



Samyang Corporation 2023 Sustainability Report

Ingredients that Add Value to Life

About this Report

Report Overview

This report is Samyang Corporation's third annual Sustainability Report, published in June 2024. We issue this report to transparently communicate our sustainability management directions and performance to our stakeholders. Available in both Korean and English, this publication serves as a platform for active engagement with our stakeholders. We are committed to incorporating the valuable feedback we receive based on this report into our future management activities and sustainability initiatives.

Reporting Period

This report covers Samyang Corporation's sustainability management activities and performance for the year spanning January 1 to December 31, 2023. To enable a comparison of performance, we have included quantitative data from 2021 to 2023. Additionally, the report features selected qualitative achievements from the first half of 2024 that are particularly noteworthy.

Reporting Scope

The report includes the activities and achievements of Samyang Corporation. The financial data adheres to the consolidated standards of the Korean International Financial Reporting Standards (K-IFRS). For non-financial data, we collected sustainability performance information from all domestic and overseas business sites. Some data includes activities and achievements of Samyang Corporation's affiliates. Where the reporting scope varies, it has been noted separately within the report.

Reporting Principles and Standards

This report has been prepared according to the Global Reporting Initiative (GRI) Standards 2021, which serve as the foundation for our sustainability reporting. Additionally, to provide transparency on critical industry-related issues, the report includes recommendations from the Sustainability Accounting Standards Board (SASB) and adheres to principles from the United Nations Sustainable Development Goals (SDGs). Financial performance is reported in accordance with Samyang Corporation's consolidated financial statements, which comply with K-IFRS.

Third-party Assurance

The financial information presented in this report has undergone independent auditing by an external accounting firm. Furthermore, to ensure objectivity, fairness, and reliability, a reputable organization specializing in certification services and free from any conflicts of interest concerning Samyang Corporation, has verified the report.

For Inquiries

This Sustainability Report can be viewed and downloaded from the Samyang Corporation website (<https://www.samyangcorp.com/en>). For more detailed information or any inquiries, please contact us using the information provided below.

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CEO Message

Samyang Corporation will create sustainable value based on a DNA of challenge and innovation.

We extend our deepest gratitude to all stakeholders for their unwavering interest and support of Samyang Corporation.

Despite facing global economic challenges over the past year, including recession, inflation, and prolonged stagnant growth, Samyang Corporation has achieved record-high performance. In our commitment to ESG management, we have joined the United Nations Global Compact (UNGC), the world's largest sustainability initiative. Additionally, we established an ESG Management Council and the Working-Level Council to systematically address ESG tasks. Looking ahead, Samyang Corporation will continue to meet contemporary ESG demands and generate sustainable value. We will do this by leveraging our foundational DNA of challenge and innovation and implementing the following three strategies:



Vice-President and CEO,
Samyang Corporation

Ho-Sung Kang



Vice-President and CEO,
Samyang Corporation

Nak-Hyun Choi

First, Samyang Corporation is responding to the climate crisis with a systematic carbon emission reduction plan.

In response to the climate crisis caused by carbon emissions, Samyang Corporation established the "Roadmap to Net Zero Emissions by 2050" in 2021. Additionally, the company has raised its carbon emission reduction target for 2030 from 20% to 42%.

To achieve carbon neutrality, Samyang Corporation has implemented specific measures and tasks. Last year, solar panels were made operational at six domestic sites. Additionally, we are implementing a Factory Energy Management System (FEMS) to enhance energy efficiency. We are also continuously upgrading our facilities and transitioning to alternative fuels to reduce carbon emissions.

Last year, Samyang Corporation calculated both direct and indirect greenhouse gas emissions at all business sites, including Scope 3 emissions, which encompass other indirect emissions from upstream and downstream value chains. In response to the growing demand for green products, we have developed a range of sustainable products and secured the necessary certifications.

Second, Samyang Corporation will contribute to improving humanity's quality of life by advancing our specialty businesses.

Aligned with our group vision of "Ingredients that Add Value to Life," Samyang Corporation is committed to becoming a leading company in Health & Wellness and advanced materials specialties. In the food sector, we aim to enhance our functional ingredients business by leveraging our extensive R&D capabilities and biotechnology expertise to improve human quality of life. Specifically, we plan to expand the applications of our next-generation sweetener, Allulose, which was developed using our proprietary enzyme technology. Additionally, we intend to broaden the market for our water-soluble dietary fiber, Resistant dextrin, thereby delivering sustainable value to an increasing number of customers.

In the chemical sector, our focus is on expanding the use of green materials and enhancing safety. Last year, we initiated the supply of plastic compound materials made from recycled fishing nets. These materials are used to manufacture environmentally friendly, lightweight battery pack cases for electric vehicles. Additionally, our green flame-retardant polycarbonate, developed by Samyang Corporation, has proven to be safe, passing tests with no detection of harmful perfluorinated compounds (PFAS). Moving forward, we will continue our research to reduce plastic usage and increase the application of recycled materials.

Third, Samyang Corporation will create a business ecosystem where we can grow together with our stakeholders.

Samyang Corporation is building a business ecosystem aimed at win-win growth, cultivating relationships with a diverse range of stakeholders such as employees, suppliers, and local communities. Last year, we established a human rights policy to safeguard the rights of all employees and carried out a human rights impact assessment to pinpoint vulnerable groups and critical issues. We are dedicated to improving areas identified as needing improvement.

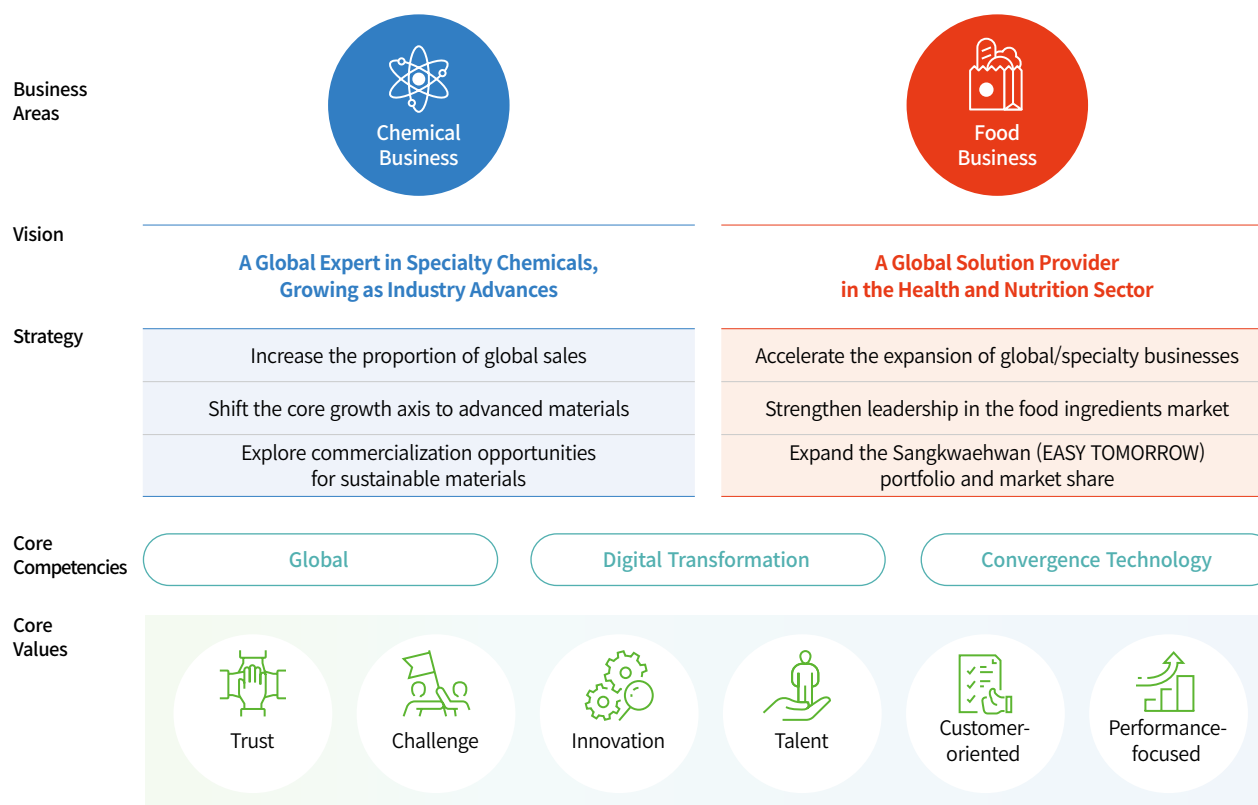
Samyang Corporation is actively engaged in promoting systematic safety and health management activities to ensure a healthy and safe work environment for all employees, including those from our suppliers. This year, we have asked numerous suppliers to agree to adhere to the Supplier Code of Conduct and to conduct ESG risk self-assessments. This initiative aims to minimize potential supply chain risks and enhance sustainability. Moving forward, Samyang Corporation will continue to solidify the foundation for win-win growth by maintaining active communication with all stakeholders and fostering co-prosperity.

