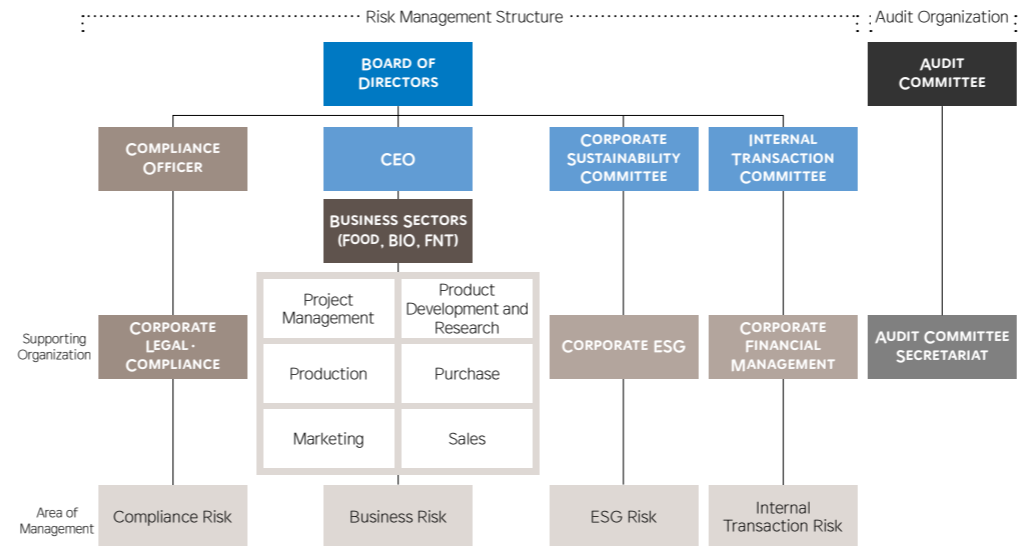
1) We do not issue "golden shares" (shares that give the holder the right to veto resolutions at the General Meeting of Shareholders regardless of the number of shares held).

2) The share ratios were calculated based on the total number of ordinary shares (voting shares) as of the end of December 2022 (15,054,186 shares).

RISK MANAGEMENT SYSTEM

CJ CheilJedang has established a system to categorize and identify potential risks in business management and to prevent them by continuously reviewing and managing related matters through the Board of Directors and its committees. The Board of Directors and its committees, the CEO and the Compliance Officer have dedicated support organizations that report directly to them. The support organizations are responsible for continuously monitoring and reporting on the status of corporate-wide risk management, and the Board of Directors and its committees are responsible for reviewing these reports.

RISK MANAGEMENT AND AUDIT STRUCTURE



RISK-SPECIFIC MANAGEMENT ORGANIZATIONS AND ROLES

RISK TYPE	MANAGEMENT ORGANIZATIONS	KEY ROLES
Business Risk	Board of Directors	Monitor key matters that affect performance and business operations.
		Approve transactions with affiliates and persons with a special relationship that are subject to board approval under the Fair Trade Act and the Commercial Act.
		Report on health and safety plans for board approval.
Compliance Risk	Board of Directors	Oversee matters related to compliance management such as fair trade, ethical management, and compliance monitoring.
		Establish and implement recurrency prevention measures in the event of violations.
ESG Risk	Corporate Sustainability Committee	Ensure the sustainable growth of the Company by pursuing ESG management in a strategic and organized manner. Identify and delve into issues related to ESG, review the Company's sustainability management strategies and directions, and consider and approve progress and achievements.
Internal Transaction Risk	Internal Transaction Committee	Deliberate on transactions with affiliates and persons with a special relationship that are subject to board approval under the Fair Trade Act and the Commercial Act.
		Oversee matters related to internal trade as deemed necessary by the Board of Directors or committees.
Financial risk	Audit Committee	Audit the Company's accounting and business. Oversee matters set forth in legislation and the Articles of Association and matters delegated by the Board of Directors.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

► Corporate Governance

Compliance Management

Information Security

Innovation

Social Contributions

ESG FACT SHEET

APPENDIX

MANAGEMENT OF POTENTIAL RISKS

CJ CheilJedang identifies not only financial and non-financial risks that may arise from its current business activities, but also emerging risks that may have a significant impact on its future business. Management thoroughly analyzes and responds to them in order to minimize their impact. In particular, CJ CheilJedang works closely with relevant parties throughout the value chain to identify business opportunities by identifying and proactively responding to significant emerging risks that are likely to affect the Company in the long term.

POTENTIAL RISK MANAGEMENT AND RESPONSE

★ Emerging Risk

POTENTIAL RISK	DEFINITION	CATEGORIES	RISK MANAGEMENT MEASURES	OUR RESPONSE
★ Volatility in raw materials prices	Raw materials price risk due to natural disasters (typhoons, droughts, floods, etc.), political situations (wars, trade disputes, etc.), and diseases (avian flu, African swine fever, etc.) that cause increases or decreases in acreage, fish catches, and herd sizes.	Financial Operational	<ul style="list-style-type: none"> Operate risk monitoring and detection systems Build a response system for risk hedging 	<ul style="list-style-type: none"> Report major ingredients' MI and monitor major disease outbreaks in real-time Optimize sources (find new sources globally and adjust country distributions) Pursue strategies to avoid risk-prone materials and seasonal materials Build multiple formulations for ingredients for variations in ingredients' availability
Environmental and safety laws and policies	Legal/financial (fines, etc.)/operational risks arising in the event of failure to proactively respond to new or revised environmental and safety laws and regulations.	Operational Regulatory	<ul style="list-style-type: none"> Build a surveillance system Conduct corporate-wide fact-finding and exhaustive inspections as early as legislative pre-announcement to establish and implement standard processes 	<ul style="list-style-type: none"> Build a corporate-wide compliance monitoring system Apply an intelligent detection system to prevent compliance failures and accidents such as fires and leaks in real time Apply an integrated air/water quality monitoring system to ensure compliance with environmental laws Use the ESH system and the Ministry of Government Legislation's alarm systems for monitoring purposes
Workplace safety	Safety, catastrophic and reputational risks arising from accidents in five major workplace risk areas (environment, fire, industrial (major) accidents, health disorders, and electricity)	Operational Reputational	<ul style="list-style-type: none"> Run accident prevention campaigns Conduct major accident prevention activities 	<ul style="list-style-type: none"> Establish workplace-specific risk top management systems with a focus on major accident Strengthen the SDR (Safety Design Review) operations Set safety behavior principles: "No Touch" campaign, "Trouble Top 5" Conduct preventive activities such as the accident management system (AMS) and competitors' major accident review
★ Demographic changes	Demographic changes, such as low birth rates, an aging population and an increase in single-person households, a decrease in the average number of meals per day, a decrease in the number of dishes served per meal, and people's preference for Western-style/snack-type one-meal options, which all impact our portfolio	Financial Strategic	<ul style="list-style-type: none"> Develop products and menus tailored to single-person households Develop convenient home meal replacements and new restaurant meal kits 	<ul style="list-style-type: none"> Develop and expand HMR products that meet consumers' needs for health and convenience <ul style="list-style-type: none"> Hetbahn Cupbahn BIG Cupbhan, Grain Bowl/Konjac Jelly/Hetbahn Sotbahn, functional porridge, and frozen rice products Oil sprays, Dadam sauces (convenient cooking ingredients) Chef's Collection, high-quality frozen soup products, new Chinese dishes, restaurant-quality chicken dishes, and frozen pasta
Changes in customers' lifestyles and preferences	The impact of changing consumer lifestyles, such as the increased need for balanced diets and health, the rise of value-driven consumption such as green consumption, and the shift to smaller personal relationships	Financial Strategic	<ul style="list-style-type: none"> Pursue next-generation HMR evolution based on trend predictions : Expand the wellness product lineup, design green packaging for products, develop new upcycling products, food pairing, and original recipes 	<ul style="list-style-type: none"> Launch salt-reduced soups, low-calory products, and high-protein products Launch 100% vegetarian products (Mandu, vegan Dashida, etc.) Develop green packaging (label-free Spam, biodegradable materials, etc.) and launch food upcycling products (snacks made from imperfect rice grains rice and pureed soybean) Launch a drink accompaniments brand (deli meat brand "606")
Business continuity affected by natural disasters	Business continuity risks, such as soil weakening during the thaw, wind and water damage, winter safety accidents and fires, and COVID-19	Operational Financial	<ul style="list-style-type: none"> Establish a response system for risk hedging Conduct wind and water damage impact assessments 	<ul style="list-style-type: none"> Strengthen facility checks and safety inspections during the thaw and winter Conduct pre-inspections and make improvements to prevent wind and water damage, develop accident response scenarios, and conduct emergency drills Follow the government's disease control guidelines and develop and implement internal health and safety management systems in response to COVID-19
Climate change risk	<ul style="list-style-type: none"> Climate change regulation risks such as the EU Carbon Border Adjustment Mechanism and the US Carbon Border Tax Risk associated with post-production waste and treatment in food processing plants 	Financial Operational	<ul style="list-style-type: none"> Monitor GHG emissions from workplaces and supply chains Reduce the use of plastics Resourcify waste 	<ul style="list-style-type: none"> Turn waste into high-value-added products (fertilizers/feed) through waste recycling services to obtain the Zero Waste to Landfill Certification

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

► Corporate Governance

Compliance Management

Information Security

Innovation

Social Contributions

ESG FACT SHEET

APPENDIX

TRANSPARENT TAX MANAGEMENT

APPROACH TO TAX

CJ CheilJedang recognizes that complying with national tax laws and systems and managing tax risks are essential to make our business more sustainable by contributing to national finances, ensuring customer benefits, and maximizing shareholder profits. Accordingly, we strictly follow the CJ CheilJedang Tax Policy and have tax-related issues thoroughly managed by a dedicated team of experts. We also consult external experts to evaluate major tax risks and make final decisions. In addition, we have established standards and procedures for transparent tax payment and risk management to comply with relevant laws and systems and to ensure transparency.



TAX GOVERNANCE

At CJ CheilJedang, all business activities are guided by its tax policy to ensure compliance with applicable tax laws in all jurisdictions in which it operates. The Chief Financial Officer, head of the Financial Operations Office, has ultimate responsibility for all tax-related matters, and major tax issues are submitted to the Board of Directors for decision. Our tax policy is based on integrity, which is one of our core business values.

STAKEHOLDER ENGAGEMENT AND INTEREST MANAGEMENT

CJ CheilJedang has established a reasonable transfer pricing policy for its cross-border transactions with overseas entities that is consistent with domestic tax laws and transfer pricing guidelines. We faithfully fulfill our obligations to pay corporate and other taxes and respond to requests from the tax authorities to submit materials and reports in accordance with the tax laws of the countries in which we conduct our global operations. We also maintain a transparent and cooperative relationship with the tax authorities in each country.



TAX RISK MANAGEMENT

We strive to prevent tax risks that may arise from all domestic and international transactions related to our business. We view compliance as the overarching factor in managing various tax risks. To proactively prevent tax risks, we follow our own processes for monitoring tax laws and information in each country in which we operate, identify differences in country-specific tax laws, and work closely with tax authorities to prevent risks. Corporate tax control as part of our internal accounting control system also helps prevent tax-related risks. When tax issues arise, they are monitored at the operational level across our businesses, and any issues identified are reported to the CFO after further review by the tax team. For major tax issues, we consider the potential risks in consultation with external experts and submit them to the Board of Directors for decision-making.

TAX RISK MANAGEMENT PROCESS



TAX PAYMENT AND EFFECTIVE TAX RATES

CATEGORY		UNIT	2021	2022
Including logistic business	Earnings before tax	KRW 100 million	12,178	12,455
	Income tax expenses	KRW 100 million	3,254	4,428
	Effective tax rate	%	26.72	35.55
	Cash taxes paid	KRW 100 million	4,696	3,688
	Cash tax rate	%	38.56	29.61
Excluding logistic business	Earnings before tax	KRW 100 million	9,244	9,840
	Income tax expenses	KRW 100 million	2,521	3,770
	Effective tax rate	%	27.27	38.31
	Cash taxes paid	KRW 100 million	3,848	2,915
	Cash tax rate	%	41.62	29.62

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

► Corporate Governance

Compliance Management

Information Security

Innovation

Social Contributions

ESG FACT SHEET


APPENDIX



COMPLIANCE MANAGEMENT

COMPLIANCE MANAGEMENT SYSTEM

CJ CheilJedang is dedicated to effectively ensuring adherence to compliance. We conduct self-inspections on compliance with laws and regulations related to our business operations to prevent unlawful practices and systematically respond to legal risks.

 CJ People's Promise

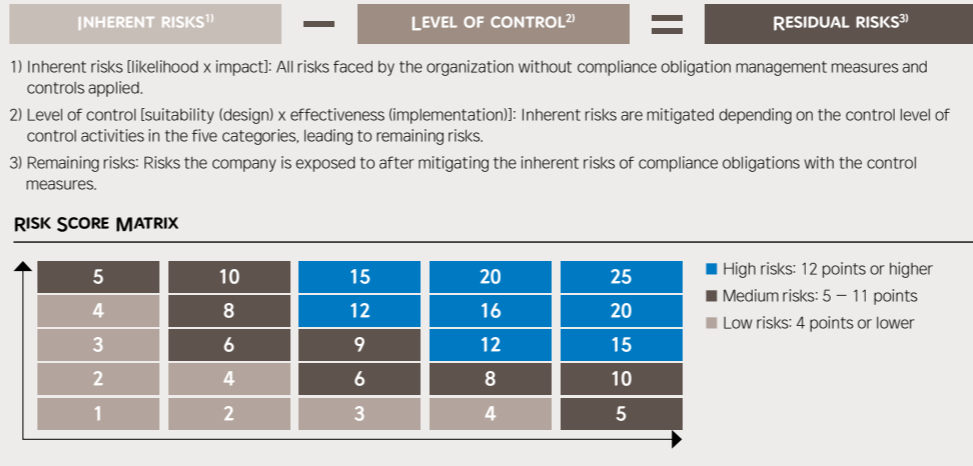
CMS (COMPLIANCE MANAGEMENT SYSTEM) 2.0 ADVANCEMENT AND OPERATIONS

CMS 2.0 defines the process and system for the efficient and organized management of the Company's compliance obligations (do's and don'ts for employees identified based on laws and regulations and the CJ People's Promise). It is the "Centerpiece of CJ CheilJedang's Compliance Management." We have identified compliance obligations based on laws and regulations related to our business and categorized them into 10 obligation areas: fair trade, quality safety, occupational safety, environmental safety (including climate change), anti-corruption, personal information, resource preservation, property rights protection, labor rights, and consumer protection. To prevent risks in each of these areas, we have classified control activities into five types (internalization, monitoring, process, regulation, and computerized systems) for which we plan control activities and verify their implementation. For each compliance obligation, we have established a system to assess the inherent and residual risks identified based on the level of control. Based on the results of the assessment, we categorize the risks into high, medium, and low risk groups, thereby ensuring the organized management of the Company's compliance risks. To guarantee the proficient management of compliance under CMS 2.0, we've set up routine discussions with compliance coordinators from every business unit. Additionally, we provide individualized updates on compliance status to key executives and integrate their input into our compliance efforts.

10 COMPLIANCE OBLIGATIONS



INHERENT AND REMAINING RISK ASSESSMENT SYSTEM



COMPLIANCE MANAGEMENT COMMITTEE

The Compliance Management Committee is the highest decision-making body for compliance issues and is composed of the Chairperson (CEO), Vice Chairperson (Head of Corporate Financial Management), Compliance Officer (Head of Corporate Legal & Compliance), and members (Heads of Business, Head of Corporate Business Management, Head of Corporate HR, Head of Corporate Internal Audit, etc.). The committee holds regular meetings, at least once a year, to discuss the results of compliance activities and major issues, and to identify improvement measures to ensure compliance in practice. In 2022, the Compliance Management Committee discussed the latest compliance developments, such as a precedent case highlighting the monitoring duties of directors at home and abroad and the establishment and operation of internal control systems, as well as the operation of CMS 2.0, awareness-raising activities, and key business directions for 2023. In particular, the members discussed in detail the amendments to the compliance-related regulations, which were subsequently approved by the Board of Directors for procedural legitimacy and implementation.



- OVERVIEW
- OUR APPROACH TO SUSTAINABILITY
- PERFORMANCE
- FUNDAMENTALS**
 - Corporate Governance
 - **Compliance Management**
 - Information Security
 - Innovation
 - Social Contributions
- ESG FACT SHEET
- APPENDIX

MONITORING AND PROCESS IMPROVEMENTS

CJ CheilJedang proactively responds to changes in the regulatory environment and issues such as new legislation and amendment through continuous monitoring and process improvements. In particular, we focused on monitoring activities in relation to amendments to the Fair Trade Act, the Subcontracting Act, and the Occupational Safety and Health Act. There were no violations of the code of conduct in 2022.

RESULTS OF THE MONITORING AND PROCESS IMPROVEMENTS

CATEGORY	DETAILS
Fair Trade Act	Strengthened monitoring for illegal cartel conduct. Developed guidelines for contact with competitors and information collection.
Subcontracting Act	Reviewed technical data requests and improved the process.
Occupational Safety and Health Act	Established processes for technical instructions to prevent construction industrial accidents, etc.

REGULATORY TRENDS AND GUIDELINES

We have established guidelines that provide field-ready interpretations of relevant laws and regulations identified by CMS 2.0 that are readily applicable to day-to-day business operations so that employees can easily understand key provisions, types of violations, and applicable penalties. We also produce and distribute regulatory trend updates to inform them of changes in relevant laws and regulations, their implications, and cautionary notes. In 2022, we produced two guidelines on the Fair Trade Act and the Improper Solicitation and Graft Act and 21 regulatory trend updates on fair trade and occupational safety and health laws to provide employees with clear guidance based on the latest laws and regulations.

MAINTAINING THE ISO 37301 CERTIFICATION: SECONDARY FOLLOW-UP AUDIT

CJ CheilJedang maintains ISO 37301 compliance management certification by undergoing annual follow-up audits to ensure the effectiveness of its compliance management system. The results of the second follow-up audit in 2022 showed that we have satisfactorily met the compliance requirements and that employee awareness has improved. Our compliance management system based on CMS 2.0 was found to be effective in the department/business-specific compliance requirement and risk assessments and control measure reviews, thus maintaining the certification status. CJ CheilJedang also assists other CJ Group companies in obtaining ISO 37301 certification, thereby contributing to group-wide compliance management.

PROMOTING ETHICAL MANAGEMENT

At CJ CheilJedang, the CEO and key executives deliver declaration of will messages to all employees at least twice a year to affirm their willingness to ensure compliance management in all business operations. All executives and employees receive annual training and sign the Ethical Management Pledge to confirm their commitment to compliance management.

COMPLIANCE TRAINING

We offer ethical management training courses to raise employees' awareness of compliance issues and strengthen their ethical management awareness. We devised a training program for compliance that aligns with the organization's code of conduct, CJ People's Promise, for the purpose of educating employees. In addition to providing general training for all employees, we also provided specialized training tailored to different organizations to help them better understand laws and regulations related to their areas in 2022.

COMPLIANCE TRAINING COURSES

CATEGORY	DETAILS	
Common Training	<ul style="list-style-type: none"> Mandatory Compliance Training Understanding and Practicing Fair Trade Trade Secret Protection 	
Position/ Role Specific Training	New Hires/ Career Positions	<ul style="list-style-type: none"> Understanding Compliance
	Fair Trade	<ul style="list-style-type: none"> Anti-Information Exchange Illegal Cartel Conduct Guidelines Supply Price Adjustment System Technical Data Management Process Fair Trade in Supplier Management Fair Agency Transactions Act Subcontracting Act
	Workplace Safety	<ul style="list-style-type: none"> Serious Accident Punishment Act and Occupational Safety Issues
	Privacy	<ul style="list-style-type: none"> Personal Information Protection Act
	Consumer Protection	<ul style="list-style-type: none"> Electronic Commerce Act and Act on Labeling and Advertising of Foods Legal Issues Related to Review Advertisements
Others	<ul style="list-style-type: none"> Legal Issues Related to Smart Farms ISO 37301 Internal Auditor Training for CPCO 	

STRENGTHENING GLOBAL COMPLIANCE MANAGEMENT

As we expand our business globally, we are working to strengthen compliance management and response overseas. In 2022, we conducted compliance performance evaluations for global executives and focused on raising compliance awareness to promote an ethical management culture by establishing governance and providing training. In 2023, we plan to further strengthen our global legal affairs team and establish and promote a global compliance management system.

GLOBAL COMPLIANCE ACTIVITIES AND PLANS

ACTIVITIES IN 2022

GLOBAL EXECUTIVES' COMPLIANCE MANAGEMENT DECLARATIONS

- Publicly announced or emailed in the Korean and local languages (at least twice annually).

COMPLIANCE POLICIES AS CORPORATE RULES

- CJ People's Promise (Code of Conduct) and 4 Global Compliance Policies included in the corporate rules in the local language.

ESTABLISHING AND SUPPORTING COMPLIANCE GOVERNANCE

- Companies that have no legal/compliance teams are encouraged to work with the head office's international legal/compliance teams.

COMPLIANCE AWARENESS MONITORING

- Monitoring to understand compliance awareness overseas and identify directions for improvement.

TRAINING

- CJ People's Promise (Code of Conduct), 4 Global Policies (privacy, anti-corruption, fair competition, and economic sanctions).

PLANS FOR 2023

COOPERATIVE CHANNELS

- Build channels for cooperation between the head office's legal staff and overseas corporations' legal staff.

LOCAL EXPERTISE

- Build on the capacity of the head office's legal staff.
- Build networks with overseas law firms.

GLOBAL COMPLIANCE MANAGEMENT SYSTEM

- Identify compliance issues and support specific compliance management systems and policies.
- Conduct compliance monitoring.
- Disseminate and educate on CJ People's Promise (Code of Conduct) and Global Compliance Policies

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

Corporate Governance

► Compliance Management

Information Security

Innovation

Social Contributions

ESG FACT SHEET

APPENDIX

INFORMATION SECURITY

INFORMATION SECURITY MANAGEMENT SYSTEM

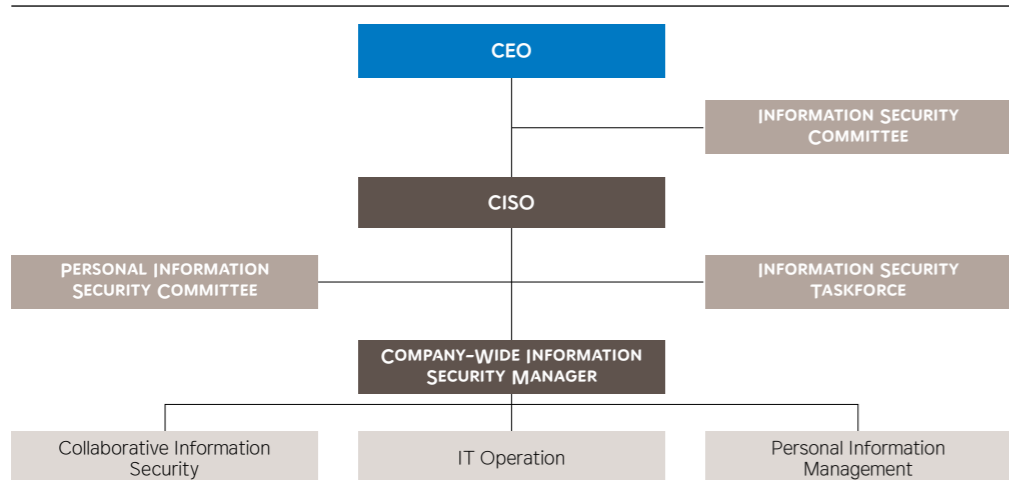
INFORMATION SECURITY RISK MANAGEMENT

As consumers' personal information protection and corporate information security become increasingly important, CJ CheilJedang has established an information security management system to conduct information security activities in accordance with local and international standards and systems. To protect personal information and prevent leaks and damage, we comply with relevant laws and regulations. We have also updated the Personal Information Processing Policy to further strengthen information security activities, and appointed a corporate security officer and divisional security managers to identify vulnerabilities and develop security solutions. In particular, with the second amendment to the Personal Information Protection Act taking effect in 2023, we have updated internal policies and reviewed the implementation system to better respond to risks.

INFORMATION SECURITY MANAGEMENT STRUCTURE

At CJ CheilJedang, we assigned the Chief Information Security Officer (CISO), and the Information Security Committee, the Personal Information Protection Committee, and the Working-Level Information Security Committee directly report to the CEO to discuss and make decisions on relevant issues. We also have a corporate information security manager and a dedicated team to develop, manage, and operate information security systems.

ORGANIZATION OF THE INFORMATION SECURITY GROUP

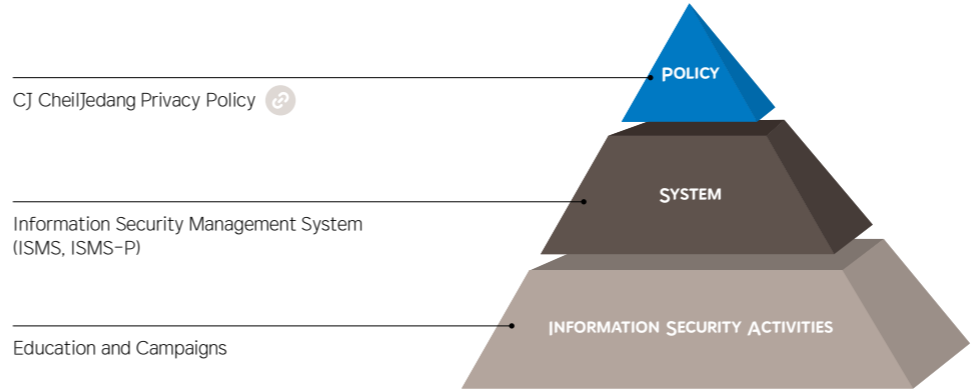


INFORMATION SECURITY MANAGEMENT SYSTEM CERTIFICATION

In 2016, CJ CheilJedang obtained the Information Security Management System (ISMS), a nationally recognized security certification scheme, to further advance the company's information security management. In 2020, we obtained the ISMS-P¹⁾ certification, an expanded version of ISMS that includes personal information management systems, and have maintained the ISMS-P certification with annual audits.

1) ISMS-P (Personal Information & Information Security Management System): A nationally accredited certification body audits the applicant and certifies that it manages important information, such as corporate and personal information and infrastructure assets, in a secure and reliable manner.

INFORMATION SECURITY SYSTEM



INFORMATION SECURITY ENHANCEMENT ACTIVITIES

INFORMATION SECURITY AWARENESS CAMPAIGN



We promote security awareness among employees and encourage voluntary information security activities by providing information security education and programs. Highlights of activities in 2022 included guides to ensure email security and prevent malware, and instructions to help employees understand information security rules, activities, and related precautions. We will continue to conduct activities to prevent information security risks by improving employees' understanding of security.

VIOLATION OF CUSTOMER PRIVACY AND LOSS OF CUSTOMER INFORMATION

In 2022, 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.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

Corporate Governance

Compliance Management

► Information Security

Innovation

Social Contributions

ESG FACT SHEET

APPENDIX

INNOVATION

R&D INVESTMENT FOR THE FUTURE

CJ CheilJedang has world-class researchers and state-of-the-art infrastructure to develop technology-intensive, high-value-added products. The company established a food research center in 1978 and opened the largest convergent research center in Korea focusing on food, bio and future technology development. It also operates research facilities around the world to develop products the world has never seen. Our investments particularly focus on healthy and nutritious foods for a sustainable future, alternative and cultured meat products, green solutions and packaging, new bio-drug development, and next-generation microorganism-based proteins. In 2022, CJ CheilJedang's R&D expenditure increased by 30% year-on-year, resulting in 451 new patents. CJ CheilJedang will continue to advance its R&D initiatives for the future and contribute to the development of the food and bio industries.

R&D COSTS IN KOREA

Unit: KRW 100 million



R&D PERSONNEL

Unit: person



CORPORATE R&D CENTER: CJ BLOSSOM PARK

In 2017, CJ CheilJedang opened CJ Blossom Park, a brand-new interdisciplinary R&D center. CJ Blossom Park consists of the Prime Building for research and the Next Building for pilot testing and mass production research. It also provides an immersive environment for research and accelerates technology development with open labs and spaces for communication, creative thinking, and healthy daily living.

FOOD RESEARCH INSTITUTE	INSTITUTE OF BIO TECH	WHITE BIO	INSTITUTE OF FOOD & NUTRITION TECH
<ul style="list-style-type: none"> Develop mega-products and brands based on outstanding technologies, take the lead in the globalization of Hansik, and develop food processing technologies for high-quality HMR products, future food resources, and innovative food ingredients. 	<ul style="list-style-type: none"> Develop mega-products and technology-intensive, high-value-added products for plant and animal nutritional health based on world-class biotechnology and state-of-the-art infrastructure. 	<ul style="list-style-type: none"> Develop production technologies for PHA and other biomaterials, for example biopolymers and biochemicals, and next-generation green materials and solutions based on C-Source diversification. 	<ul style="list-style-type: none"> Develop wellness food ingredients, nutritional solutions, alternative proteins and cultured proteins to take the initiative in high-value-added future industries.

DEVELOPING NEW MICROBIOME-BASED DRUGS FOR THE TREATMENT OF METASTATIC CANCER

The primary business areas of CJ Bioscience encompass microbial genome bioinformatics services, microbiome-based drug development, and healthcare services. Its R&D activities are particularly focused on microbiome-based drug development targeting solid tumors, inflammatory bowel disease and neurological diseases. In January 2023, the U.S. Food and Drug Administration (USFDA) approved a clinical trial for its lead pipeline "CJRB-101" for solid tumors. CJRB-101 will be used in combination with immunotherapy drugs to improve the response rate of existing immuno-oncology drugs. The clinical trial will be conducted in Korea and the U.S. To this end, CJ Bioscience is collaborating closely with leading global experts to foster R&D and drive open innovation.

FDA approval for the immuno-oncology drug pipeline (CJRB-101) clinical trial in January 2023

Poster presentation and oral presentation on the anticancer activity of CJRB-101 at the American Association of Cancer Research (AACR¹⁾)

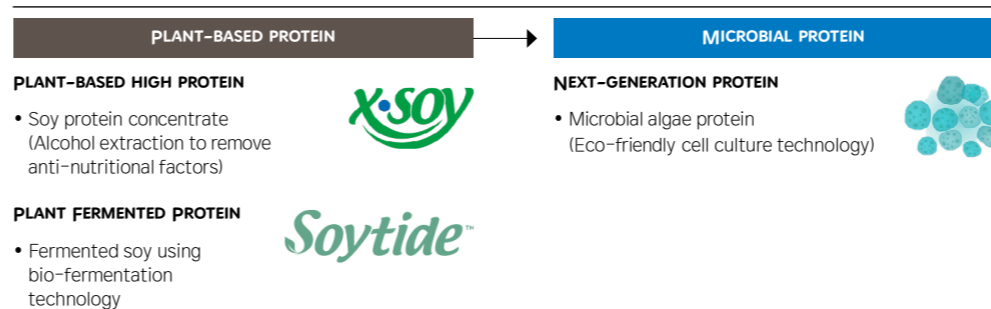
1) The world's most prestigious annual meeting in the field of anticancer drug development and one of the top three cancer societies in the world.

MICROBIOME DRUG DEVELOPMENT PIPELINE

INDICATION	DISCOVERY	PRECLINICAL	CLINICAL	RESEARCH PARTNER
Solid tumors	CJRB-101		USFDA IND approval for phase 1/2 clinical trials (Jan 2023)	연세대학교 의료원 YONSEI UNIVERSITY HEALTH SYSTEM
Inflammatory bowel disease				
Neurologic disease				HARVARD MEDICAL SCHOOL SNUH

GREEN PROTEIN FOR ANIMAL AND HUMAN HEALTH

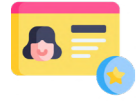
CJ CheilJedang is developing plant-based proteins to reduce pollutant emissions from livestock and play a leading role in the feed industry. In response to the ESG trend, we plan to launch a next-generation protein based on high-value-added microorganisms developed through advanced biotechnology in 2023.



- OVERVIEW
- OUR APPROACH TO SUSTAINABILITY
- PERFORMANCE
- FUNDAMENTALS**
 - Corporate Governance
 - Compliance Management
 - Information Security
 - ▶ Innovation
 - Social Contributions
- ESG FACT SHEET
- APPENDIX

EXPANDING R&D PARTNERSHIPS

In the pursuit of in-depth research in nutritious and healthy foods and environmentally friendly solutions and packaging, CJ CheilJedang collaborates with experts through local and international conferences and consortiums.



KEY MEMBERSHIP

- Foodvalley: Protein turnover/food processing insights, networking with key stakeholders.
- StartLife: Networking with key stakeholders in Europe.
- Bridge2food: European Plant-based Foods Ecosystem¹⁾ annual membership.
- MISTA: Corporate sponsor membership with R&D MISTA Ecosystem.
- 4evergreen: 4evergreen - Circular Fibre Forward consortium.
- SPC: Pursuing green packaging collaboration.