This year marks the significant milestone of Samyang Group's centennial anniversary. As the founding company, Samyang Corporation will lead initiatives that shape the next 100 years of the group's future. We aim to become a model of ESG excellence, driving sustainable growth. Your ongoing support and engagement are crucial as we embark on this journey towards a more responsible and prosperous future.

Introduction to Samyang Corporation

Ingredients that Add Value to Life

Samyang Corporation originated as a corporate farm called “Samsu Company,” established by Chairman Sudang Yeon-Su Kim in 1924. Over the years, the company has expanded into the food and chemicals sectors, significantly enhancing the quality of life for citizens and generating economic value. In November 2011, Samyang Holdings was formed as a holding company to boost corporate value and implement a responsible management system across different business sectors. This restructuring included an equity spinoff, leading to the re-establishment of Samyang Corporation. Focused on its two primary sectors, food and chemicals, the company is committed to securing future growth by enhancing its existing business portfolio, expanding its range of high value-added products, and differentiating its R&D capabilities.



Company Overview (As of the end of 2023)

Company Name	Samyang Corporation
Founding Date	November 2011 (equity spinoff from Samyang Holdings, formerly Samyang Corporation)
Listing	2011, KOSPI Market (Korea Composite Stock Price Index)
CEO	Hosung Kang, Naghyun Choi
Headquarters Address	31, Jongno 33-gil, Jongno-gu, Seoul, Republic of Korea
Business Areas	Chemicals, food
Subsidiaries	3 domestic and 3 overseas subsidiaries
Business Sites	Headquarters: 31, Jongno 33-gil, Jongno-gu, Seoul, Republic of Korea Korea: 21 sites (including headquarters, consolidated) Overseas: 7 sites (consolidated)
Number of Employees	1,306 (as of the end of December 2023, based on domestic business sites)

Sales (Consolidated Basis)	Net Income (Consolidated Basis)
KRW 2,651,439 million	KRW 121,997 million
Total Assets (Consolidated Basis)	Total Equity (Consolidated Basis)
KRW 3,205,001 million	KRW 1,712,095 million

History :

Samyang's growth continues through endless challenges and innovation.

[Samyang Centennial History Online Museum](#)

The Path Samyang Has Walked

2011

- Launched the holding company system of Samyang Group
- Launched Samyang Holdings, Samyang Corporation, and Samyang Biopharm

2014

- Merged with Samyang Wellfood
- Merged with Samyang Millmax and separated the PET bottle business unit

2017

- Launched the low-calorie premium sugar brand "Trusweet"
- Acquired the specialty chemical company KCI for personal care

2021

- Acquired the fine chemical company for semiconductors "NC Chem"
- Rebranded "About Me" to focus on clean beauty

2023

- Developed high-transparency polycarbonate for automotive daytime running lights, a first in Korean
- Acquired the US specialty chemical company "Verdant Specialty Solutions"

2013

- Merged with Samyang EMS
- Signed an investment contract for a joint venture with Mitsubishi Chemical for ion-exchange resins

2016

- Merged with Samyang Genex
- Completed the Samyang Discovery Center

2019

- Q.one Sangkwaehwan (EASY TOMORROW) was selected as the No. 1 brand in hangover relief products chosen by consumers for two consecutive years

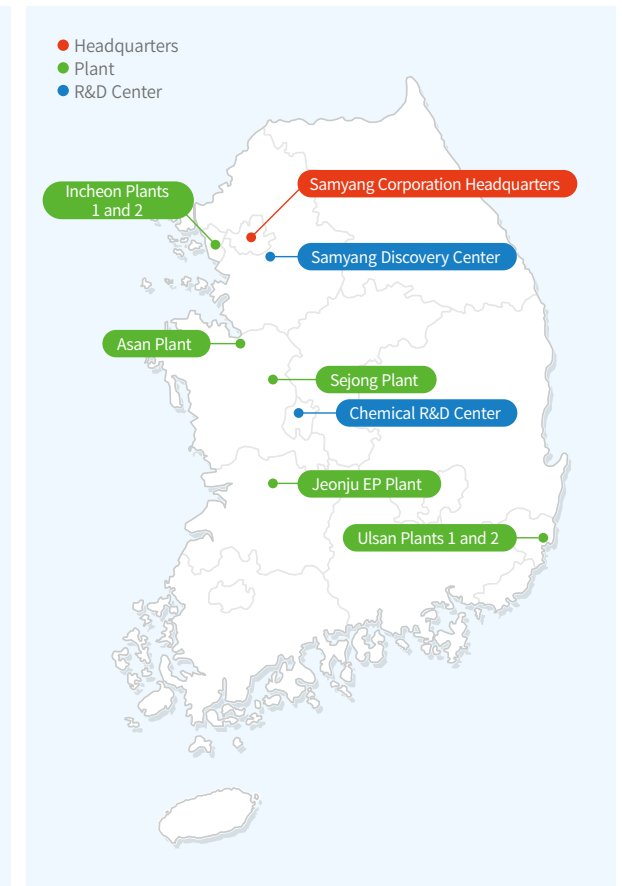
2022

- Completed the specialty ingredients integrated production line at Ulsan Plant 2
- Developed green polycarbonate with a high content of recycled materials (90%), a first in Korea



Domestic and Overseas Business Sites

Samyang Corporation has strategically located its business sites to optimize global supply chains, distribution, environment, and energy considerations. Its operations were centered around its headquarters in Jongno, with factories in Incheon, Asan, Sejong, Jeonju, and Ulsan. Research and development activities took place at the Samyang Discovery Center in Seongnam(Pangyo) and the Chemical R&D Center in Daejeon. Additionally, the company managed overseas manufacturing cooperations in Hungary, China and Vietnam, and maintained offices The United States of America, Germany, and Japan, positioning itself as a global specialty company that adds unique value to human lives.