KEY ACADEMIC CONFERENCES

- Korean Nutrition Society
- Korean Society of Food Science and Technology
- Korean Food Freezing Technology Association
- Korean Society for Microbiology and Biotechnology
- Korean Chemical Society Organic Chemistry Division
- Korean Society for Biotechnology and Bioengineering
- Korean Society for Enzyme Engineering
- Korea Federation of Culture Collection



COLLABORATION

- New product ideation with students at Singapore Polytechnic.
- NDA and exchanges with WFBR & Wageningen University.

1) Platform for plant-based food manufacturers, materials producers, and researchers.

CASE

NUTRITION INGREDIENT DEVELOPMENT BASED ON GLOBAL COOPERATION

CJ CheilJedang signed a license agreement for the use of ursolic acid with Emmyon, a U.S. health biotechnology company. This is our first global collaboration initiative to enter the nutrition market. Emmyon is a U.S. startup specializing in research related to musculoskeletal health and holds a number of patents that use naturally derived substances such as ursolic acid to improve muscle strength and metabolism. Under this agreement, we will utilize Emmyon's ursolic acid patents to develop tailored nutritional solutions for various age-related diseases such as sarcopenia, obesity, and diabetes, which will address the needs of global customers. We are currently focusing on research and product development with the goal of launching functional food ingredients for muscle health.



CLEAN LABEL CONSORTIUM: PLANT-BASED PROTEIN

CJ CheilJedang conducts numerous studies on plant-based proteins and collaborates with leading research institutes and companies to improve the quality of plant-based protein food products. In this regard, we joined the Clean Label Consortium, led by Wageningen University & Research (WUR, the Netherlands), in 2021. The Clean Label Consortium aims to develop sustainable clean-label solutions based on research on the properties and functionalities of plant proteins and comprises global leading plant-based protein companies. In addition to providing resources for research, we attend regular meetings to stay updated on the latest research trends and conduct joint studies with WUR researchers to develop clean label solutions. This will also allow us to build global networks and strengthen our research skills. CJ CheilJedang will continue to participate in the consortium until 2025 with the goal of developing better products, protecting consumer health and the environment, and building a sustainable future.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

- Corporate Governance
- Compliance Management
- Information Security

► Innovation

- Social Contributions

ESG FACT SHEET

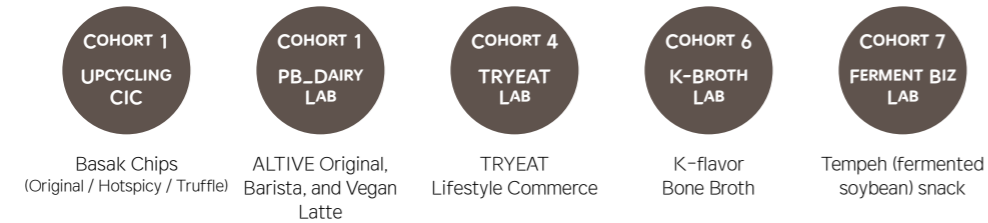
APPENDIX

PROMOTING INHOUSE VENTURES

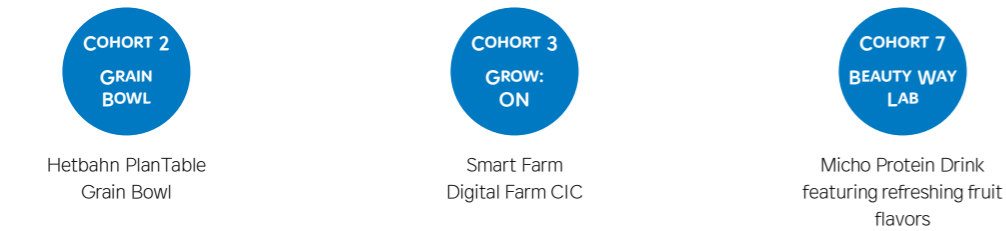
INNO100 INHOUSE VENTURE PROJECT

INNO100 is an inhouse venture program of CJ CheilJedang Food Business. Aimed at discovering new growth drivers and promoting entrepreneurship, the program was launched in 2021 with the slogan "100 days of immersion in innovation." To date, 439 ideas have been presented in eight cohorts, resulting in eight commercialization initiatives and the establishment of five inhouse venture CIC/LABs. INNO100 Cohort 6 was open to members of CJ food affiliates, and Cohort 7 was further extended to overseas affiliates. We plan to gradually expand the program to the Americas in 2023, in order to inscribe innovation into our DNA globally.

INNO100 PROJECT (POST-INNO 100)



INTERNALIZING/MONITORING EXISTING IDEAS



INHOUSE VENTURE R PROJECT

At CJ CheilJedang BIO Business, the R Project stands for "revolution." It also means "hatching out," as "R" also means "egg" in Korea. The R Project is an inhouse venture program designed to encourage employees to think outside the box, discover new markets and growth drivers, and challenge the status quo. The first batch of the program was launched in April 2021, and 127 ideas were submitted, followed by 96 ideas in the second batch. If an idea is selected in the first batch, the team will receive KRW 100 million in funding for a 100-day incubation period. As of May 2023, two teams from the first batch that successfully passed the incubation and pitching process are pursuing commercialization, and three teams from the second batch are preparing for commercialization. The first batch attracted applicants from many different backgrounds such as R&D, engineering, and strategy, and the second batch was further expanded to invite employees from research centers, headquarters, Food Business, and BIO Business to facilitate collaboration. The R Project provides opportunities for the company to further consolidate its success and for employees to grow, thereby building a healthy organizational culture in which they can take on bold challenges with creative ideas.

INHOUSE COMMERCIALIZATION OF THE R PROJECT



PREPARATION FOR COMMERCIALIZATION OF THE R PROJECT



OPENING OF INHOUSE VENTURE INCUBATOR AND INNOVATION FACILITATOR "INNO PLAY"

In March 2023, we celebrated the opening of INNO Play, a space for inhouse ventures and innovation at CJ CheilJedang. The name "INNO Play" means a space where innovation is in play 365 days a year. INNO Play will serve as an innovation hub that creates a free and creative work environment and strengthens communication with startups at home and abroad. The residents include five teams selected from CJ Food Business's inhouse venture program INNO100, the operations team called "INNO Lab," the New Frontier team under the Food Business Growth Office, and the BIO Business's inhouse venture program R (Revolution) Project teams. We will continue to support the discovery of future growth drivers and the building of an innovative culture.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

- Corporate Governance
- Compliance Management
- Information Security

► Innovation

- Social Contributions

ESG FACT SHEET

APPENDIX

STARTUP PROMOTION

CIAT: IDENTIFYING AND SUPPORTING INNOVATIVE STARTUPS

CJ CheilJedang worked with the Ministry of SMEs and Startups and the Korea Entrepreneurship Promotion Agency on the CIAT program to support the growth of promising startups. CIAT was an open innovation-based problem-solving initiative designed to promote commercialization through business/technology development and validation collaboration between CJ and startups, and support startup growth and



scale-up. In 2022, four startups aligned with CJ's business areas were selected in the second batch of the CIAT program. In the first batch, CJ CheilJedang selected four startups that met the company's innovation needs (food tech) and offered them cooperation and growth support.

FRONTIER LABS: INVESTING IN INNOVATIVE STARTUPS

In July 2021, CJ CheilJedang, in collaboration with startup accelerator SparkLab and the Korea Agriculture Technology Promotion Agency, launched the Frontier Labs program to facilitate investment in startups with outstanding technologies and ideas. Building a new paradigm in the food industry, the Frontier Labs program has produced tangible results from startups selected in two batches over the past two years. We have chosen a total of 10 portfolio companies through this program, including our latest third batch in 2023. Starting from the third batch, we plan to increase the initial investment and strengthen collaboration between us and portfolio companies by organizing Frontier Labs Alumni events.

CASE

CJ CHEILJEDANG X BETTER MONDAY: HEALTH FUNCTIONAL DRINK "WELLNESS SHOT"

CJ CheilJedang leverages open innovation to collaborate with partners, accelerating the introduction of its core technologies to the market. This approach enables new market entry and portfolio expansion. In 2021, we ventured into the functional beverage market by leveraging our fermentation technology and proprietary lactobacillus strains. We established an open innovation project with Better Monday Coffee (Frontier Labs Batch 1 startup), a specialist in health functional beverages, and developed two products under the Wellness Shot brand that are beneficial for gut and immune health. The key



ingredient in the Wellness Shot is 100% plant-based probiotics from CJLP243, a kimchi-derived lactobacillus strain. The products were available for trial at Better Monday's 130 stores¹⁾ nationwide for 12 weeks, starting in June 2022. The kimchi lactobacillus strain was further refined to meet consumer preferences based on a consumer survey and focus group interviews. Sales of 28,975 shots in 12 weeks outpaced the competition, demonstrating technical viability and scalability. The open innovation process allowed us to complete the entire product development cycle from concept to test launch in just nine months.

1) As of June 2022. Better Monday has 180 stores as of May 2023.

TECHNOLOGICAL DIFFERENTIATION



OPEN INNOVATION PARTNERS



CJ CHEILJEDANG

Fermentation technology, CJLP243 lactobacillus strain



BETTER MONDAY COFFEE¹⁾

Target consumer contact point and commerce, health functional beverage brand



FLAVORWIKI²⁾

Consumer insight, expertise in market research



GIVAUDAN³⁾

High-quality natural bio active ingredients



WOORI F&B⁴⁾

Dairy and liquid market milk production capability

1) Better Monday Coffee: A coffee and health functional beverage specialist

2) FlavorWiki: A consumer insight company that analyzes food and beverage consumer perceptions and preferences.

3) Givaudan: A leading flavor and ingredient supplier in Switzerland.

4) Woori F&B: A manufacturer of dairy products, liquid market milk products, and other dairy products.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

Corporate Governance

Compliance Management

Information Security

► Innovation

Social Contributions

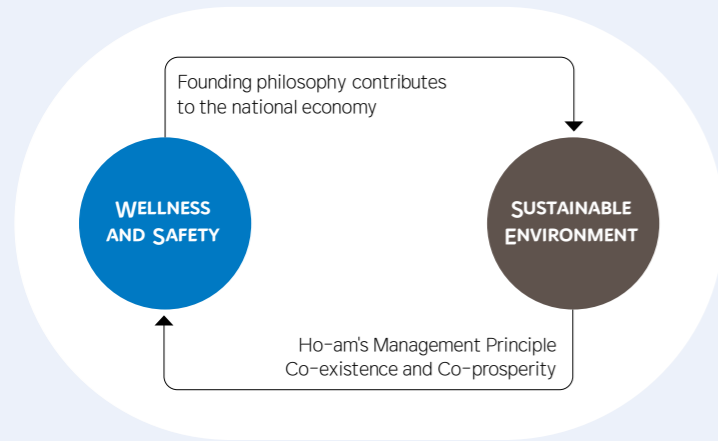
ESG FACT SHEET

APPENDIX

SOCIAL CONTRIBUTIONS

CSR STRATEGY SYSTEM

Since the establishment of the industry's first dedicated social contribution department in 1999, CJ CheilJedang has consistently engaged in social contribution activities in areas that require social attention and in which we excel. We are conducting our business-linked social contribution activities to create the core values of wellness and safety, and sustainable environment. Through various initiatives including food bank donations, food sharing, and employee volunteering, we are contributing to the enhancement of local communities.



WELLNESS AND SAFETY

THE CJ CHEILJEDANG SHARING REFRIGERATOR FOR YOUNG PEOPLE



Since 2021, we have been providing food to young individuals living alone in Seoul, selected by the city government through the CJ CheilJedang Sharing Refrigerator Campaign. We provide Hetbahn and other fresh/frozen food to Seoul Youth Centers Eunpyeong and Dongdaemun Orang. Our aim is not just to provide food but also to offer them opportunities to participate in society and engage with the world. Therefore, we have also set up booths to provide information on youth policies and support programs. In 2022, we organized 18 events for 3,000 young people, including the Cooking Classes to learn how to cook and socialize, and the Sharing Lunch Box Program, where we visited young individuals in the welfare blind spot to give them cooking tips and connect them with sources of support.



SUSTAINABLE ENVIRONMENT

ADOPT-A-BEACH: PLOGGING CAMPAIGN



We cooperate with the Ministry of Oceans and Fisheries in the "Adopt-A-Beach" initiative, where we take care of a beach as we would a pet. In 2022, we held three cleanups at Masian Beach in Yeongjongdo, Incheon, and collected 309 kilograms of marine debris. We also organized a beach cleanup, commonly known as "plogging," to celebrate World Environment Day, World Cleanup Day, and the first anniversary of our beach adoption. This was the third plogging event since the beach adoption, with 20 employees collecting marine debris on the beach and along the 2km coastal road at Masian Beach.



OUR ACTIVITIES FOR THE COMMUNITY

FOOD SHARING AND FOOD CULTURE EXPERIENCE WITH CHILD WELFARE CENTERS

Every year, CJ CheilJedang, with CJ Donorscamp, participates in food sharing programs for the Seol(Lunar New Year) and Chuseok (Korean Thanksgiving) holidays for children at Child Welfare Centers across the country. During the 2022 Chuseok holiday, we provided holiday food to children from multicultural families and economically disadvantaged groups, and also organized a cooking class where they gained first-hand experience in preparing holiday dishes such as bulgogi and japchae. The Child Welfare Centers used gift cards to purchase ingredients for the Chuseok cooking experience program at CJ The Market, CJ's food mall, and presented food kits to the underprivileged children. The cooking class was held at CJ CheilJedang Center, where children from multicultural families were invited to make Korean Chuseok



4,100 CHILDREN BENEFITED
205 LOCAL CHILD WELFARE CENTERS SUPPORTED

dishes such as japchae and skewers with YouTuber Yoon Jjuku and CJ MD One chef. We also produced video content so that Child Welfare Centers could organize online cooking classes.

EMPLOYEE DONATION CAMPAIGN FOR JOB CREATION FOR PEOPLE WITH DISABILITIES



In November 2022, CJ CheilJedang and the Goodwill Store organized an employee donation campaign to create jobs for people with disabilities and protect the environment. The two-day campaign was held at CJ CheilJedang's head office in Jung-gu, Seoul, and 112 employees donated 4,576 items. They attached messages of hope to their donations, which were delivered to employees with disabilities working at the Goodwill Store. The donated items will be sold by the employees with disabilities at the Goodwill Store, and the proceeds will be used to create jobs for people with disabilities.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

- Corporate Governance
- Compliance Management
- Information Security
- Innovation
- Social Contributions

ESG FACT SHEET

APPENDIX

GLOBAL CSR ACTIVITIES

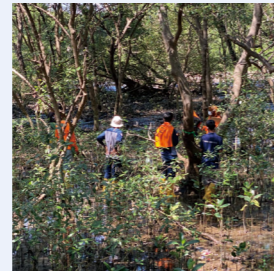
CJ BIO PASURUAN PLANT

The Pasuruan Plant in Indonesia, as CJ's first global plant, actively engages in various CSR activities to uphold its business philosophy of "Boguk" (contributing to the national economy). In order to enhance the surrounding environment, we plant trees and pursue river normalization projects, and provide vocational training to support quality education. Our efforts extend to supporting infrastructure development to promote regional integration and access to communities around the plant. To this end, we have established a religious school and strive to work in harmony with local people through activities to improve the natural environment of mangrove tourist destinations.

COMMUNITY DEVELOPMENT SUPPORT

14 OF 17 REJOSO MANGROVE CENTER (MRC) ECOSYSTEM PROTECTION ACTIVITIES

- Provided banners, trash cans, etc. to residents around the mangrove forest, which is an educational tourist destination, to prevent saltwater depletion and protect the habitat for fish.



SCHWAN'S COMPANY

Schwan's Company and Schwan's Corporate Giving Foundation continue to give back to the community to improve the health and quality of life for people in the community and to practice sustainable business.

FOOD BANK DONATIONS

2 OF 17 In 2022, Schwan's Company and Schwan's Corporate Giving Foundation supported organizations dedicated to improving the health and quality of life in communities by fighting hunger and empowering youth leadership. As part of these efforts, over 1.1 million pounds of food were donated to Feeding America, a nonprofit organization working to end hunger in the U.S., and its affiliated food banks. These donations were received by 41 food banks across 19 states in the U.S. Over the past decade, they have donated approximately 12.3 million pounds of food to Feeding America, and Schwan's Corporate Giving Foundation has awarded approximately \$1.3 million to affiliated food banks.



SUPPORT FOR HEALTH

3 OF 17 SUPPORT FOR PATIENTS WITH HANSEN'S DISEASE

- In March 2022, we began working with the Gratidon Healthcare Center to care for Hansen's disease patients and fight the disease. In April 2022 (during Ramadan), we collaborated with the healthcare center to give to Hansen's disease patients in Plososari village.

FOGGING PROGRAM FOR DENGUE FEVER PREVENTION

- In collaboration with the Rejoso Healthcare Center, fogging operations were conducted in 13 dengue-endemic areas.



2 OF 17 SUPPORTING CHILDREN'S GROWTH

- In February 2022, we partnered with the Rejoso Healthcare Center to provide education and nutrition packages to children in the villages of Manikrejo and Segoropuro, where children were experiencing growth issues.

IMPROVING INFANT NUTRITION

- We made monetary donations to integrated healthcare centers (Arjosari, Kemantrenrejo, Patuguran, Kedawung) to improve infant nutrition in the surrounding communities.

SCHOLARSHIP SUPPORT

4 OF 17 True to the foundation's philosophy, Schwan's Corporate Giving Foundation provides scholarships to Schwan's subsidiaries employees who had children to encourage young people to achieve academic success.

8 OF 17 IMPROVING QUALITY OF LIFE IN COMMUNITIES

Schwan's Corporate Giving Foundation makes a variety of grants to improve the quality of life in the community. Most notably, it has provided five-year grants to the University of Minnesota to support graduate assistants working at the Plant Protein Innovation Center and the College of Food, Agricultural and Natural Resource Sciences, the Women Invested in Leadership and Learning (WILL) program, and the Carlson School of Management.



OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

- Corporate Governance
- Compliance Management
- Information Security
- Innovation
- Social Contributions

ESG FACT SHEET

APPENDIX



ESG FACT SHEET



089 Environmental Performance

091 Social Performance

095 Economy & Governance

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX



ENVIRONMENTAL PERFORMANCE

GREENHOUSE GAS¹⁾

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA		
GHG emissions	By operation	Direct & indirect GHG emissions (Scope 1+2)	Thousand tonCO ₂ eq	4,137	4,337	4,087	A~D-1
		Direct GHG emissions (Scope1)	Thousand tonCO ₂ eq	2,670	2,851	2,786	
		Indirect GHG emissions (Scope2)	Thousand tonCO ₂ eq	1,467	1,486	1,301	
		GHG emission intensity (Scope 1+2)	tonCO ₂ eq/product-ton	0.77	0.78	0.77	A, B, D-1
		Other indirect GHG emissions (Scope 3)	Thousand tonCO ₂ eq	-	-	9,171	
		Purchased goods and services	Thousand tonCO ₂ eq	-	-	7,881	
		Fuel- and energy-related activities	Thousand tonCO ₂ eq	-	-	534	
		Upstream transportation and distribution	Thousand tonCO ₂ eq	-	-	414	
		Waste generated in operations	Thousand tonCO ₂ eq	-	-	32	
	Downstream transportation and distribution	Thousand tonCO ₂ eq	-	-	255		
	End-of-life treatment of sold products	Thousand tonCO ₂ eq	-	-	55		
	By country ²⁾	Korea	Thousand tonCO ₂ eq	452	477	482	A~D-1
		Indonesia	Thousand tonCO ₂ eq	1,490	1,779	1,533	
		China	Thousand tonCO ₂ eq	1,514	1,390	1,403	
		Malaysia	Thousand tonCO ₂ eq	501	490	479	
U.S.A		Thousand tonCO ₂ eq	128	139	137		
Vietnam		Thousand tonCO ₂ eq	20	24	20		
Brazil		Thousand tonCO ₂ eq	31	37	34		
Reductions in GHG emissions	Reductions	Thousand tonCO ₂ eq	51	131	179		
Reduction activities	Case	144	132	193			

1) GHG calculation standards for domestic operations follow the "Guidelines for Reporting and Certification of Emission Amounts under the Greenhouse Gas Emissions Trading Scheme," and for overseas operations, the IPCC 2006 Guidelines are used.

2) Scope 1&2

ENERGY¹⁾

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA	
Energy consumption	TJ	63,489	68,301	68,207	A~D-1	
Non-renewable energy consumption	TJ	56,576	60,627	58,552		
	Non-renewable fuel-based energy	TJ	34,453	36,227		35,336
Purchased non-renewable energy	Electricity	TJ	20,806	22,894		21,724
	Steam	TJ	1,317	1,456		1,492
Renewable energy consumption	TJ	7,272	7,674	9,655		
Renewable fuel-based energy	TJ	6,237	6,534	6,490		
Purchased renewable energy	Electricity	TJ	0	0		1,961
	Steam	TJ	1,030	1,134		1,187
Self-produced renewable energy	Electricity	TJ	6	6		17
	Steam	TJ	0	0		0
Number of business sites that introduced renewable energy	(Accumulated) Site	8	8	13		
Percentage of renewable energy consumption	%	11	11	14		
Energy consumption intensity	TJ/product-ton	0.012	0.012	0.013		
Power consumption	TJ	20,812	22,900	23,702		
Purchased non-renewable power	TJ	20,806	22,894	21,724		
Purchased renewable power	TJ	0	0	1,962		
Self-produced renewable power	TJ	6	6	16		
Reductions in energy consumption	TJ	481	992	1,798		
Reductions in fuel energy consumption	TJ	178	692	775		
Reductions in power energy consumption	TJ	303	300	1,023		

1) The calculation of total energy consumption may differ from the sum of each consumption by cutting to decimal places.

SCOPE OF DATA A. Headquarter and R&D Center B. 15 Domestic Production Sites (14 Food, 1 BIO)
C. 4 Domestic Subsidiaries (CJ Feed&Care, CJ Seafood, CJ Breeding and Wonji: 7 production sites) D. Overseas Subsidiaries
· D-1. 14 Production Sites (4 Food, 8 BIO, 2 FNT) · D-2. 12 Sales/Distribution Sites (1 Food, 11 BIO)

WATER RESOURCES

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA	
Water withdrawn	Thousand ton	50,013	51,222	50,970	B~D-1	
Tap water	Thousand ton	16,388	18,894	20,648		
Groundwater	Thousand ton	7,207	6,431	9,323		
Surface water	Thousand ton	26,418	25,898	21,000		
Seawater	Thousand ton	0	0	0		
Water withdrawn intensity	Ton/product-ton	9.36	9.21	9.65	B~D-1	
Water discharged	Thousand ton	38,644	38,659	40,096		
Water discharged intensity	Ton/product-ton	7.23	6.95	7.59		
Water consumed ¹⁾	Thousand ton	11,369	12,563	10,875		
Water recycled	Thousand ton	8,931	8,646	8,442		
Water recycled rate	%	17.9	16.9	16.6		
Water stress areas ²⁾	Percentage of water withdrawn	%	18.4	18.3		19.4
	Percentage of water consumption	%	26.7	21.1		18.7

1) Water withdrawn - Water discharged

2) A 'Water Stress' region refers to areas with a 'High' or 'Extremely High' water stress rating based on the Aqueduct Water Risk Atlas Map analysis tool by the World Resource Institute.

POLLUTANTS

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA	
Water pollutant emissions	Biological Oxygen Demand (BOD)	Ton	500	1,289	1,395	B~D-1
	Chemical Oxygen Demand (COD)	Ton	1,427	1,795	2,095	
	Total Organic Carbon (TOC) ¹⁾	Ton	-	-	340	
	Suspended Solid (SS)	Ton	395	503	651	
	Total Nitrogen (T-N)	Ton	488	598	807	
	Total Phosphorus (TP)	Ton	368	168	202	
Air pollutant emissions	Nitrogen Oxide (NOx)	Ton	1,323	1,045	888	B~D-1
	Sulfur Oxide (SOx)	Ton	384	1,644	705	
	Dust (PM)	Ton	467	507	409	

1) As the indicator of organic matter among water pollutants under the Water Environment Conservation Act was changed from COD to TOC, disclosures for operations in Korea are based on TOC from 2022.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

► Environmental Performance

Social Performance

Economy & Governance

APPENDIX

WASTES¹⁾

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA	
Total amount of wastes generated	Ton	311,908	341,567	372,371	B~D-1	
General wastes	Ton	264,756	271,343	303,844		
Recycled	Ton	249,773	255,817	286,966		
Incinerated (energy recovered)	Ton	8,743	8,488	8,270		
Incinerated (energy not recovered)	Ton	806	1,296	1,179		
Landfilled	Ton	1,905	1,748	2,646		
Other	Ton	3,529	3,994	4,783		
Designated wastes	Ton	47,153	70,224	68,527		
Recycled	Ton	45,223	68,126	67,351		
Incinerated (energy recovered)	Ton	254	529	314		
Incinerated (energy not recovered)	Ton	1,160	1,092	270		
Landfilled	Ton	506	427	536		
Other	Ton	10	50	57		
Waste recycled rate	%	94.6	94.8	95.2		
Waste generation intensity	Ton/product-ton	0.058	0.061	0.070		
Total amount of food loss and wastes	Ton	27,418	12,718	30,579		B~C
Amount donated before disposal	Ton	21,990	9,770	26,486		
Total wastes generated	Ton	5,428	2,948	4,093		
Percentage of disposal ²⁾	%	0.15	0.08	0.12		

1) Domestic production sites entrust all generated wastes to authorized companies in compliance with waste management regulations, and incinerate wastes with energy recovery. Overseas production sites process waste in various ways: waste that can be converted into fertilizers is transformed and sold as fertilizers, while other types of waste are outsourced for recycling, landfilling, or incineration.

2) (Total wastes generated/Total amount of processed food products) x 100

ENVIRONMENTAL MANAGEMENT

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA	
Environmental management certifications	Number of environmental product declaration-certified products	Case	4	4	2	B~D-1
	Number of low carbon-certified products	Case	2	2	0	
	Number of green business-certified sites	Case	4	4	3	
	Number of green management system-certified sites	Case	1	1	1	
	Number of exemplary environmental management-certified sites	Case	1	1	1	
	Number of self-inspection-certified sites	Case	4	4	4	
	Number of ISO 14001 (Environmental Management System) certified sites	Case	3	6	7	
	Percentage of ISO 14001 (Environmental Management System) certified sites	%	8	16	18	
Amount of eco-friendly purchases ¹⁾	KRW 1 million	48,711	54,176	427,296		
Investment in eco-friendly infrastructure	KRW 1 million	8,862	10,663	17,929		
Environmental law violation ²⁾	Case	1 ³⁾	0	2 ⁴⁾		
Penalty	KRW 1 million	19	0	52		
Environmental liability	KRW 1 million	0	0	0		
Environmental management training ⁵⁾	Number of sessions	-	-	3		

1) Purchases of eco-friendly certified office supplies and raw materials

2) Number of cases with administrative fines of USD 10,000 or more

3) The Shenyang site in China exceeded the management standards.

4) The Beijing and Liaocheng sites in China exceeded the off-flavor standards.

5) We conducted Environmental Management Mindset training with the aim of disseminating domestic and international environmental management systems, environmental management practices, and ISO 14001 case studies. In June, September, and November of 2022, a total of three sessions were held, and 98 production technology personnel successfully completed the training.

PACKAGING

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Total amount of packaging materials used	Ton	121,343	128,923	133,877	B~C
Plastic	Ton	40,860	43,077	42,636	
Metal	Ton	16,418	15,445	16,172	
Glass	Ton	10,217	11,064	9,108	
Paper	Ton	53,848	59,336	65,961	
Amount of recycled materials used for packaging	Ton	53,707	59,238	66,386	
Recycled plastics	Ton	0	61	600	
Recycled papers ¹⁾	Ton	53,707	59,177	65,786	
Percentage of recycled materials used for packaging	%	44	46	50	

1) For recycled papers, only boxes are included.

RAW MATERIALS

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Raw materials consumption	Thousand ton	6,934	7,298	7,179	B~D-1
Food Business	Thousand ton	3,389	3,442	3,336	
BIO/FNT Business	Thousand ton	3,545	3,856	3,843	
Humane-certified eggs	eggs	3,957,540	4,379,300	9,269,025	
Organic Rice	Ton	130	373	431	
Organic Sugar	Ton	174	199	175	
Organic Flour	Ton	170	117	0	
Dextrose monohydrate, malto dextrin (SMETA) ¹⁾	Ton	5,435	3,444	2,603	
Palm Oil(RSPO) ²⁾	Ton	-	1,172	3,495	
Soybean(SSAP) ³⁾	Ton	285,061	234,189	304,535	
Soybean(RTRS) ⁴⁾	Ton	-	-	50,600	
Soybean Oil (ISCC+) ⁵⁾	Ton	-	6,000	17,277	
Soybean(Pro Terra) ⁶⁾	Ton	295,569	352,790	410,343	
Soybean(Amazon Biome Free)	Ton	209,516	302,336	671,463	

1) SMETA(Sedex Members Ethical Trade Audit)

2) RSPO(Roundtable on Sustainable Palm Oil)

3) SSAP(Soy Sustainability Assurance Protocol)

4) RTRS(Roundtable on Responsible Soy)

5) ISCC+(International Sustainability and Carbon Certification)

6) Pro Terra (a global standard certification scheme that requires sustainability and traceability based on compliance with 10 principles, including compliance with the law, respect for human rights, biodiversity conservation, environmental and waste policies, and the absence of GMOs)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

► Environmental Performance

Social Performance

Economy & Governance

APPENDIX

SOCIAL PERFORMANCE

SCOPE OF DATA A. Headquarter and R&D Center B. 15 Domestic Production Sites (14 Food, 1 BIO)
C. 4 Domestic Subsidiaries (CJ Feed&Care, CJ Seafood, CJ Breeding and Wonji: 7 production sites) D. Overseas Subsidiaries
· D-1. 14 Production Sites (4 Food, 8 BIO, 2 FNT) · D-2. 12 Sales/Distribution Sites (1 Food, 11 BIO)

HUMAN RESOURCES

CATEGORY	UNIT	2021		2022		2022 EMPLOYEES BY REGION							SCOPE OF DATA	
		MALE	FEMALE	MALE	FEMALE	KOREA	INDONESIA	CHINA	MALAYSIA	VIETNAM	U.S.A	BRAZIL		OTHER ¹⁾
Total number of employees	Person	11,641	3,600	12,284	3,873	9,647	1,710	2,214	470	525	328	1,107	156	A~D
Employees without fixed term contracts	Person	11,366	3,374	11,856	3,583	9,400	1,695	1,785	456	525	324	1,104	150	
Employees with fixed term contracts	Person	191	201	318	257	111	15	429	14	0	0	0	6	
Executives (registered + non-registered)	Person	84	25	110	33	136	0	0	0	0	4	3	0	
Full time employees	Person	11,628	3,565	12,186	3,777	9,598	1,695	2,111	456	525	328	1,107	150	
Part time employees	Person	13	35	98	96	49	15	103	14	0	0	0	6	

1) The other regions included Mexico, Thailand, Germany, Russia, Poland, India, Bangladesh, and the Philippines.

SECURING & NURTURING TALENT

CATEGORY	UNIT	2021	2022	SCOPE OF DATA
Total number of new hires	Person	2,052	2,863	A~D
By gender	Male	1,453	2,054	
	Female	599	809	
By age group	Under age 30	1,215	1,693	
	30 – 50	774	1,123	
	Over age 50	63	47	
By region	Korea	1,331	1,464	
	Asia	561	925	
	Americas	136	454	
	Europe	24	20	
Open positions filled with internal candidates	%	74	65	

VOLUNTARY TURNOVER & RETIREMENT

CATEGORY	UNIT	2021	2022	SCOPE OF DATA
Total number of employees who voluntarily moved to other companies or retired	Person	1,171	1,370	A~D
By gender	Male	846	959	
	Female	325	411	
By age group	Under age 30	541	641	
	30 – 50	563	628	
	Over age 50	67	101	
By region	Korea	793	902	
	Asia	321	374	
	Americas	51	81	
	Europe	6	13	

TURNOVER & RETIREMENT

CATEGORY	UNIT	2021	2022	SCOPE OF DATA
Total number of employees who moved to other companies or retired	Person	1,356	1,780	A~D
By gender	Male	996	1,258	
	Female	360	522	
By age group	Under age 30	562	716	
	30 – 50	653	858	
	Over age 50	141	206	
By region	Korea	889	1,023	
	Asia	381	618	
	Americas	74	125	
	Europe	12	14	

PROPORTION BY TYPE OF TURNOVER

CATEGORY	UNIT	2021	2022	SCOPE OF DATA
Voluntary	%	86	77	A~D
Non-voluntary ¹⁾	%	14	23	

1) Involuntary turnover includes retirements due to illness, death, retirement due to the age limit, mergers and acquisitions, spin-offs, restructuring, and contract violations, and regulatory non-compliance. The proportion of involuntary turnover increased in 2022 due to the spin-off of CJ Wellcare and CJ Bioscience.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

Environmental Performance

► Social Performance

Economy & Governance

APPENDIX

EMPLOYEE ENGAGEMENT¹⁾

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Employee engagement	Score	76.7	-	84.1	A~B

1) The survey aims to measure employees' satisfaction and engagement; no survey was conducted in 2021 due to system reorganization.