Business Portfolio

Chemical Business

A global expert in specialty chemicals, growing as industry advances

Samyang Corporation supplies essential materials and solutions for the energy industry, including batteries and hydrogen, through its specialty compound products*. This not only boosts the industry's competitiveness but also positions the company as a leader in the global markets. Furthermore, the company has sustained stability in its core business, which revolves around the polycarbonate chain. At the same time, it has strategically realigned its business portfolio towards specialty solutions, uncovering new opportunities in the sustainable, advanced industry, and energy sectors. Through the development of innovative technologies and the expansion of its network, Samyang Corporation has evolved into a global specialty company that delivers competitive services to customers worldwide. The company is committed to raising industry standards with advanced materials, supporting environmental sustainability with energy-efficient materials, and increasing business value with world-class chemical materials, all aimed at enriching the lives of its customers.

*Specialty Compound Products: High value-added products made by mixing two or more materials (resins, additives, reinforcements, etc.) to achieve the physical properties required by customers.



Advanced Materials

The engineering plastics produced by Samyang Corporation are advanced, high-performance materials known for their excellent transparency, heat resistance, and mechanical properties. These plastics are extensively utilized in the manufacturing of materials for electrical and electronic components, automobiles, mechanical parts, and optical products. Since initiating the first domestic production of polycarbonate (PC) in 1989, Samyang Corporation has supplied a range of engineering plastic products, including PC, PBT, TPEE, PA, and M-PET, to both domestic and international markets. The company also offers a variety of customized compound products tailored to specific applications, such as low-ion PC for semiconductor carriers, high-transparency PC for automotive use, medical-grade PC, sustainable flame-retardant PC, and plastics with a metal-like appearance.

Additionally, the company has developed composite materials for automotive parts using recycled nylon sourced from discarded fishing nets and has also pioneered the creation of sustainable polycarbonate (PC) materials composed of 90% recycled plastic in Korea. Additionally, the company has advanced its proficiency in creating green and sustainable materials by implementing a system that calculates Life Cycle Assessment (LCA) data for key product groups. This system tracks and manages carbon emissions throughout all stages, from raw material acquisition through manufacturing to product launch. Since its establishment in 2004, Samyang Engineering Plastics (Shanghai) Co., Ltd. in Shanghai, China, the company has rapidly expanded its global market presence. This expansion includes the founding of Samyang EP Hungary in Jászberény, Hungary, in 2011, and Samyang EP Vietnam in Dong Nai, Vietnam, in 2018. Additionally, the company operates sales offices in San Diego and Detroit, USA, as well as in Frankfurt, Germany.

Water Solution

Since commencing the commercial production of ion exchange resins in 1976, Samyang Corporation has remained the industry leader and the sole manufacturer of ion exchange resins in Korea. Originally developed for general water treatment, the applications of ion exchange resins have broadened to include food and pharmaceutical purification, pure and ultrapure water production in power plants and semiconductor industry.

In 2011, the company successfully developed ion exchange resins for ultrapure water, thereby enhancing the competitiveness of Korea's semiconductor and display panel industries. In 2016, the company founded Samyang Fine Technology, which became Asia's largest dedicated facility for producing ion exchange resins with uniform particle sizes. This development allowed for the domestic production of next[1]generation uniform ion exchange resins, establishing the company as a leader in the global premium ion exchange resin market, particularly for nuclear power plants, semiconductors, and chromatography applications. Furthermore, the company has spurred the advancement of high-tech industries by developing ion exchange resins for filters in next-generation green hydrogen vehicles. It has also set up systematic recycling facilities, offering collection and recycling services for spent ion exchange resins.

In 2021, the company entered the electrodeionization (EDI) business, introducing an eco-friendly green water treatment system. In 2023, it had expanded into the reverse osmosis membrane (RO) business, thereby offering comprehensive total water treatment solutions.



Business Portfolio

Food Business

A Global Solution Provider in the Health and Nutrition Sector

The food business adds health and vitality to life by providing both specialty and basic materials derived from food biotechnology, along with unique functional foods and cosmetics. It also drives food culture forward through a diverse array of food ingredients and technical services. Samyang Corporation, utilizing foundational food materials such as sugar, starch syrup, flour, and oil, has established a leadership position in specialty food ingredients with prebiotics like resistant dextrin and fructo-oligosaccharide, as well as alternative sweeteners such as allulose. In the food ingredients distribution sector, the company carefully selects and supplies high-quality, healthy products, including processed foods and frozen bakery items, both domestically and internationally. These offerings are based on its own food materials, ensuring that customers receive reliable ingredients at competitive prices. Furthermore, the company bolsters its market position by focusing on basic food materials and enhancing its R&D capabilities. This strategic approach enables the development of specialty ingredients in the health and wellness sectors, thereby supporting the healthy and enjoyable lives of its customers.



Food Ingredients

Samyang Corporation provides increased value to customers through the integrated food brand “Q.one.”

Sugar | Q.one sugar, available in various types and specifications, has received widespread acclaim not only in households but also across industries such as confectionery, baking, beverages, and pharmaceuticals. Its exceptional product quality has also gained recognition in international markets, including China and Hong Kong.

Starch and starch sugar | As a leading manufacturer of modified starch in Korea, Samyang Corporation has accumulated extensive expertise in the manufacturing and application of industrial modified starch for paper and textile production, as well as food-grade modified starch. The company actively meets customer demands by developing new materials and conducting application research using starch.

Flour and Oils | The flour business, grounded in stringent quality and hygiene management, employs advanced, fully automated equipment along with superior milling technology to produce Q.one flour and premixes. Meanwhile, the oil and fat business, utilizing its advanced oil manufacturing technology, focuses on creating high-value-added functional products that cater to the well-being trend and the diverse needs of customers.

Health & Wellness Consumer Goods

Specialty ingredients | Nexweet® Allulose is a zero-calorie sweetener that offers about 70% of the sweetness of sugar. It is used to reduce the sugar content in processed foods and serves as a low-calorie ingredient. Fiberest® Non-digestible Maltodextrin is a health functional food ingredient designed to help suppress the increase in postprandial blood sugar, improve blood triglyceride levels, and promote regular bowel movements when consumed.

Q.one Homemade Mix | Q.one Homemade Mix has promoted a “Do It Yourself (DIY)” food culture, enabling the creation of delicious and healthy meals at home. Recently, in response to the growing trend of one-to two-person households, Samyang Corporation has consistently offered small-sized products based on the home meal replacement concept.

Q.one Sangkwaehwan (EASY TOMORROW) | Sangkwaehwan (EASY TOMORROW) is a hangover relief brand that was launched in 2013. The initial product, “Sangkwaehwan,” features a high concentration of active ingredients like yeast extract and oriental raisin tree fruit concentrate, designed for quick effectiveness and easy portability. Since then, Samyang Corporation has expanded its range to include several other hangover relief options. These products include “Sangkwaehwan Stick,” which can be consumed without water, “Sangkwaehwan Booster” in a drinkable form, and a zero-calorie option, “Sangkwaehwan Booster Zero.”

Food Ingredients Distribution

Samyang Corporation has expanded its food materials distribution business under the “ServeQ” brand, which offers a wide range of products derived from its own food ingredients. ServeQ provides a comprehensive solution for bakery, café, and restaurant clients, supplying essential food materials such as sugar, flour, and oil, in addition to processed foods and frozen bakery items. The brand employs a strategy of selection and focus to develop a diverse array of product offerings in specialized categories including confectionery, Western cuisine, and cafés. Moreover, it ensures the delivery of high-quality products through partnerships with leading global companies. For ServeQ, Samyang Corporation selects and manages trustworthy manufacturers by conducting rigorous audits, utilizes metal detectors and X-rays to control foreign substances, and provides detailed product information concerning the origin and allergen presence, thereby maintaining strict food hygiene standards. In September 2023, Samyang Corporation introduced “ServeQ Mall” to improve customer engagement. With “ServeQ,” Samyang Corporation aspires to be a leading total food ingredients solution provider, committed to delivering reliable products, specialized customized solutions, and competitive pricing.

[Q.one Website](#)
[Specialty ingredients Website](#)
[Sangkwaehwan Website](#)




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ESG History and Highlights

Samyang Corporation pursues sustainable growth by integrating environmental, social, and governance (ESG) aspects into its management activities. To achieve this, we transparently disclose ESG management activities to employees and stakeholders and manage communications in a way that strengthens mutual trust and collaboration. We strive for sustainable growth and actively engage in ESG initiatives.

- Published its first Sustainability Report
 - Established the Outside Director Candidate Recommendation Committee
 - Established a dedicated ESG organization
 - Ulsan Plant 1 acquired Smart HACCP certification for all food product types
 - Developed polycarbonate made of 90% recycled plastics for the first time in Korea
-
- Incheon Plant 1 was certified as an Excellent Energy-Saving Business Site
 - Q.one White Sugar renewed its low-carbon product certification—a unique distinction in the Korean sugar industry
 - Q.one Sangkwaehwan (EASY TOMORROW) was voted as the top-ranking hangover relief product brand by consumers for two consecutive years
 - Samyang Corporation's allulose received the world's first FDA GRAS approval
 - Samyang Corporation introduced an electronic voting system
-
- Incheon Plant 1 acquired HACCP certification for starch sugar
 - Constructed Samyang Discovery Center (LEED gold rating and green building certification best rating)
 - Launched low-calorie premium sugar brand "Trusweet"
 - Incheon Plant 2 acquired the FSSC22000 certification
-
- Q.one White Sugar acquired the first low-carbon product certification in the Korean sugar industry
 - Incheon Plants 1 and 2 received "Excellent Environmental Management Company" awards
 - Awarded Korea's green Grand Prize
 - Acquired Family-Friendly Corporate Certification
 - Ulsan Plant 2 and Asan Plant acquired FSSC22000 certification

2023

2022

 2019~
2021

 2016~
2018

 2011~
2015

Environmental

Advancing the carbon emission reduction plan

- Increased the target of net zero emissions by 2030 (20% → 42%)
- Installed solar panels at six business sites
- Conducted Scope 3 emission calculation and verification for 2023

Expanding green businesses

- Obtained global green certification for plastic materials recycled from waste fishing nets
- Signed an MOU to jointly develop green lightweight battery pack cases for electric vehicles



Social

Advancing the safety and health management system

- Established a safety and health management policy and approved by the ESG Committee
- Established a three-year mid- to long-term strategy and detailed initiatives
- Conducted an integrated workshop for Samyang Group's safety and health manager



Establishing a sustainable supply chain management system

- Established the Supplier Code of Ethics and sustainable supply chain policy, which were approved by the ESG Committee
- Established an ESG management system for the supply chain and a five-year roadmap

Governance

Establishing ESG governance structure

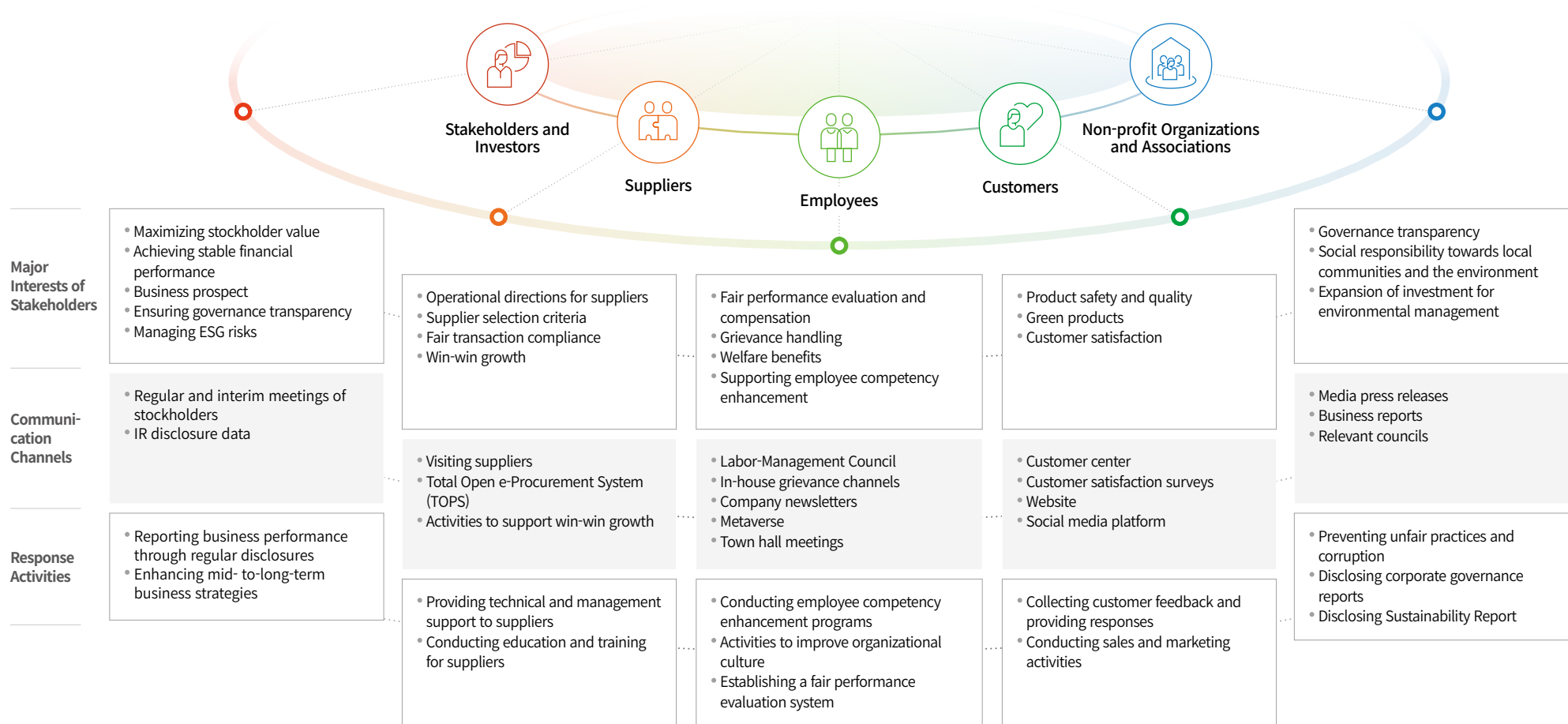
- Established ESG Committees under the Boards of Directors and operated the ESG Management Council and the ESG Working-level Council
- Joined the United Nations Global Compact (UNGC) in February 2024



Stakeholder Engagement

Definition of Stakeholders and Communication

Samyang Corporation identifies our key stakeholders by considering legal, financial, operational responsibilities and impact. These stakeholders include stockholders, investors, partners, employees, customers, non-profit organizations, and associations. We prioritize smooth communication with stakeholders and have established appropriate communication channels for each stakeholder group. Through these channels, we continuously engage with stakeholders, work to understand their primary concerns, and reflect them in the corporate management process.