EMPLOYEE TRAINING

CATEGORY	UNIT	2022	SCOPE OF DATA
Total number of trained employees	Person	162,007	A~D
Total training hours	Hour	538,470	
Training hours per employee	Hour/person	33	
Total training cost	KRW 100 million	184	
Training cost per employee	KRW 100 million/person	0.02	

EMPLOYEE TRAINING PROGRAMS

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA
Talent development programs	Excellence Strategy	Person	23	25	25	A~B
	Innovation Challenge	Person	15	15	20	
	Growth Vision Workshop	Person	137	76	88	
	Leadership Check-up	Person	432	420	425	
	Manager Leadership Build-up	Person	392	436	471	
	Induction of new employees	Person	135	227	197	
Sexual harassment prevention program	Number of participants	Person	8,120	8,553	9,062	A~C
Disability awareness raising program	Number of participants	Person	8,046	8,340	8,774	
Workplace bullying prevention program	Number of participants	Person	7,867	8,191	8,983	

EMPLOYEES BY NATIONALITY, GENDER AND SOCIAL MINORITIES

CATEGORY		UNIT	2021	2022	SCOPE OF DATA
Gender equality ¹⁾	Percentage of female employees	%	24	24	A~D
	Percentage of female executives	%	23	23	
	Percentage of female performance evaluators ²⁾	%	12	14	
	Percentage of female professionals ³⁾	%	23	25	
	Percentage of female specialists ³⁾	%	42	45	
	Percentage of female employees in STEM departments ⁴⁾	%	20	18	
Female to male wage ratio	%	87	86	A~B	
Number of employees with disabilities ⁵⁾	Person	119	148	A~D	
Number of employees by nationality	Korea	Person	9,237	9,594	A~D
	Asia	Person	4,697	4,978	
	Americas	Person	1,193	1,469	
	Europe	Person	113	115	
	Oceania	Person	1	1	

1) The goals for 2023 are as follows: a female employee ratio of 25%, a female executive ratio of 24%, a female manager ratio of 15%, a female professional ratio of 26%, a female specialist employee ratio of 46%, a female employee ratio of 20% within STEM departments, and a female employee ratio of 24% within revenue-generating departments.

2) Female performance evaluators are those who hold the authority for performance evaluation.

3) The job titles are categorized as Associate, Specialist, and Professional, with managers falling under the Professional category and junior managerial positions corresponding to the Specialist category.

4) STEM (Science, Technology, Engineering) departments include R&D, IT, and technology sectors.

5) Revenue-generating departments include production, sales, marketing departments.

6) The number of employees with disability is not aggregated by disability grade.

EMPLOYEES BY RANK

CATEGORY		UNIT	2022	SCOPE OF DATA		
Number of employees by rank	Member	By gender	Male	Person	9,346	A~D
			Female	Person	2,916	
		By age group	Under age 30	Person	4,222	
			30 - 50	Person	7,140	
			Over age 50	Person	900	
	Manager	By gender	Male	Person	2,824	
			Female	Person	928	
		By age group	Under age 30	Person	150	
			30 - 50	Person	3,150	
			Over age 50	Person	452	
Executive	By gender	Male	Person	110		
		Female	Person	33		
	By age group	Under age 30	Person	0		
		30 - 50	Person	83		
	Over age 50	Person	60			

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

Environmental Performance

► Social Performance

Economy & Governance

APPENDIX

PARENTAL LEAVE

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Target employees for parental leave	Male	Person	452	471	454
	Female	Person	106	124	121
Employees on parental leave	Male	Person	19	30	31
	Female	Person	104	102	126
Employees who have returned from parental leave	Male	Person	17	24	24
	Female	Person	81	82	103
Percentage of employees who have returned from parental leave	Male	%	89	83	100
	Female	%	89	86	94
Retention rate after returning from parental leave ¹⁾ (12 months or more)	Male	%	93	82	92
	Female	%	97	86	84

1) (Number of employees working for more than 1 year / number of employees returning from parental leave previous year) x 100

MATERNITY PROTECTION-RELATED PROGRAMS

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA	
Employees who used reduced working hours during pregnancy	Person	95	49	92	A~C	
Employees who used reduced working hours during child-rearing	Male	Person	2	1		2
	Female	Person	10	8		17
Employees who used childcare leave for child's school enrollment	Male	Person	187	195		187
	Female	Person	55	67		63
Employees who used maternity leave	Male	Person	252	261		250
	Female	Person	81	103		107

SUPPORT PROGRAMS FOR WORK EFFICIENCY IMPROVEMENT

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Employees who used flexible working system ¹⁾	Person	3,657	4,417	4,969	A~C
Employees who used Creative Challenge	Person	-	989	1,903	

1) Total number of employees under the time difference system, flexible working hour system, and selective working hour system

EMPLOYEE EVALUATION & REMUNERATION

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Percentage of employees subject to MBO evaluation ¹⁾	%	83	85	85	A~C
Percentage of employees subject to multi-dimensional evaluation	%	76	83	80	

1) Management by Objective (MBO) evaluation

MANAGEMENT OF THE RETIREMENT PENSION FUND

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Amount of the retirement pension fund	KRW 100 million	3,873	4,412	4,285	A~C
Employees who joined the retirement pension fund	Person	7,844	8,067	7,479	

HUMAN RIGHTS

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Labor-Management Council	Percentage of employees participating in collective bargaining (based on Labor-Management Council)	%	71.7	69.5	69.4
	Percentage of employees subject to collective bargaining (based on Labor-Management Council)	%	100	100	100
	Number of Labor-Management Council agenda	Case	-	8	28
	Number of measures taken for Labor-Management Council agenda	Case	-	7	23
	Percentage of measures completed for Labor-Management Council agenda	%	-	87.5	82.1
Human rights related reports	Number of reported cases	Case	21	17	20
	Number of valid reported cases ¹⁾	Case	21	16	17

1) The reported matter requires verification of its accuracy and does not represent actual instances of violation.

SAFETY & HEALTH

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA	
Safety & health management certification	Number of ISO 45001-certified sites	Case	2	5	7	
	Number of KOSHA18001-certified sites	Case	14	12	12	
	Safety & health management certification rate	%	46	49	50	
Occupational accidents of employees	Number of occupational accidents ¹⁾ (LTIFR ²⁾)	Case(%)	50(2.08)	51(2.06)	58(2.25)	
	Number of fatalities (Rate)	Case(%)	0(0)	0(0)	0(0)	
	Number of industrial accidents (Rate)	Case(%)	27(1.12)	31(1.25)	22(0.85)	
	Number of injuries (Rate) ³⁾	Case(%)	23(0.96)	20(0.81)	36(1.40)	
Total working hours	100,000 hours	240.7	247.9	258.1	A~D	
Occupational illness of employees	Number of disease incidents	Task	8	0		1
	Number of fatalities due to disease	Task	0	0		0
Occupational accidents of contractors	Number of occupational accidents ¹⁾ (LTIFR ²⁾)	Case(%)	13(1.30)	16(1.51)		32(3.11)
	Number of fatalities (Rate)	Case(%)	0(0)	1(0.09) ⁴⁾		0(0)
	Number of industrial accidents (Rate)	Case(%)	10(1.00)	9(0.85)		16(1.56)
	Number of injuries (Rate) ³⁾	Case(%)	3(0.30)	6(0.57)	16(1.56)	
Total working hours	100,000 hours	100.2	105.7	102.8		
Occupational illnesses of contractors	Number of disease incidents	Task	0	1	1	
	Number of fatalities due to disease	Task	0	0	0	
Employee injury rate ⁵⁾	%	0.25	0.20	0.14	A~B	
Number of serious accidents ⁶⁾ (Employees)	Task	0	0	0		
Number of serious accidents ⁶⁾ (Contractors)	Task	0	0	0		
Top risk improvements	Number of tasks	Task	-	122	151	
	Number of tasks completed	Task	-	117	151	
Industrial safety training	Number of employees who completed the training	Person	-	-	10,791	

1) Occupational accidents refer to incidents with a leave duration of one day or more, encompassing fatalities, occupational accidents (incidents resulting in a leave duration of three days or more), and injuries.

2) (Number of occupational accidents x 1,000,000) / Total working hours

3) Since 2022, the number of injuries has increased to include all incidents involving external medical treatment.

4) The number of fatalities among contracted companies in 2021 has been added due to an expanded data scope.

5) (Number of employees affected by occupational accidents / number of employees) x 100

6) Occupational accidents as defined in Article 2(1) of the Occupational Safety and Health Act.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

Environmental Performance

► Social Performance

Economy & Governance

APPENDIX

SUPPLY CHAIN MANAGEMENT

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Number of suppliers by region	Korea	Company	-	958	899
	China	Company	-	767	735
	Asia, Oceania	Company	-	1,039	913
	Americas	Company	-	2,584	2,188
	Europe	Company	-	39	43
	Africa	Company	-	0	1
	Total	Company	-	5,387	4,779
Percentage of purchases from suppliers by region	Korea	%	-	32.2	30.1
	China	%	-	22.6	14.8
	Asia, Oceania	%	-	20.1	26.0
	Americas	%	-	19.7	22.1
	Europe	%	-	5.4	7.0
	Africa	%	-	0	0
	Total	%	-	100	100
Suppliers	Number of critical tier 1 suppliers ¹⁾	Company	-	-	331
	Number of critical tier 1 suppliers that completed ESG self-inspection	Company	-	-	83
	Number of critical tier 1 suppliers that completed on-site ESG inspection	Company	-	-	7
	Percentage of contracts subject to the Supplier Code of Conduct	%	78	72	84
	Percentage of contracts with new suppliers subject to the Supplier Code of Conduct	%	-	-	73
Shared growth support program	Training	Person	188	545	599
	Financial support	KRW 100 million	518	560	560
	Technical support	Case	252	360	420
	Quality and hygiene support	Case	348	304	287
	Employment stabilization	Company (Person)	22(61)	23(92)	21(65)
	Critical tier 1 suppliers that participated in capacity building programs	Company (%)	-	-	75(23)
Amount of win-win fund raised	KRW 100 million	518	560	560	

1) Critical tier 1 suppliers are selected based on factors such as purchase volume, supply of critical raw materials/service, irreplaceability, influence, and scale.

A~B, D-1
(excluding 4 overseas food production sites)

COMMUNITY

CATEGORY	UNIT	2020	2021	2022	SCOPE OF DATA
Corporate citizen activities	Charitable donation ¹⁾	KRW 100 million	23	25	21
	Community investment	KRW 100 million	152.2	149.4	100.3
	Commercial investment	KRW 100 million	11.2	11.6	12
	Total	KRW 100 million	211	191	139
Type of social contributions	Cash contributions	KRW 100 million	86.8	117.7	55.3
	In-kind giving	KRW 100 million	99.5	68.5	78.2
	Management overhead	KRW 100 million	1.9	1.6	2.2
	Total monetary value of volunteer activities ²⁾	KRW 100 million	3.8	5.4	6.7
Volunteer activities	Number of participants	Person	2,629	4,480	6,069
	Hours of participation	Hour	12,537	15,297	18,620
	Hours of participation per employee	Hour/person	4.77	3.41	3.07
	Participation rate	%	25	29	38
	Number of beneficiaries	Person	96,611	106,582	141,121
Payment for relevant association	Lobbying · Interest groups ³⁾	KRW million	0	0	0
	Political campaign	KRW million	0	0	0
	Relevant associations	KRW million	1,567	1,515	1,802
Details of expenditures for major associations	The Federation of Korean Industries	KRW million	305	305	305
	The Korea Flour Mills Industrial Association	KRW million	296	232	236
	The Korea Soybean Processing Association	KRW million	262	240	259
	The Korea Chamber of Commerce and Industry	KRW million	103	103	103
	The Korea Enterprises Federation	KRW million	77	77	80

1) CJ CheilJedang adheres to the principle of donating funds solely for charitable purposes, without seeking inappropriate business or personal gains. We follows ethical policies, including CJ's Commitment to ensure that donations go through an approval process based on ethical guidelines.

2) Employee average hourly wage x Volunteer participation hours

3) CJ CheilJedang strictly complies with domestic political funding laws, specifically Article 31 (Restrictions on Contributions) of the Political Fund Act, which prohibits corporate or organizational political donations. We does not provide funds for political activities that directly influence policy formation, election funds, and lobbying funds for specific political parties or organizations. We does not join or hold membership in associations that are against the Paris Agreement. In 2022, there were no climate-related lobbying activities by relevant associations.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

Environmental Performance

► Social Performance

Economy & Governance

APPENDIX

ECONOMY & GOVERNANCE

BOARD OF DIRECTORS & AUDIT BODY

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA	
Composition	Board of Directors	Person	7	7	7	A~B	
		Internal Director	Male	3	2		2
	Female	0	1	1			
	Independent Director	Male	4	4	4		
		Female	0	0	0		
	Percentage of independent director composition	Board of Directors	%	57	57		57
Operation	Number of meetings	Board of Directors	Time	8	10	10	
		Audit Committee	Time	7	7	8	
	Number of agenda items	Submitted to the Board of Directors meetings	Case	24	34	29	
		Objected/amended by independent directors	Case	0	0	0	
	Attendance rate	Board of Directors	Internal Director	%	96	87	97
			Independent Director	%	100	100	98
		Independent Director Candidate Recommendation Committee	Independent Director	%	100	-	100
		Remuneration Committee	Independent Director	%	100	100	100
	Audit Committee	Independent Director	%	100	100	97	
	Remuneration	Board of Directors	Internal Director	KRW million	12,857	13,847	10,583
Independent Director			KRW million	302	302	302	
External auditors		Percentage of non-audit service remuneration against audit service remuneration	%	0	0	0	

SHAREHOLDERS

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA
Ownership share rate	Largest shareholder and related parties	%	45.5	45.5	45.5	A~B
	Registered executives excluding largest shareholders and related parties	%	0	0	0	
Dividend payout ratio		%	18.8	26.4	32.3	

ETHICAL & COMPLIANCE MANAGEMENT

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA	
Legal & regulatory violations	Fair competition	Case	0	0	0	A~C	
	Anti-corruption	Case	0	0	0		
	Marketing & labelling	Case	0	0	0		
	Information security	Case	0	0	0		
Ethical management related reports	Number of reported cases	Case	44	67	62	A~B	
	Number of valid reported cases ¹⁾	Case	43	50	40		
Ethical management training	Hours	Hour	7,836	27,653	25,138	A~C	
	Number of participants	Person	8,028	8,388	9,132		
	Number of participants	Code of ethics and conduct training	Person	-	6,866	7,491	A~B
		Intellectual property training	Person	-	-	75	
		Supplier fair trade training	Person	-	-	30	
Subcontracting training	Person	-	-	55			

1) The reported matter requires verification of its accuracy and does not represent actual instances of violation.

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CREATION & DISTRIBUTION OF ECONOMIC VALUES

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA
Shareholders		KRW 100 million	642	802	882	Based on consolidated financial statements (excluding logistic business)
Employees (wages and welfare)		KRW 100 million	12,814	14,719	17,122	
Government (tax)		KRW 100 million	3,346	3,055	4,404	
Local communities (donations)		KRW 100 million	439	204	164	
Suppliers (spending)		KRW 100 million	34,248	47,028	58,284	A~B, D-1 (excluding 4 overseas food production sites)

R&D

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA
R&D Personnel		Person	-	993	1,187	A~D
R&D costs ¹⁾		KRW 100 million	1,497	1,693	2,191	
Intellectual Property Rights	New applications	Case	788	1,010	1,114	A~C
	Number of patents owned	Case	4,731	5,424	5,875	

1) Based on consolidated financial statements (excluding logistic business)

INFORMATION SECURITY

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA
Personnel		Person	-	44	57	A~D
Investment costs ¹⁾		KRW 100 million	-	32	36	A~B
Number of participants who completed the information security training		Person	7,769	8,422	8,970	A~C

1) Since 2021, the status of information security investments has been disclosed through the KISA (Korea Internet & Security Agency) Comprehensive Portal for Information Security Disclosure.