Material ESG Issues

Samyang Corporation identified stakeholder relevance and business significance by conducting surveys on internal and external stakeholders and experts before publishing this Sustainability Report. Based on this research, we selected seven material issues. The materiality assessment process carried out to identify the material issues is disclosed on page 13 of this report.

Compared to 2022, there were some changes in the material issues for 2023. “Energy management for low carbon emissions” and “transparent disclosure of information” were removed from the list of material issues, while “customer nutrition and health” and “enhancing product safety and quality” were combined into a single issue. The other issues remained unchanged. “environmental management and climate change response” was identified as a material issue due to its importance for sustainable growth and the survival of the corporation. In the materiality assessment, the issues deemed significant by our stakeholders for the sustainable management of Samyang Corporation were closely related to our business operations. These included the combined issue of “enhancing customer health and nutrition / enhancing product safety and quality,” “strengthening safety and health prevention activities,” and “flexible organizational culture and work-life balance.” Additionally, “ethics and compliance management” and “ESG management system advancement” were selected to reflect our commitment to integrating ESG management into our corporate business strategies, thereby driving qualitative growth at Samyang Corporation.

Samyang Corporation will systematically respond to the material issues identified through its materiality assessments, disclose outcomes by annually publishing its Sustainability Report, and actively engage with stakeholders. Furthermore, by conducting the materiality assessment for the Sustainability Report, Samyang Corporation will pinpoint ESG trends and stakeholder interests, develop corporate strategies, and enhance ESG management. Samyang Corporation examined the rationale behind the selection of each of the seven material issues during the materiality assessment. The company's current responses, significant outcomes, and objectives that support the UN SDGs were analyzed as follows. Further details of the material issues can be found in the Special Issue section and other issues can be found in the General Issue section of this report.

Classification	Material Issues	Background of Selection	Issue Management Strategies	Major Activities and Outcomes	UN SDGs(*)
 Environmental	Environmental Management and Climate Change Response	<p>The world is currently confronting an intensified climate crisis, surpassing mere climate change. Consequently, natural disasters are becoming more frequent and more destructive. In this context, regulations are becoming stricter, and there is a growing societal demand for companies to reduce their greenhouse gas (GHG) emissions. It is crucial for companies to assess the environmental impact of their operations, make improvements, and proactively work to reduce GHG emissions in line with regulations and international agreements aimed at combating climate change.</p>	<p>Samyang Corporation is strengthening its environmental management by establishing a vision and an ESG governance system. Additionally, we are addressing climate change by updating our Roadmap to Net Zero Emissions by 2050. We are advancing the use of renewable energy through the introduction of solar power plants and are committed to reducing carbon emissions by implementing a Life Cycle Assessment (LCA) system and a Factory Energy Management System (FEMS).</p>	<ul style="list-style-type: none"> • Building an ESG governance system • Joining the United Nations Global Compact (UNGC) • Acquiring ISO 14001 certification and strengthening the environmental management system • Reestablishing the Roadmap to Net Zero Emissions by 2050 • Renewing low-carbon product certification of Q.one White Sugar • Achieving solar power plant support from the government • Establishing FEMS • Establishing LCA system 	   
	Waste and Hazardous Chemical Management	<p>Resource depletion is becoming increasingly severe, and the negative impact of waste on the environment continues to grow. Accidents resulting from the use of hazardous chemicals are on the rise. Therefore, it is crucial for companies engaged in chemical operations, including Samyang Corporation, to adopt a systematic approach to efficiently manage waste and hazardous substances.</p>	<p>Samyang Corporation strives to minimize its environmental impact by reducing the discharge of waste and water pollutants produced during its business operations and processes. Additionally, we have implemented a hazardous chemical management system to prevent chemical accidents.</p>	<ul style="list-style-type: none"> • Managing waste generation and treatment • Establishing a response system to laws and regulations on hazardous chemical substances 	   

(*) UN Sustainable Development Goals (SDGs): 17 ultimate goals for humankind to attain from 2015 to 2030 for the sustainable development of international society, determined by the UN.

Material ESG Issues

Classification	Material Issues	Background of Selection	Issue Management Strategies	Major Activities and Outcomes	UN SDGs
<div> </div> <div>Social</div>	Enhancing Customer Health and Nutrition / Enhancing Product Safety and Quality	In response to the growing interest in customer health and nutrition, many companies are developing and offering products and services that positively impact their customers' health. These products enrich the lives of customers and serve as a crucial driver of sustainable growth for companies. It is essential for a company to prioritize product quality and safety to ensure its continued growth and long-term existence. The importance of producing and selling sustainable products is increasingly emphasized, with a focus on prioritizing customer satisfaction and safety. As customer demands increase, companies are constantly striving to meet them.	With the goal of providing products that improve the health and nutrition of our customers, Samyang Corporation operates the Food R&D Center, dedicated to conducting advanced research and development. This center focuses on creating innovative products tailored to meet diverse health needs. To ensure that our products are safe for consumption, we implement a comprehensive food safety management system. Additionally, we maintain a systematic quality management system to further improve the safety and quality of our products. Safety is rigorously managed at every stage of the production process, and we strive for ongoing enhancement of product quality through a continuous improvement process.	<ul style="list-style-type: none"> Acquiring Good Manufacturing Practice (GMP) certification from the Ministry of Food and Drug Safety (Incheon Plant 1) Acquiring HALAL certification for allulose and non-digestible maltodextrin Operating a systematic quality control process Renewing quality management certification Strengthening internal capabilities for quality control Operating continuous improvement processes 	<div> </div>
	Strengthening Safety and Health Prevention Activities	With the introduction of legislation such as the Serious Accidents Punishment Act, there is growing societal focus on safety and health. Consequently, stakeholders are increasingly emphasizing corporate responsibility in these areas. In response, companies are working diligently to develop and implement systematic strategies that minimize the impact of their business activities on safety and health.	Samyang Corporation prioritizes the safety and health of its employees, adhering to a robust safety and health management policy. We have implemented a safety and health management system and are enhancing our safety and health management activities through assessments, education, and external certification. Additionally, we are committed to fostering a safer work environment by establishing three-year mid- and long-term strategies and tasks.	<ul style="list-style-type: none"> Establishing and proclaiming safety and health management policy Performing various safety and health management activities, such as in-house Process Safety Management (PSM) inspections Acquiring ISO 45001 certification Establishing three-year mid- to long-term strategy and initiatives 	<div> </div>
	Flexible Organizational Culture and Work-life Balance	Flexible organizational culture and work-life balance enhance employee satisfaction and ensure adequate rest and family time. Organizations should respect and accommodate various values and priorities, striving to create an inclusive environment where diverse talent can thrive and develop together.	Samyang Corporation offers a range of organizational culture programs aimed at fostering employee growth and development, while actively enhancing their skills. Additionally, the company prioritizes employee welfare by offering diverse programs, including vacation and welfare benefits, healthcare, and access to exercise facilities, all designed to support a healthy work-life balance.	<ul style="list-style-type: none"> Communicating regularly to enhance organizational culture Diagnosing the organizational culture Conducting labor-management co-prosperity workshops Conducting the 99th Anniversary Heritage Walking event Operating support programs to strengthen various welfare systems and organizational culture 	<div> </div>
<div> </div> <div>Governance</div>	Ethics and Compliance Management	As companies increasingly prioritize social responsibility, the enforcement of ethics and anti-corruption laws is intensifying globally. In this evolving landscape, companies that adhere to regulations while simultaneously generating economic value are positioning themselves as key influencers in the future marketplace. Consequently, it is becoming crucial for companies to embrace a management style that is both ethical and compliant with legal standards to ensure sustainable development.	Samyang Corporation places great importance on ethical management and is committed to ensuring that all employees adhere strictly to these principles. Through these efforts, we are enhancing our reputation as a trustworthy company and evolving as an organization that is respected by society.	<ul style="list-style-type: none"> Strengthening the ethical and compliance management system Establishing principles and practice guidelines for ethical management Operating internal reporting channels Engaging in fair transactions 	<div> </div>
	ESG Management System Advancement	An ESG management system is a crucial element for a company's sustainable growth and success, emphasizing a responsible approach to environmental issues, fulfillment of social responsibilities, and transparent, efficient governance. These factors are essential for a company's long-term development and prosperity.	In addition to general operational and financial risks, Samyang Corporation is enhancing its ESG management to address non-financial risks comprehensively, including environmental, safety, information security, ethics, and compliance concerns. To achieve this, we established an ESG management system in 2023, which included the formation of the ESG Committee and ESG Team.	<ul style="list-style-type: none"> Building an ESG governance structure Operating the ESG Committee and the corresponding department Operating the Outside Director Candidate Recommendation Committee Constructing the Board of Directors with appropriate consideration of diversity 	<div> </div>

Special Issue

Environmental Management and Climate Change Response	17
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TCFD Report Framework

Environmental Management and Climate Change Response

Samyang Corporation has integrated environmental management into the core of its operations, aligning its environmental management strategies with global efforts to reduce carbon emissions. In pursuit of net zero emissions, the company participates in a range of environmental activities and proactively addresses climate change.



Reduction in GHG emissions

9,537 tCO₂eq

GHG inventory

100% established

Reduction in air pollutant emissions

16 tons

Governance

Establishing ESG Governance Framework

Recognizing the importance of environmental protection and the response to climate change, Samyang Corporation established an ESG governance framework by forming an ESG Committee under the Board of Directors in 2023. This framework enables the Board to actively engage in the development and implementation of environmental management strategies, establishing a foundation for leadership in environmental stewardship. We aim to introduce performance indicators related to environmental management to foster more proactive and systematic policies and activities.

Environmental Management Governance Structure

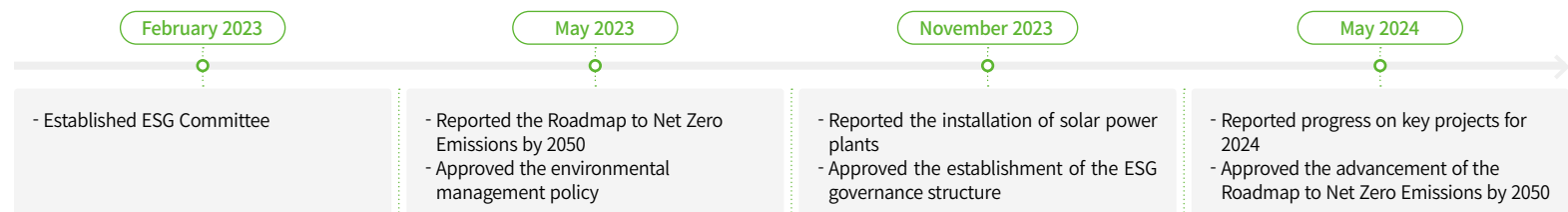
To strengthen environmental management throughout the company, Samyang Corporation relies on the ESG Committee under the Board of Directors for key decision-making. The ESG Committee sets goals aligned with environmental management policies, making significant decisions to meet these goals, and developing and disseminating environmental management strategies company-wide. The CEO and the management of each business unit bear the responsibility for implementing these environmental policies and overseeing their performance. Management meetings facilitate the leadership of activities aimed at managing risks and enhancing performance in environmental management. Each business site establishes and executes specific goals for environmental management. Various teams, such as the Support Team, Environmental Safety Team, and Technical Team, engage in comprehensive environmental management activities, track progress, and report outcomes to the business site manager.

Specifically, activities aimed at reducing greenhouse gas (GHG) emissions are gathered by the ESG Team and reported to the CEO, facilitating effective decision-making for Samyang Corporation's environmental management strategies.

Environmental Management Organizational Chart



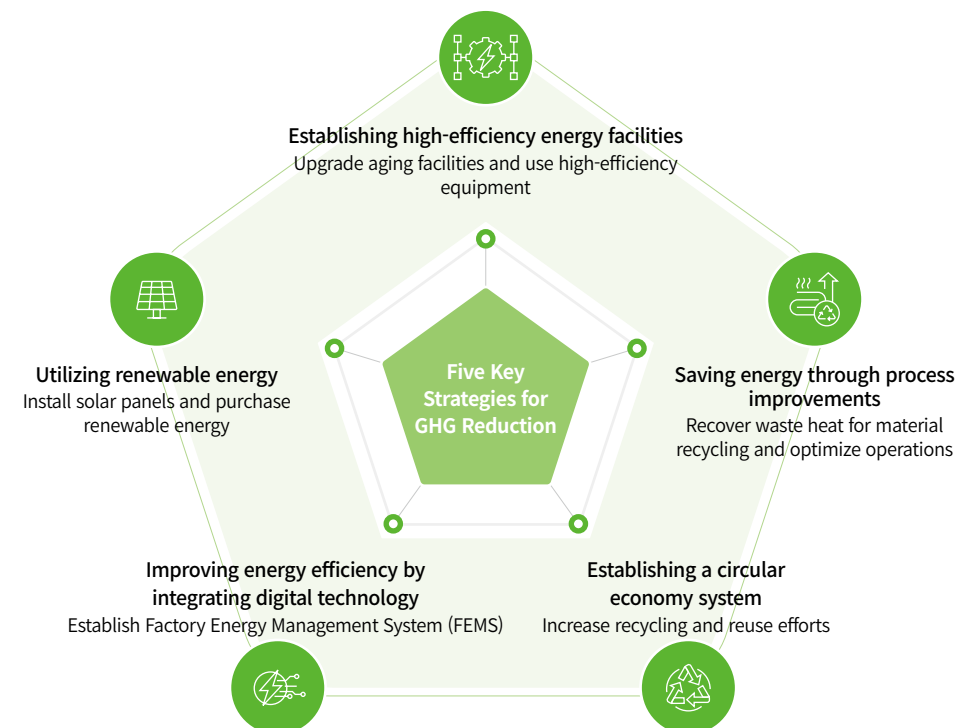
ESG Committee's Environmental Management Agenda



Five Key Strategies for Greenhouse Gas Reduction

Samyang Corporation has developed five feasible strategies for reducing GHG emissions at each of its business sites. The ESG Committee conducts periodic reviews of such specific tasks and the progress made in implementing these strategies.