CUSTOMERS

CATEGORY		UNIT	2020	2021	2022	SCOPE OF DATA
Customer satisfaction score ¹⁾		Point	92.1	90.9	93.9	A~B
Number of VOC improvement tasks identified (% improvement completed)		Case(%)	391(90)	407(96)	372(97)	
VOC customer communication track records		Case	142,338	122,603	111,738	
	Questions	Case	105,480	72,084	74,662	
	Complaints	Case	36,063	49,839	36,618	
	Suggestions	Case	676	616	411	
Compliments	Case	119	64	47		

1) Implemented by CJ Telenix

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

Environmental Performance

Social Performance

► Economy & Governance

APPENDIX

APPENDIX

- 097 Financial Information
- 100 Business Sites by Region
- 103 GRI Content Index
- 107 SASB Index
- 109 TCFD Index
- 111 UNGC & UN SDGs Index
- 112 Third-party Verification
- 114 External Awards

- OVERVIEW
- OUR APPROACH TO SUSTAINABILITY
- PERFORMANCE
- FUNDAMENTALS
- ESG FACT SHEET
- APPENDIX**



CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME(INCLUDING LOGISTIC BUSINESS)

CATEGORY	UNIT	2020	2021	2022
Revenue(Sales)	KRW 100 million	242,457	262,892	300,795
Cost of sales	KRW 100 million	190,593	205,071	235,247
Gross profit	KRW 100 million	51,864	57,821	65,548
Selling general administrative expenses	KRW 100 million	38,269	42,577	48,901
Operating profit	KRW 100 million	13,596	15,244	16,647
Other income	KRW 100 million	1,414	-432	-1,400
Finance income	KRW 100 million	4,649	3,459	6,812
Financial cost	KRW 100 million	8,052	6,424	9,893
Income of associates and jointly controlled entities	KRW 100 million	178	331	289
Profit before tax	KRW 100 million	11,785	12,178	12,455
Income tax expense	KRW 100 million	3,921	3,254	4,428
Profit	KRW 100 million	7,864	8,924	8,027
Other comprehensive income	KRW 100 million	-3,206	6,863	1,750
Total comprehensive income	KRW 100 million	4,658	15,787	9,776

CONSOLIDATED BALANCE SHEET(INCLUDING LOGISTIC BUSINESS)

CATEGORY	UNIT	2020	2021	2022
Current assets	KRW 100 million	74,314	76,959	97,593
Assets of disposal group held for sale	KRW 100 million	385	297	288
Non-current assets	KRW 100 million	181,420	191,302	202,252
Total assets	KRW 100 million	256,119	268,558	300,132
Current liabilities	KRW 100 million	70,827	79,159	97,495
Non-current liabilities	KRW 100 million	83,628	81,331	87,347
Total liabilities	KRW 100 million	154,455	160,490	184,842
Equity attributable to owners of the parent entity	KRW 100 million	52,744	61,135	67,557
Current capital	KRW 100 million	819	819	819
Capital surplus	KRW 100 million	15,410	15,410	15,410
Other reserves	KRW 100 million	-7,553	-4,495	-3,187
Retained earnings	KRW 100 million	44,068	49,402	54,515
Non-controlling interests	KRW 100 million	48,920	46,933	47,733
Total equity	KRW 100 million	101,664	108,068	115,290

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

► Financial Information

Business Sites by Region

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME(EXCLUDING LOGISTIC BUSINESS)

CATEGORY	UNIT	2020	2021	2022
Revenue(Sales)	KRW 100 million	141,637	157,444	187,794
Cost of sales	KRW 100 million	99,063	109,728	133,357
Gross profit	KRW 100 million	42,574	47,716	54,437
Selling general administrative expenses	KRW 100 million	32,159	35,929	41,755
Operating profit	KRW 100 million	10,415	11,787	12,682
Other income	KRW 100 million	1,643	-1,041	-895
Finance income	KRW 100 million	4,059	2,720	5,855
Financial cost	KRW 100 million	6,169	4,334	7,885
Income of associates and jointly controlled entities	KRW 100 million	90	112	83
Profit before tax	KRW 100 million	10,038	9,244	9,840
Income tax expense	KRW 100 million	3,259	2,521	3,770
Profit	KRW 100 million	6,779	6,723	6,070

CONSOLIDATED BALANCE SHEET(EXCLUDING LOGISTIC BUSINESS)

CATEGORY	UNIT	2020	2021	2022
Current assets	KRW 100 million	50,149	55,054	69,194
Assets of disposal group held for sale	KRW 100 million	384	102	78
Non-current assets	KRW 100 million	122,949	136,808	147,485
Total assets	KRW 100 million	173,482	191,964	216,757
Current liabilities	KRW 100 million	43,947	56,191	67,425
Non-current liabilities	KRW 100 million	54,437	54,717	61,368
Total liabilities	KRW 100 million	98,384	110,908	128,793
Equity attributable to owners of the parent entity	KRW 100 million	53,841	60,924	66,920
Current capital	KRW 100 million	819	819	819
Capital surplus	KRW 100 million	15,410	15,410	15,410
Other reserves	KRW 100 million	-6,198	-3,925	-1,921
Retained earnings	KRW 100 million	43,810	48,620	52,612
Non-controlling interests	KRW 100 million	21,256	20,132	21,044
Total equity	KRW 100 million	75,097	81,056	87,964

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

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

► Financial Information

Business Sites by Region

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

► Financial Information

Business Sites by Region

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

AMOUNT OF TAX PAID BY COUNTRY IN 2022(INCLUDING LOGISTIC BUSINESS)¹⁾

CATEGORY	UNIT	REVENUES ²⁾			TANGIBLE ASSETS	PROFIT(LOSS) BEFORE TAX ⁴⁾	CASH TAXES PAID ⁵⁾	INCOME TAX EXPENSES ⁶⁾
		NON-RELATED PARTIES	RELATED PARTIES ³⁾	TOTAL				
Korea	KRW 100 million	153,234	28,908	182,141	95,775	5,893	545	1,287
U.S.A	KRW 100 million	60,007	13,188	73,194	33,684	3,271	1,064	623
China	KRW 100 million	21,320	10,625	31,946	15,892	2,251	550	572
Indonesia	KRW 100 million	10,358	11,766	22,124	16,146	-71	194	124
Vietnam	KRW 100 million	15,812	1,369	17,181	11,487	407	110	105
Brazil	KRW 100 million	14,889	1,587	16,477	6,517	2,468	760	790
Germany	KRW 100 million	8,070	212	8,282	2,222	179	32	58
Malaysia	KRW 100 million	4,299	3,602	7,902	6,209	-532	35	54
India	KRW 100 million	6,837	7	6,844	1,243	152	299	31
Other	KRW 100 million	15,270	2,433	17,703	4,191	-362	98	125
Total	KRW 100 million	310,096	73,697	383,793	193,367	13,656	3,688	3,769

1) Standards for profits, tangible assets, etc., are consistent with the CBCR.

2) Combined revenues of subsidiary companies subject to consolidation (including CJ Logistics).

3) Combined revenues from transactions with related parties of subsidiary companies subject to consolidation (including CJ Logistics).

4) Combined profit(loss) before tax of subsidiary companies subject to consolidation (including CJ Logistics).

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

6) Total income tax expenses of subsidiary companies subject to consolidation (including CJ Logistics).

AMOUNT OF TAX PAID BY COUNTRY IN 2022(EXCLUDING LOGISTIC BUSINESS)¹⁾

CATEGORY	UNIT	REVENUES ²⁾			TANGIBLE ASSETS	PROFIT(LOSS) BEFORE TAX ⁴⁾	CASH TAXES PAID ⁵⁾	INCOME TAX EXPENSES ⁶⁾
		NON-RELATED PARTIES	RELATED PARTIES ³⁾	TOTAL				
Korea	KRW 100 million	76,239	20,420	96,659	51,063	2,839	254	668
U.S.A	KRW 100 million	47,991	11,858	59,849	30,114	3,203	1,064	604
China	KRW 100 million	16,689	8,900	25,589	14,965	2,236	529	560
Indonesia	KRW 100 million	9,836	11,426	21,262	15,629	-12	191	124
Vietnam	KRW 100 million	13,222	1,108	14,329	10,425	201	69	55
Brazil	KRW 100 million	14,870	1,257	16,127	6,515	2,449	754	783
Germany	KRW 100 million	7,653	85	7,738	2,202	177	32	57
Malaysia	KRW 100 million	1,899	3,124	5,023	4,910	-626	4	19
Other	KRW 100 million	7,550	326	7,877	2,563	-122	18	34
Total	KRW 100 million	195,948	58,504	254,452	138,385	10,346	2,915	2,902

1) Standards for profits, tangible assets, etc., are consistent with the CBCR.

2) Combined revenues of subsidiary companies subject to consolidation (excluding CJ Logistics).

3) Combined revenues from transactions with related parties of subsidiary companies subject to consolidation (excluding CJ Logistics).

4) Combined profit(loss) before tax of subsidiary companies subject to consolidation (excluding CJ Logistics).

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

6) Total income tax expenses of subsidiary companies subject to consolidation (excluding CJ Logistics).

BUSINESS SITES BY REGION

NAME OF COMPANY ¹⁾	REGION	SHARE(%) ²⁾	INDUSTRY	NUMBER OF EMPLOYEES ³⁾
CJ BREEDING CO., LTD.	Korea	94.88	Crop cultivation	6
Sinuido Sea Salt Corporation	Korea	88.03	Wholesale & retail business, sea salt and e-commerce business	19
DONDONFARM CO., LTD.	Korea	99.99	Hog farming	24
CJ SEAFOOD CORPORATION	Korea	46.26	Food manufacturing	394
WON JI CO., LTD.	Korea	100	Printing	250
COFEED. CO., LTD.	Korea	100	Holding business	-
CJ MD1 CO., LTD.	Korea	100	Business support service	2,177
BIO HEALTHCARE FUND	Korea	98.68	Start-up investment	-
SAM HAE COMMERCIAL CO.,LTD.	Korea	80	Food manufacturing	239
CJ FEED & CARE	Korea	100	Feed manufacturing & sales	397
Sparklabs Frontier Labs No.1 Fund	Korea	98.93	Start-up investment	-
CJ BioScience Corp	Korea	43.89	Biotechnology R&D	74
GLOBAL INNOVATIVE GROWTH FUND II	Korea	57.69	Start-up investment	-
CJ Wellcare Corporation	Korea	100	Food manufacturing & sales	125
TP NextGen Fund	Korea	75	Start-up investment	-
GLOBAL INNOVATIVE GROWTH FUND	Korea	59.25	Start-up investment	-
PT CJ CHEILJEDANG LESTARI	Indonesia	75	Food manufacturing	9
PT CJ FEED MEDAN	Indonesia	100	Feed manufacturing & sales	108
PT CJ FOOD LESTARI	Indonesia	100	Food manufacturing	12
PT CHEILJEDANG INDONESIA	Indonesia	100	Lysine manufacturing & sales	1,609
PT CJ FEED AND CARE INDONESIA	Indonesia	100	Feed manufacturing & sales	300
PT AGROBIS PANCA EKATAMA	Indonesia	100	Breeding	15
PT SUPER UNGGAS JAYA	Indonesia	100	Breeding	700
PT CJ CHEILJEDANG FEED KALIMANTAN	Indonesia	51	Feed manufacturing & sales	116
PT CHEIL JEDANG BIO INDONESIA	Indonesia	100	Wholesale distribution of food & feed additives	4
PT CHEILJEDANG BIOMATERIALS INDONESIA	Indonesia	100	Biotechnology R&D and manufacturing	-
CJ AMERICA INC.	U.S.A	100	Trade	1,013
TWIN MARQUIS INC.	U.S.A	100	Food sales & distribution	Including corporations under CJ AMERICA INC.
CJ FOODS MANUFACTURING CORPORATION	U.S.A	100	Food manufacturing	Including corporations under CJ AMERICA INC.
BIBIGO INTERNATIONAL LLC	U.S.A	100	Catering business	Including corporations under CJ AMERICA INC.
CJ TMI MANUFACTURING AMERICA LLC.	U.S.A	100	Food manufacturing	Including corporations under CJ AMERICA INC.
CJ FOODS MANUFACTURING BEAUMONT CORPORATION	U.S.A	100	Food manufacturing	Including corporations under CJ AMERICA INC.
TMI LOGISTICS CORPS	U.S.A	100	Logistics	Including corporations under CJ AMERICA INC.
KAHIKI FOODS, INC.	U.S.A	100	Food manufacturing	Including corporations under CJ AMERICA INC.
CJ FOODS USA INC.	U.S.A	100	Holding business	Including corporations under CJ AMERICA INC.
SCHWAN'S COMPANY	U.S.A	70	Food sales & distribution	6,575
SCHWAN'S CONSUMER BRANDS, INC.	U.S.A	100	Food sales & distribution	Including corporations under Schwan's Company
SCHWAN'S FOOD SERVICE, INC.	U.S.A	100	Food sales & distribution	Including corporations under Schwan's Company

1) Excluding CJ Logistics

2) Equity ratio is based on the direct equity ratio

3) 2021 Country-by-Country Reporting (CBCR)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

► [Business Sites by Region](#)

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards



NAME OF COMPANY ¹⁾	REGION	SHARE(%) ²⁾	INDUSTRY	NUMBER OF EMPLOYEES ³⁾
SFC GLOBAL SUPPLY CHAIN, INC.	U.S.A	100	Food manufacturing	Including corporations under Schwan's Company
SCHWAN'S INTERNATIONAL HOLDINGS, INC.	U.S.A	100	Holding business	Including corporations under Schwan's Company
SCHWAN'S SHARED SERVICES, LLC	U.S.A	100	Managing service	Including corporations under Schwan's Company
SCHWAN'S NE FOODS, LLC	U.S.A	100	Holding business	Including corporations under Schwan's Company
SCHWAN'S IP, LLC	U.S.A	100	Intellectual Property management	Including corporations under Schwan's Company
SCHWAN'S CULINARY INITIATIVES, LLC	U.S.A	100	Catering business	Including corporations under Schwan's Company
DRAYTON FOODS, LLC	U.S.A	100	Food manufacturing	Including corporations under Schwan's Company
SMEDLEY STREET, LLC	U.S.A	100	Real estate management	Including corporations under Schwan's Company
CJ BIO AMERICA INC.	U.S.A	100	Lysine manufacturing & sales	241
CJ BIOMATERIALS, INC	U.S.A	100	R&D	12
CJ FOODS AMERICA HOLDINGS CORP.	U.S.A	100	Holding business	-
EZBIOME, INC.	U.S.A	100	Biotechnology R&D	8
BATAVIA HOLDINGS, INC.	U.S.A	100	Biotechnology R&D and manufacturing	1
BATAVIA BIOSCIENCES INC.	U.S.A	100	Biotechnology R&D and manufacturing	18
CJ SHENYANG FEED CO., LTD.	China	100	Feed manufacturing & sales	126
CJ TIANJIN FEED CO., LTD.	China	100	Feed manufacturing & sales	117
CJ HARBIN FEED CO., LTD.	China	100	Feed manufacturing & sales	68
CJ QINGDAO FEED CO., LTD.	China	100	Feed manufacturing & sales	93
CJ (BEIJING) FOOD CO., LTD.	China	100	Beverage & Food manufacturing	149
CJ QINGDAO FOODS CO., LTD.	China	100	Meat processing	809
CJ LIAOCHENG BIOTECH CO., LTD.	China	100	Lysine manufacturing & sales	669
CJ NANJING FEED CO., LTD.	China	100	Feed manufacturing & sales	-
CJ (SHENYANG) BIOTECH CO., LTD.	China	100	Lysine manufacturing & sales	693
CJ DCH GUANGDONG FROZEN FOOD CO., LTD.	China	60	Frozen/refrigerated processed food production & sales	188
CJ (CHANGCHUN) FEED CO., LTD.	China	100	Feed manufacturing & sales	119
CJ (LIAOCHENG) FEED CO., LTD.	China	100	Feed manufacturing & sales	89
SICHUAN JIXIANGJU FOOD CO., LTD.	China	60	Food manufacturing	1,633
COFEED FEEDMILL (CHANGCHUN) CO., LTD.	China	100	Feed manufacturing & sales	30
COFEED FEEDMILL (TIANJIN) CO., LTD.	China	100	Feed manufacturing & sales	92
COFEED FEEDMILL (QIQIHAER) CO., LTD.	China	100	Feed manufacturing & sales	81
HEILONGJIANG JIUSAN COFEED FEEDMILL CO., LTD.	China	60	Feed manufacturing & sales	26
COFEED FARM (FUYU) TECHNOLOGY CO., LTD.	China	100	Feed manufacturing & sales	111
CJ CHINA CONSULTING, LTD.	China	100	Consulting	55
LIAOCHENG LANTIAN COGENERATION PLANT CO., LTD.	China	100	Power generation & steam supply	108
CJ INTERNATIONAL TRADING CO., LTD.	China	100	Brokerage	123
CJ LIAOCHENG FOOD. CO., LTD.	China	100	Food manufacturing	311
GUANGYUAN JIXIANGJU FOOD LTD.	China	100	Food manufacturing	319
SICHUAN JINONG FOOD CO., LTD.	China	50.9	Food manufacturing	2