The company is committed to reducing emissions and minimizing environmental impact as part of its strategy to enhance corporate sustainability. This approach underscores Samyang Corporation's commitment to actively participating in global efforts to combat climate change and fulfill its social responsibilities. By motivating all employees to strive towards these goals, the ESG Committee seeks to improve long-term environmental value and strengthen corporate competitiveness.



Joining the US Global Compact (UNGC)

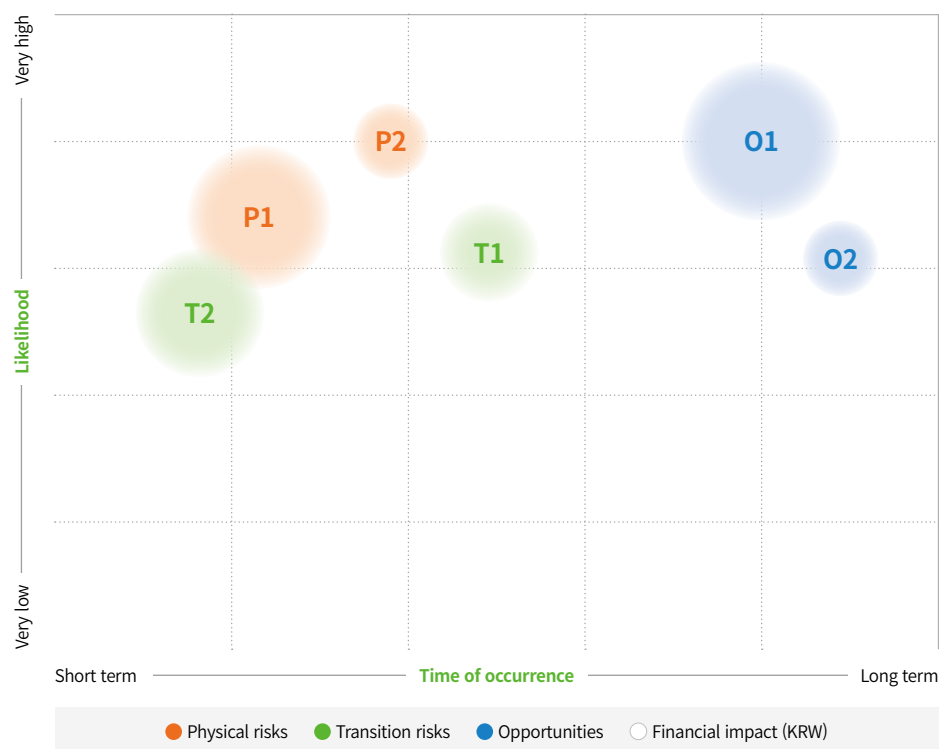
Samyang Corporation has joined the United Nations Global Compact (UNGC) to strengthen its management policies regarding social responsibility, environmental protection, and better governance. The UNGC represents the largest voluntary corporate sustainability initiative in the world, promoting the adoption and implementation of ten core principles in areas such as human rights, labor, environment, and anti-corruption. Since its inception in 2000, the initiative has garnered the participation of approximately 20,000 companies from over 160 countries. Samyang Corporation is committed to incorporating these UNGC principles into its core business strategies and daily operations, while also cultivating a corporate culture that supports the UN Sustainable Development Goals (SDGs), which should be achieved by 2030.



Strategy

Samyang Corporation's Analysis of Climate Change Risks and Opportunities

Samyang Corporation has analyzed the risks and opportunities associated with climate change, following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). These have been categorized into transition risks, physical risks, and opportunities. Physical risks are further classified as either acute or chronic, while transition risks are divided into categories such as policy/regulation, technology, products and services, and energy sources. The analysis focused on the impact of these identified climate change risks and opportunities on Samyang Corporation's business and financial outlook across short, medium, and long-term timeframes. The financial implications were quantified, and these risks and opportunities are being systematically managed through the company's enterprise risk management process.



Classification			Risk/Opportunity Factors	Financial/Non-financial Impact	Financial Impact (KRW million)
Physical risks	P1	Acute	Reduced on-site production capacity due to typhoons and floods	<ul style="list-style-type: none"> Damage to outdoor products due to an increased frequency of typhoons resulting from climate change Restoration costs for facilities damaged by typhoons 	22,833
	P2	Chronic	Increased production costs due to heatwaves	<ul style="list-style-type: none"> Increased electricity usage at business sites due to more days of heatwaves Increased unit cost of products 	663
Transition risks	T1	Policy/Regulation	Increased cost of purchasing carbon credits	<ul style="list-style-type: none"> Increased compliance requirements due to global GHG emission regulations and major policies Increased costs for implementing the mid- to long-term roadmap to net zero emissions 	5,749
	T2	Technology	Increased costs due to the adoption of renewable energy	<ul style="list-style-type: none"> More urgent need for the internalization of renewable energy facilities due to rising energy costs from fossil fuel regulations Increased operational costs due to the adoption and operation of renewable energy facilities 	12,906
Opportunities	O1	Products and services	Entry into the sustainable product market	<ul style="list-style-type: none"> Market entry through discovery of related products due to increased customer interest in carbon emissions and sustainable products Increased sales due to the expansion of the sustainable product market, such as biodegradable plastics 	692,737
	O2	Energy resources	Reduction of operating costs by adopting sustainable energy	<ul style="list-style-type: none"> Strengthened domestic and international industry competitiveness through the active use of renewable energy Lower burden of reducing GHG emissions and reduced carbon credit purchase costs 	226

(*) The above financial impacts are based on cumulative analysis until 2030.

Environmental Management Vision

As the importance of ESG gains momentum, environmental management is increasingly acknowledged as a fundamental component of corporate operations. In this changing environment, both investors and civic groups have elevated their expectations regarding companies' capabilities in environmental management and their responses to climate change. Samyang Corporation is committed to generating social value, contributing to human prosperity, and protecting the global environment. Over the long term, our goal is to become a leading entity in the sustainable, advanced materials sector, emphasizing health and wellness.

Environmental Management Policy and Goals

Samyang Corporation strives to improve its environmental impact by preserving a clean and beautiful natural environment and improving human life, making it healthier and more prosperous. In an effort to bolster environmental management, Samyang Corporation, together with its subsidiaries Samyang Packaging and KCI, actively showcases its dedication by publicly sharing its environmental management policy on its website. This policy has received approval from the ESG Committee under the Board of Directors.