1) Excluding CJ Logistics

2) Equity ratio is based on the direct equity ratio

3) 2021 Country-by-Country Reporting (CBCR)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

► Business Sites by Region

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

NAME OF COMPANY ¹⁾	REGION	SHARE(%) ²⁾	INDUSTRY	NUMBER OF EMPLOYEES ³⁾
CJ YOUTELL (HUNAN)BIOTECH CO.,LTD	China	100	Enzyme R&D and manufacturing	53
CJ YOUTELL (SHANDONG)BIOTECH CO.,LTD	China	100	Enzyme R&D and manufacturing	130
CJ YOUTELL (SHANGHAI) BIOTECH CO.,LTD	China	100	Enzyme R&D and manufacturing	21
JIXIANGJU ELECTRONIC COMMERCE (CHENGDU) CO., LTD.	China	100	Food manufacturing & sales	84
CJ VINA AGRI CO., LTD.	Vietnam	100	Feed manufacturing & sales	5,446
CJ FOODS VIETNAM CO., LTD.	Vietnam	100	Food manufacturing	921
CJ FEED INGREDIENT VIETNAM CO., LTD.	Vietnam	100	Feed ingredients manufacturing & sales	84
CJ CAU TRE FOODS JOINT STOCK COMPANY	Vietnam	71.6	Food manufacturing	1,138
LOC TAN INVESTMENT COMPANY LIMITED	Vietnam	100	Food manufacturing & sales	2
BATAVIA BIOSCIENCES B.V.	Netherlands	75.82	Biotechnology R&D and manufacturing	75
BATAVIA BIOMANUFACTURING B.V.	Netherlands	100	Biotechnology R&D and manufacturing	144
CJ EUROPE GMBH.	Germany	100	Trade	105
CJ MAINFROST FOODS GMBH	Germany	74	Food manufacturing	92
CJ BIO RUS	Russia	99.9	BIO distribution	5
CJ RAVIOLLO RUS	Russia	100	Food manufacturing	154
CJ BIO MALAYSIA SDN. BHD.	Malaysia	86	Methionine manufacturing & sales	449
CJ CHEILJEDANG MEXICO, S.A. DE C.V.	Mexico	100	Food sales & distribution	9
CJ FOODS MYANMAR CO., LTD.	Myanmar	100	Food manufacturing	31
CJ FEED MYANMAR CO., LTD.	Myanmar	100	Feed manufacturing & sales	132
CJ LATAM PARTICIPACOES LTD	Brazil	99.99	Logistics	4
CJ DO BRAZIL IND. COM. PROD. ALIM. LTDA.	Brazil	100	Lysine manufacturing & sales	348
CJ SELECTA S.A.	Brazil	66	Feed manufacturing & sales	583
CJ SE ASIA PTE. LTD.	Singapore	100	Brokerage	31
CJ FOODS SALES UK, LTD	United Kingdom	100	Food sales and distribution	8
CJ FEED INDIA PRIVATE LTD.	India	100	Feed manufacturing & sales	-
CJ FOODS JAPAN CORPORATION	Japan	100	Food sales and distribution	124
GYOZA KEIKAKU CO., LTD.	Japan	99.98	Food manufacturing & sales	47
CJ FOODS AGRI JAPAN.,LTD	Japan	49	Food manufacturing & sales	1
CJ CHEILJEDANG FEED (CAMBODIA) CO., LTD.	Cambodia	100	Feed manufacturing & sales	250
S.C.F-PNH CO., LTD.	Cambodia	49	Real estate management	12
CJ BIO APAC., LTD.	Thailand	100	Wholesale distribution of food & feed additives	20
CJ BIO SWEETENERS EUROPE SAS	France	100	Functional sweeteners manufacturing and sales	-
CJ PHILIPPINES, INC.	Philippines	70	Feed manufacturing & sales	287
CJ NUTRACON PTY. LTD.	Australia	100	Food manufacturing	23
CHUNLAB LBP PTY LTD.	Australia	100	Biotechnology R&D	1
CJ CHINA, LTD.	Hong Kong	100	Trade	26
CJ GLOBAL HOLDINGS LTD.	Hong Kong	100	Holding business	1
CJ FOODS ASIA HOLDINGS LIMITED	Hong Kong	100	Holding business	1

1) Excluding CJ Logistics

2) Equity ratio is based on the direct equity ratio

3) 2021 Country-by-Country Reporting (CBCR)

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

► [Business Sites by Region](#)

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

GRI CONTENT INDEX

Statement of use	CJ CheilJedang has reported in accordance with the GRI Standards for the period 1 December 2022 - 31 November 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI STANDARD	DISCLOSURE	PAGES	NOTES	
GRI 2: GENERAL DISCLOSURES 2021				
The organization and its reporting practices	2-1	Organizational details	2, 9	
	2-2	Entities included in the organization's sustainability reporting	100-102	Business Sites by Region
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	89	Data for the past 3 years re-aggregated after expanding the reporting scope to include overseas business sites.
	2-5	External assurance	2, 112-113	
Activities and workers	2-6	Activities, value chain, and other business relationships	14, 68-70, 100-102	
	2-7	Employees	91	
	2-8	Workers who are not employees	-	2,936 people as of the end of 2022 (primary job types: subcontracting, cleaning, security, catering, IT service, etc.)
Governance	2-9	Governance structure and composition	73	
	2-10	Nomination and selection of the highest governance body	73-75	
	2-11	Chair of the highest governance body	73	
	2-12	Role of the highest governance body in overseeing the management of impacts	16, 20	
	2-13	Delegation of responsibility for managing impacts	16	
	2-14	Role of the highest governance body in sustainability reporting	16, 20, 74	
	2-15	Conflicts of interest	73-75	
	2-16	Communication of critical concerns	16, 74	
	2-17	Collective knowledge of the highest governance body	75	
	2-18	Evaluation of the performance of the highest governance body	75	
	2-19	Remuneration policies	26, 75	
	2-20	Process to determine remuneration	75	
	2-21	Annual total compensation ratio	-	Increase in compensation for the highest-paid employee: 68% Increase in median employee compensation: 102% Ratio of employee compensation compared to the highest paid employee in the organization: 67%
Strategy, policies, and practices	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	56	CJ CheilJedang's official website - Sustainability reports & Policies 
	2-24	Embedding policy commitments	54-57, 75	
	2-25	Processes to remediate negative	54-57	
	2-26	Mechanisms for seeking advice and raising concerns	57, 76-77	
	2-27	Compliance with laws and regulations	95	2023 Annual report p.398
	2-28	Membership associations	18, 94	
Stakeholder engagement	2-29	Approach to stakeholder engagement	19	
	2-30	Collective bargaining agreements	93	

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

► [GRI Content Index](#)

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards



GRI STANDARD	DISCLOSURE	PAGES	NOTES	
MATERIAL TOPICS				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	20	
	3-2	List of material topics	21	
RESPONSE TO CLIMATE CHANGE				
GRI 3: Material Topics 2021	3-3	Management of material topics	24	
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	26, 77, 109	
	302-1	Energy consumption within the organization	89	
	302-3	Energy intensity	89	
GRI 302 : Energy 2016	302-4	Reduction of energy consumption	89	
	GRI 303 : Water and Effluents 2018	303-1	Interactions with water as a shared resource	24, 28
		303-2	Management of water discharge-related impacts	28
303-3		Water withdrawal	89	
303-4		Water discharge	89	
303-5		Water consumption	89	
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG emissions	89	
	305-2	Energy indirect (Scope 2) GHG emissions	89	
	305-3	Other indirect (Scope 3) GHG emissions	89	
	305-4	GHG emissions intensity	89	
	305-5	Reduction of GHG emissions	89	
	305-6	Emissions of ozone-depleting substances (ODS)	-	None
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	89	
GRI 306 : Waste 2020	306-1	Waste generation and significant waste-related impacts	29-30	
	306-2	Management of significant waste-related impacts	29-30	
	306-3	Waste generated	90	
	306-4	Waste diverted from disposal	90	
	306-5	Waste directed to disposal	90	
FOOD AND PRODUCT SAFETY				
GRI 3: Material Topics 2021	3-3	Management of material topics	47-50	
GRI 416 : Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	47-50	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	107	
GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	81, 95	
SUSTAINABLE SUPPLY CHAIN MANAGEMENT				
GRI 3: Material Topics 2021	3-3	Management of material topics	68-69	
GRI 308 : Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	68-70, 94	
	308-2	Negative environmental impacts in the supply chain and actions taken	68-70	
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	68-70, 94	
	414-2	Negative social impacts in the supply chain and actions taken	68-70	

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

► [GRI Content Index](#)

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

GRI STANDARD	DISCLOSURE	PAGES	NOTES
SUSTAINABLE PACKAGING			
GRI 3: Material Topics 2021	3-3	Management of material topics	33-35
GRI 301 : Materials 2016	301-1	Materials used by weight or volume	90
	301-2	Recycled input materials used	90
	301-3	Reclaimed products and their packaging materials	36
WORKPLACE HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3	Management of material topics	65-66
GRI 403 : Occupational Health and Safety 2018	403-1	Occupational health and safety management system	65-67, 93
	403-2	Hazard identification, risk assessment, and incident investigation	65-67
	403-3	Occupational health services	65-67
	403-4	Worker participation, consultation, and communication on occupational health and safety	65-67
	403-5	Worker training on occupational health and safety	65-67
	403-6	Promotion of worker health	63, 65-67
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	65-67, 70
	403-8	Workers covered by an occupational health and safety management system	65-67
	403-9	Work-related injuries	93
	403-10	Work-related ill health	93
HUMAN RIGHTS			
GRI 3: Material Topics 2021	3-3	Management of material topics	54-57
GRI 406 : Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	56-57
GRI 408 : Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	55-56
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	55-56
RESPECT FOR DE&I(DIVERSITY, EQUITY AND INCLUSION)			
GRI 3: Material Topics 2021	3-3	Management of material topics	58-64
GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	95
GRI 202 : Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	62
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	91
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	63-64
	401-3	Parental leave	93
GRI 402 : Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	60
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	92
	404-2	Programs for upgrading employee skills and transition assistance programs	92
	404-3	Percentage of employees receiving regular performance and career development reviews	93
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	92, 95

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

► [GRI Content Index](#)

SASB Index

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

GRI STANDARD	DISCLOSURE	PAGES	NOTES
ENHANCEMENT OF HEALTH AND NUTRITION			
GRI 3: Material Topics 2021	3-3	Management of material topics	44-46
	417-1	Requirements for product and service information and labeling	50
GRI 417 : Marketing and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	95
	417-3	Incidents of non-compliance concerning marketing communications	95
SUSTAINABLE RAW MATERIALS SOURCING			
GRI 3: Material Topics 2021	3-3	Management of material topics	39-42
GRI 301 : Materials 2016	301-1	Materials used by weight or volume	90
GRI 204 : Procurement Practices 2016	204-1	Proportion of spending on local suppliers	94
SUSTAINABLE PRODUCT AND SERVICES			
GRI 3: Material Topics 2021	3-3	Management of material topics	37-38
Our own Index	-	Sustainable product sales	10-13
TAX RISK MANAGEMENT			
	207-1	Approach to tax	78
	207-2	Tax governance, control, and risk management	78
GRI 207 : Tax 2019	207-3	Stakeholder engagement and management of concerns related to tax	78
	207-4	Country-by-country reporting	99, 100-102

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

► [GRI Content Index](#)

SASB Index

TCFD Index

UNGC & UN SDGs Index


Third-party Verification

External Awards

MULTIPLE SECTORS

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTE
Energy Management	FB-PF-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	89p	
	RT-CH-130a.1			
Water Management	FB-PF-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	89p	
	RT-CH-140a.1			
	FB-PF-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	89p	
	FB-PF-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	28p	
	RT-CH-140a.3			

PROCESSED FOODS

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTE
Food Safety	FB-PF-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	52 Food sites (a) 3 cases (b) 175 cases 4 BIO sites (a) 0 cases (b) 26 cases 2 FNT sites (a) 0 cases (b) 16 cases	
	FB-PF-250a.2	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Non-measurable	
	FB-PF-250a.3	(1) Total number of notices of food safety violation received and (2) percentage corrected	0 cases	
	FB-PF-250a.4	(1) Number of recalls issued and (2) total amount of food product recalled	0 cases	
Health & Nutrition	FB-PF-260a.1	Revenue from products labeled and/or marketed to promote health and nutrition attributes	10p - Sustainable product sales	
	FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	44-46, 50-51p	
Product Labeling & Marketing	FB-PF-270a.1	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	Non-measurable	
	FB-PF-270a.2	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	(1) Undisclosed (2) N/A	
	FB-PF-270a.3	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	0 cases	
	FB-PF-270a.4	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	0	
Packaging Lifecycle Management	FB-PF-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	90p	
	FB-PF-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	33-38p	
Environmental & Social Impacts of Ingredient Supply Chain	FB-PF-430a.1	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	90p - Sustainable raw material procurement	
	FB-PF-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	68-70p	
Ingredient Sourcing	FB-PF-440a.1	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Non-measurable	
	FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	39-42p	Sustainable Raw Material Sourcing Policy 
Activity Metrics	FB-PF-000.A	(1) Weight of products sold (2) Number of production facilities	(1) Total production in 2022: 5,283,785 ton (2) Number of production facilities: 9p	Different from CJ CheilJedang's total production facility and production volume; same as the scope of data collection for the ESG Fact Sheet.
	FB-PF-000.B			

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

- Financial Information
- Business Sites by Region
- GRI Content Index
- ▶ SASB Index
- TCFD Index
- UNGC & UN SDGs Index
- Third-party Verification
- External Awards

CHEMICALS

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTE
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	<ul style="list-style-type: none"> Scope 1 emissions measured: 2,786,000 tCO₂eq % subject to emission regulations: 48% (Korea, China) 	
	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	24-27p	
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	(1) 888ton (2) 705ton (3) 118ton (4) No Legal Obligation	
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	Designated waste generation: 68,527 ton 98.3%(Amount recycled : 67,351 ton)	
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	86-87p	
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	93p	Total recordable incident rate was not measurable.
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	65-67p	
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	11-13p - Sustainable product sales	
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	N/A	
	RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	65-67p	
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Undisclosed	
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	Core issue-specific description pages	
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), Process Safety Incident Severity Rate (PSISR)	N/A	
	RT-CH-540a.2	Number of transport incidents		
Activity Metrics	RT-CH-000.A	Production by reportable segment	See 107p, Processed Foods Activity Metrics.	

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

GRI Content Index

► [SASB Index](#)

TCFD Index

UNGC & UN SDGs Index

Third-party Verification

External Awards

CATEGORY	DISCLOSURE	DETAILS
Governance	a. Describe the board's oversight of climate-related risks and opportunities.	<p>The Corporate Sustainability Committee under the Board of Directors, the highest decision-making body, holds regular meetings to discuss and resolve issues related to climate change submitted by the Corporate Sustainability Council. Since its establishment in April 2021, the committee has deliberated and made resolutions on the mid-to long-term environmental management strategies in December 2021, and reviewed and approved key environmental strategies and performance as well as major environmental investments in 2022.</p> <pre> graph TD A["CORPORATE SUSTAINABILITY COMMITTEE (UNDER THE BOARD OF DIRECTORS)"] <--> B["CORPORATE SUSTAINABILITY COUNCIL (CHAIRIED BY THE CEO)"] B <--> C["ESG WORKING-LEVEL COMMITTEE (CORPORATE ESG)"] C --> D["FOOD BUSINESS"] C --> E["BIO BUSINESS"] C --> F["FNT BUSINESS"] C --> G["FEED & CARE BUSINESS"] </pre> <p>4 INDEPENDENT DIRECTORS: Jung Hwan Yun(Chairperson), Jong Chang Kim, Tae Yoon Kim, Si Wook Lee 1 INTERNAL DIRECTOR: Eun Seok Choi</p> <p>KEY ROLES</p> <ul style="list-style-type: none"> Promote E, S, G¹⁾ management in a strategic and organized manner to ensure the sustainable growth of the company. Identify and delve into various topics and issues related to E, S, G¹⁾ to consider the company's sustainability management strategies and directions and review and approve relevant performances and directions for improvement. <p>AGENDA RELATED TO CLIMATE CHANGE 1) E (environment), S (society), G (economy/governance)</p>
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	<p>The Corporate Sustainability Council is chaired by the CEO and consists of the top executives of each business division and the heads of related organizations. Issues discussed by the council are presented to the Corporate Sustainability Committee, under the Board of Directors. In 2022, the council set a key performance indicator (KPI) for climate change response as one of CJ CheilJedang's ESG management goals to facilitate the implementation of relevant tasks by the organization responsible for environmental tasks.</p>
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>TRANSITION RISKS</p> <p>In South Korea, where our primary food production sites are located, the GHG trading system is being implemented, and we are obligated to participate in this system. In order to meet the international community's call to reduce carbon emissions and achieve Net Zero by 2050, the South Korean government will further reduce the emission credit quota for the industrial sector. This may lead to an increase in the cost of carbon credits, so we plan to reduce greenhouse gas emissions in a cost-effective manner.</p> <p>PHYSICAL RISKS</p> <p>We used WRI's Aqueduct Water Risk Atlas Map analysis tool to estimate the water consumption of 10 sites exposed to "high" or "extremely high" water stress (4 in South Korea, 5 in China, and 1 in Vietnam). In 2022, these water-stressed sites accounted for 18.7% of the total water consumption across all analyzed operations. In the supply chain, the increase in water stress due to climate change is expected to have a negative impact on the stable supply and cost management of agricultural products, which are key raw materials for our business. In this regard, we will conduct water risk analysis for the supply chains of key ingredients in major regions and countries, and develop and gradually implement a management system.</p>
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<p>OPPORTUNITIES</p> <p>Climate change is reshaping consumer values, and the societal trend towards value-conscious consumption is driving the consumer demand for foods made with eco-friendly ingredients and processes. A prime example is the growth of the plant-based food market. Plant-based foods help avoid the greenhouse gas emissions associated with traditional livestock farming and can therefore meet new consumer demand for eco-friendly ways to consume protein. We are developing plant-based food technologies and launching a range of products, including PlanTable Mandu. This will help consumers consume less meat and reduce the water footprint of livestock production.</p>
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Most of the raw materials we purchase are natural products and are therefore closely linked to climate change. We review our strategies and resilience in consideration of climate change scenarios. First, we focused on fruits that are significantly affected by climate change, in particular pears that account for the largest amount among our local fruit purchases, in our analysis. We analyzed the IPCC SSP1-2.6 and SSP5-8.5 scenarios for major pear growing regions to identify the correlation between historical climate data and pear prices and predict future price increases due to climate change. The results suggested that the pear prices will continue to rise or fluctuate affected by extreme weather events caused by climate change, which will have a financial impact on our business. In the future, we will develop a climate change scenario optimized for our business taking more variables into consideration and further expand the scope of the analysis to include more raw materials.</p>

- Financial Information
- Business Sites by Region
- GRI Content Index
- SASB Index
- ▶ TCFD Index
- UNGC & UN SDGs Index
- Third-party Verification
- External Awards

CATEGORY	DISCLOSURE	DETAILS
Risk management	a. Describe the organization's processes for identifying and assessing climate-related risks.	At CJ CheilJedang, the Corporate ESG that is responsible for corporate-wide climate change response and sustainable environmental management identifies major environmental law and regulatory frameworks on a regular basis and establishes and implements corporate-wide environmental management strategies, including risk identification and analysis, to identify and evaluate climate change risks. To manage the climate change risks, we analyze and report internally on our domestic and overseas GHG emissions, wind and water disaster risks, and impacts of global regulations, and the Corporate Sustainability Committee discusses these issues and makes strategic decisions accordingly. We also utilize the Compliance Management System (CMS) 2.0, a risk management process, to self-assessment and monitor compliance risks related to climate change, environmental safety, etc.
	b. Describe the organization's processes for managing climate-related risks.	
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	24, 89p
	b. Disclose Scope 1, Scope 2, and if appropriate Scope 3 greenhouse gas (GHG) emissions, and the related risks.	27, 89p
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	To achieve greenhouse gas reduction targets for our sites, we plan to gradually transition from coal, gas and other fossil fuels to renewable energy and biofuels. These alternatives will be used to supply steam for the production of food and bio-products and expand eco-friendly energy outsourcing. In particular, we will collaborate with external partners to purchase electricity directly from solar and wind farms. We will continue to reduce energy consumption by developing technologies to increase the efficiency of microbial fermentation in the production of bio-products. Through these efforts, we will lay the foundation for energy transition and decarbonization. Our long-term goal is to implement a carbon-neutral business model in 2050 by introducing innovative technologies and measures, such as green hydrogen. Various activities for GHG reductions in the reporting year resulted in actual GHG reductions [CJ CheilJedang, 2022 emissions in comparison with the reference year (2020)]. With emissions increasing as our business grows, achieving the reduction goal will require significant, innovative, and fundamental changes. Since setting our reduction goal at the end of 2021, we have been focusing on building a foundation for action, and we aim to complete this foundation-building work by 2025, after which we anticipate significant reductions will be achieved.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

GRI Content Index

SASB Index

► [TCFD Index](#)

UNGC & UN SDGs Index















Third-party Verification

External Awards

IMPLEMENTATION OF THE 10 UNGC PRINCIPLES

CATEGORY	UN GLOBAL COMPACT TEN PRINCIPLES	PAGE
Human Rights	1. Business should support and respect the protection of internationally proclaimed human rights.	Human Rights
	2. Make sure that they are not complicit in human rights abuses.	Human Rights
Labour	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Respect for DE&I
	4. the elimination of all forms of forced and compulsory labour.	Human Rights Sustainable Supply Chain
	5. the effective abolition of child labour.	Human Rights Sustainable Supply Chain
	6. the elimination of discrimination in respect of employment and occupation.	Respect for DE&I
Environment	7. Businesses should support a precautionary approach to environmental challenges.	Sustainable Raw Materials Sourcing Response to Climate Change
	8. undertake initiatives to promote greater environmental responsibility.	Response to Climate Change
	9. encourage the development and diffusion of environmentally friendly technologies.	Eco-friendly Material Solutions
Anti-corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	Compliance Management

ALIGNMENT WITH THE UN SDGS

GOAL	PAGE
 1 NO POVERTY	Enhancement of Health and Nutrition
 2 ZERO HUNGER	Enhancement of Health and Nutrition
 3 GOOD HEALTH AND WELL-BEING	Food and Product Safety Enhancement of Health and Nutrition
 5 GENDER EQUALITY	Respect for DE&I
 7 AFFORDABLE AND CLEAN ENERGY	Response to Climate Change
 8 DECENT WORK AND ECONOMIC GROWTH	Respect for DE&I Human Rights
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Sustainable Supply Chain
 10 REDUCED INEQUALITIES	Sustainable Supply Chain
 11 SUSTAINABLE CITIES AND COMMUNITIES	Sustainable Packaging
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Sustainable Packaging Sustainable Raw Materials Sourcing
 13 CLIMATE ACTION	Response to Climate Change
 14 LIFE BELOW WATER	Eco-friendly Material Solutions
 15 LIFE ON LAND	Sustainable Raw Materials Sourcing
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Human Rights

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

- Financial Information
- Business Sites by Region
- GRI Content Index
- SASB Index
- TCFD Index
- [UNGC & UN SDGs Index](#)
- Third-party Verification
- External Awards



THIRD-PARTY VERIFICATION

CJ Cheiljedang Co., Ltd. (“the Company” or “CJ Cheiljedang”) commissioned DNV Business Assurance Korea, Ltd. (“DNV”, “we” or “us”), part of DNV Group, to undertake independent assurance of the Company’s Sustainability Report 2022 (the “Report”).

Our Opinion: On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe CJ Cheiljedang’s adherence to the Assurance Principles described below. In terms of reliability of the performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate. We believe that CJ Cheiljedang is reporting in accordance with the GRI Standards.

We have reviewed the topic-specific disclosures of GRI Sustainability Reporting Standards 2021, which were identified in the process of materiality assessment:

NO.	MATERIAL ISSUES	TOPIC STANDARD
1	Response to Climate Change	201-2, 302-1,3,4, 303-1~5, 305-1~7, 306-1~5
2	Food and Product Safety	416-1~2, 418-1
3	Sustainable Supply Chain	308-1~2, 414-1~2
4	Sustainable Packaging	301-1~3
5	Safety and Health	403-1~10
6	Human Rights	406-1, 408-1, 409-1
7	Respect for DE&I	201-1, 202-1,401-1~3, 402-1, 404-1~3, 405-1
8	Enhanced Health and Nutrition	417-1~3
9	Sustainable Raw Materials Sourcing	204-1, 301-1
10	Sustainable Product and Services	Non-GRI (Different indicator – sustainable product sales)

Without affecting our assurance opinion, we also provide the following observations:

THE PRINCIPLE OF INCLUSIVITY

CJ Cheiljedang defines customers, shareholders/investors, employees, scholars/experts, local communities, and media are their major stakeholder groups and reports on each group’s major interests, communication channels, and the Company’s ensuing activities. The scope of stakeholders and their participations are introduced in the Report and their major interests are also applied in the materiality assessment process.

THE PRINCIPLE OF MATERIALITY

CJ Cheiljedang conducted double materiality assessment, taking into consideration the financial materiality (impact on financial value generation) and impact materiality (impact on economy, society, and environment). DNV confirms that material topics chosen from this assessment and related topic standards are reflected in the Report.

THE PRINCIPLE OF RESPONSIVENESS

CJ Cheiljedang manages material topics in relation to the Company’s mid- and long-term targets. The Report also explains well what Corporate Sustainability Committee, Corporate Sustainability Council, and ESG centre do in order to develop strategy on material topics and promote communication with stakeholders. DNV confirms that the Report includes the Company’s material topics in relation to its targets along with performance in 2022. DNV recommends that the Company exhibit performance of previous two years of material topics in the summary table in order that stakeholders easily recognise performance progress.

THE PRINCIPLE OF IMPACT

CJ Cheiljedang discloses background of choosing the material topics along with performance progress, whose interests and expectations of stakeholders are reflected in. CJ Cheiljedang helps stakeholders understand the Company better by managing environmental and social impact effectively and presenting related performance in a quantitative manner. DNV confirms that the material topics selected through the materiality assessment are not missed in terms of the spatial and time boundaries.

RELIABILITY OF SPECIFIC SUSTAINABILITY PERFORMANCE INFORMATION

DNV conducted a review of compliance with the principles of AA1000AP(2018) of the Report with Type 1 verification (Type 2 for 1) water management, 2) waste and hazardous material management, 3) occupational accident/illness, 4) employment, 5) new recruit and turn over for both domestic and overseas workplaces, 6) wage of new recruits by gender for domestic workplaces, 7) food loss and waste for domestic workplaces, 8) the number of key suppliers and purchasing ratio, and 9) tax report). The assurance team has sampled data and tested accuracy and reliability of the sustainability performance data of the Company and interviewed responsible people and reviewed the data gathering process with the supporting documents and records. Based on the test, the intentional error or misstatement was not noted. Data owners were able to demonstrate to trace the origin of the data and to interpret the processed data in a reliable manner. The data was identifiable and traceable. The Company reports the sustainability performance of the last three years and can be compared over time. Any errors or unclear expressions found during the verification process were corrected prior to the publication of the Report.

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

▶ [Third-party Verification](#)

External Awards

SCOPE AND APPROACH

We performed our work using AA1000AS v3, Assurance Standard set for by AccountAbility, and DNV's assurance methodology VeriSustain™ (Ver. 5.0) which is based on our professional experience, international assurance best practices including the International Standard on Assurance Engagements 3000 ("ISAE 3000"), and the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"). DNV provides Type 1 and the moderate assurance. But some part of performance data has been verified by Type 2 as described above. The engagement excludes the sustainability management, performance and reporting practices of CJ Cheiljedang's subsidiaries, associated companies, suppliers, contractors and any third-parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. Economic performance based on the financial data is crosschecked with internal documents, the audited consolidated financial statements and the announcement disclosed at the website of Korea Financial Supervisory Service (<http://dart.fss.or.kr>) as well as CJ Cheiljedang's website (<https://www.cj.co.kr/en/index>). The review of financial data taken from these sources is not within the scope of our work. We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing a 'limited level' of assurance. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the company were applied. The baseline data for environmental and social performance are not verified, while the aggregated data at the corporate level are used for the verification.

BASIS OF OUR OPINION

The assurance was carried out from May to June 2023. We undertook the following activities as part of the assurance process:

- Challenged the sustainability-related statements and claims made in the Report and assessed the robustness of the underlying data management system, information flow and controls;
- Site visits to CJ Cheiljedang HQ in to review process and system for preparing sustainability data and implementation of sustainability strategy;
- Conducted interviews with representatives from the ESG team;
- Conducted document reviews, data sampling and interrogation of supporting databases and associated reporting system as they relate to selected content and performance data;
- Reviewed the process and the result of materiality assessment.

For and on behalf of DNV Business Assurance Korea Ltd.

Seoul, Korea

June 26, 2023

CHANG ROK YUN
Senior Auditor and Lead Auditor

SANG YEON PARK
Senior Auditor

JAE HEE KIM
Technical Reviewer



RESPONSIBILITIES OF THE DIRECTORS OF CJ CHEILJEDANG AND DNV

The Directors of CJ Cheiljedang have sole responsibility for the preparation of the Report. Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent

COMPETENCE AND INDEPENDENCE

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. This engagement work was carried out by an independent team of sustainability assurance professionals.

DNV - BUSINESS ASSURANCE

DNV Business Assurance Korea Ltd. is part of DNV Group, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

www.dnv.co.kr/assurance

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

Financial Information

Business Sites by Region

GRI Content Index

SASB Index

TCFD Index

UNGC & UN SDGs Index

▶ [Third-party Verification](#)

External Awards

EXTERNAL AWARDS

CATEGORY	MONTH & YEAR	AWARD	AWARDING AGENCY
CJ CheilJedang	May 2022	ESG Korea Awards & Forum Food & Beverage Division Excellence Award	Hans Biz, ESG Happiness Economy Institute
	May 2022	2022 Korean Leaders in Sustainability	Hankook Ilbo, Korea Times, Statista
	May 2022	Incheon Environment Awards Incheon Ilbo President's Award	Incheon Ilbo
	May 2022	Ammonia Gresik Storage Zero Accident Minister of Labor's Award	Ministry of Manpower, Indonesia
	June 2022	BPW Gold Award	Business & Professional Women (BPW) Korea
	July 2022	2022 K-ESG Management Award/Social ESG Award in Food Production Division	Dong-A Ilbo
	July 2022	The 4th ESG Management Award in 2022	Korea Marketing Association, Consumer Appraisal
	July 2022	Presidential Citation for Industrial Accident Prevention	Ministry of the Interior and Safety
	July 2022	(Individual) Excellence Award, Safety and Health Activity Video Content Contest	Ministry of Employment and Labor
	July 2022	(Individual) Honorable Mention, Safety and Health Activity Video Content Contest	Ministry of Employment and Labor
	August 2022	Korea's Best Job Creator Award	Ministry of Employment and Labor
	September 2022	2022 WIN Awards in Gender Equality	Women in INnovation (WIN)
	September 2022	Minister of Environment's Award for Resource Cycling	Korea Environment Corporation
	November 2022	Grand Prize in Environmental Waste, 2022 THE ESG Awards	Chosunbiz
	November 2022	Korea Sustainability Index (KSI) in General Food, 2022 Korean Sustainability Conference	Korean Standards Association (KSA)
	November 2022	UN Global Compact Network Korea 2023 Lead Group	UN Global Compact Network Korea
	November 2022	Minister of Environment's Award for Spam Label-Free	Korea Environment Packaging Promotion Institute, The 12th Korea Green Packaging
	November 2022	(Individual) Chungcheongnam-do Governor's Citation for Fire Safety	Chungcheongnam-do
	November 2022	Minister of Environment's Award, 2022 Green Company Awards	Ministry of Environment
	November 2022	(Individual) 2022 Environmental Scientists and Engineers Award	Geum River Basin Environmental Office
December 2022	ESG Management Award, 2022 Global Standard Management Awards (4 consecutive years)	Korea Management Registrar (KMR)	
December 2022	2022 Presidential Citation for Sustainability Management	Ministry of Trade, Industry and Energy	
December 2022	2022 Distributor Partner of the Year	Fair Trade Commission	
December 2022	Best Family Friendly Management Certification	Ministry of Gender Equality and Family	
CJ Seafood	November 2022	(Individual) The 60th Firefighters' Day Citation	Gyeonggi-do Governor
	November 2022	(Individual) The 60th Firefighters' Day Citation	National Fire Agency
	December 2022	(Individual) Citation for Industrial Accident Prevention in Celebration of the 52nd KISA General Meeting	Korea Industrial Safety Association
	December 2022	Minister's Award for 2022 Best Family Friendly Management	Ministry of Gender Equality and Family

OVERVIEW

OUR APPROACH TO SUSTAINABILITY

PERFORMANCE

FUNDAMENTALS

ESG FACT SHEET

APPENDIX

- Financial Information
- Business Sites by Region
- GRI Content Index
- SASB Index
- TCFD Index
- UNGC & UN SDGs Index
- Third-party Verification

▶ [External Awards](#)





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