Environmental Management Strategies



Achieving Net Zero Emissions

Developing a Roadmap to Net Zero Emissions by 2050

- Increase the use of renewable energy
- Improve processes and accelerate the transition to renewable energy
- Establish high-efficiency energy facilities
- Integrate digital technology



Strengthening the environmental management system

Establishing environmental management governance

- Strategize green products
- Obtain and maintain ISO 14001 certification
- Increase employee's awareness of environmental management
- Manage company-wide goals



Improving circular economy system

Increasing waste recycling rate

- Reduce water consumption
- Reduce air pollutants
- Reduce hazardous chemical substances
- Develop and invest in recycling technologies

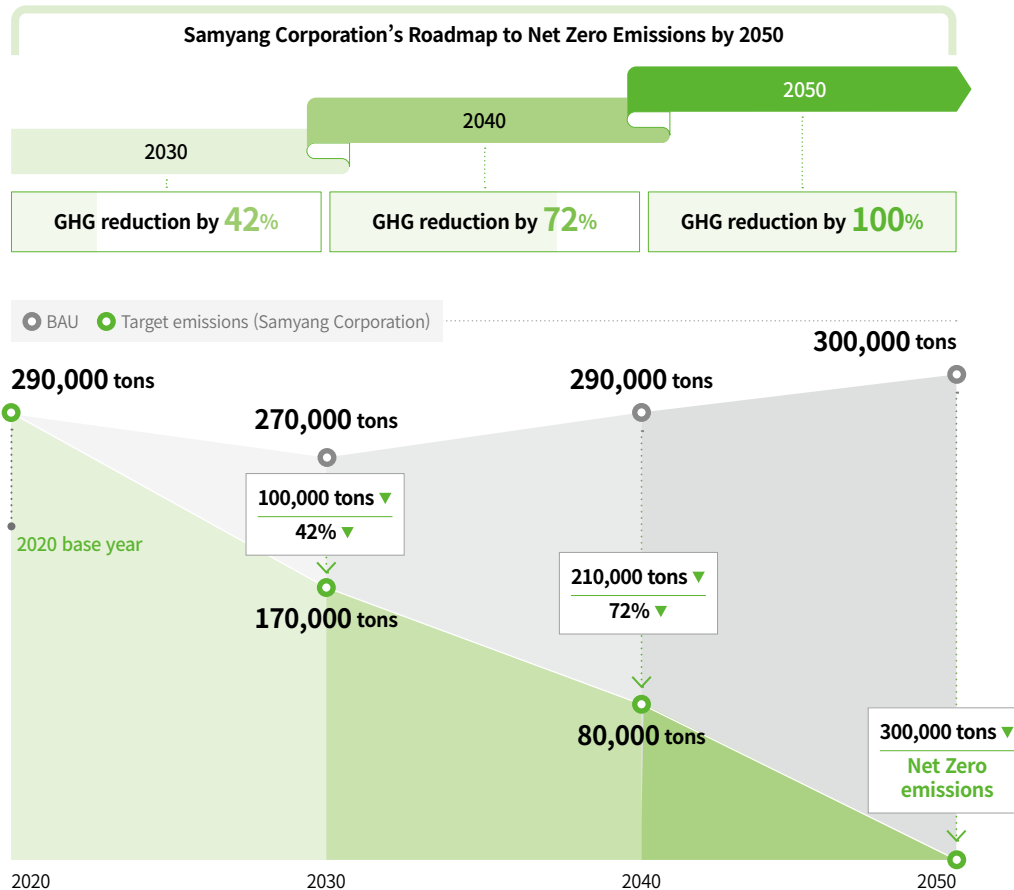
Samyang Corporation Environmental Management Guidelines

- We fulfill our corporate social responsibility by strictly adhering to Korean and international environmental laws, regulations, and standards, as well as national and institutional green policies.
- We efficiently manage resource and energy consumption to minimize carbon emissions and actively work towards achieving our 2050 Net Zero goal.
- We strive to minimize waste and pollutant generation while increasing our recycling efforts.
- We provide environmental management education and training for all employees and suppliers to raise awareness and encourage active participation.

Samyang Corporation, guided by its philosophy of “Ingredients that Add Value to Life,” has implemented an environmental management policy. This policy is designed to improve environmental performance through environmental management practices and to minimize negative impacts throughout all business activities and value chains. It is applicable to all business sites, and we encourage our suppliers and partners to maintain its operations in accordance to the policy.

Roadmap to Net Zero Emissions by 2050

As a responsible member of the global community, Samyang Corporation has developed a mid- to long-term roadmap aimed at achieving net zero emissions by 2050, actively addressing the global challenge of climate change. In 2024, the company updated its objectives in line with the SBTi 1.5°C scenario, raising its reduction target from 20% to 42% by 2030, and from 50% to 72% by 2040. To accomplish this, specific tasks have been assigned to each site, including the installation of solar panels, transition to renewable energy, conversion to green fuels, and replacement of equipment with high-efficiency alternatives.



Managing Greenhouse Gas Emissions

Since 2016, Samyang Corporation has implemented a GHG management system that monitors monthly emissions and manages emissions allowances. This system sets target emissions for each business site and tracks reduction plans and performance, enabling systematic management of GHG emissions data.

Furthermore, since 2015, Samyang Corporation has been calculating and managing GHG emissions as an entity designated under the Emissions Trading System, in accordance with the Framework Act on Low Carbon, Green Growth. In 2023, the company also calculated emissions (Scope 1 and Scope 2) for both domestic and international affiliates not subject to mandatory GHG emissions reporting, with external third-party verification to ensure data reliability. Additionally, starting in 2023, Samyang Corporation has been working to establish a low-carbon corporate ecosystem by collaborating with its suppliers to calculate and manage Scope 3 emissions.



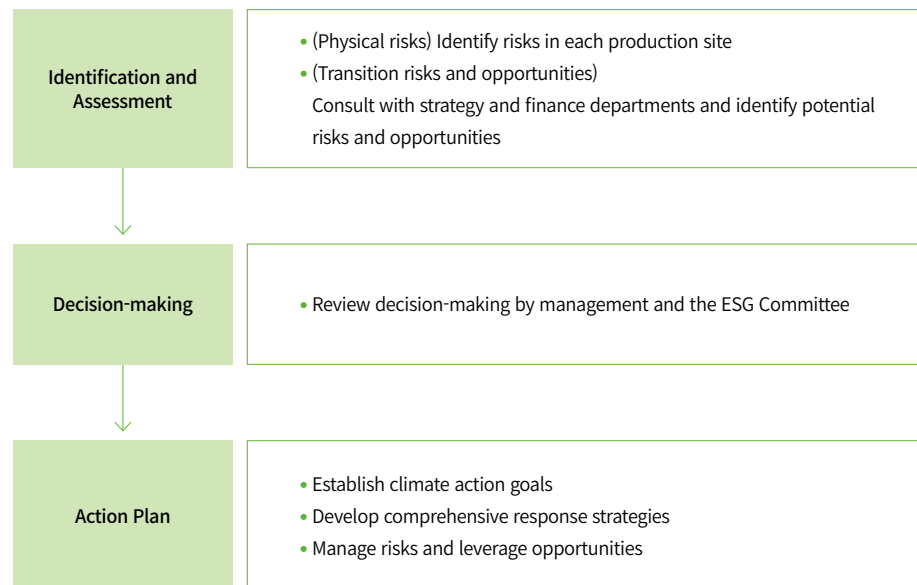
Samyang Group Greenhouse Gas Management System

Risk Management

Risk Management Process

To assess climate change risks and opportunities, Samyang Corporation collects feedback from domestic production sites to identify the relevant physical risks. Additionally, the company utilizes insights from its management strategy and finance departments to evaluate transition risks and opportunities. The management and ESG Committee then review these findings, make decisions, and establish goals and strategies to address climate-related challenges and capitalize on opportunities.

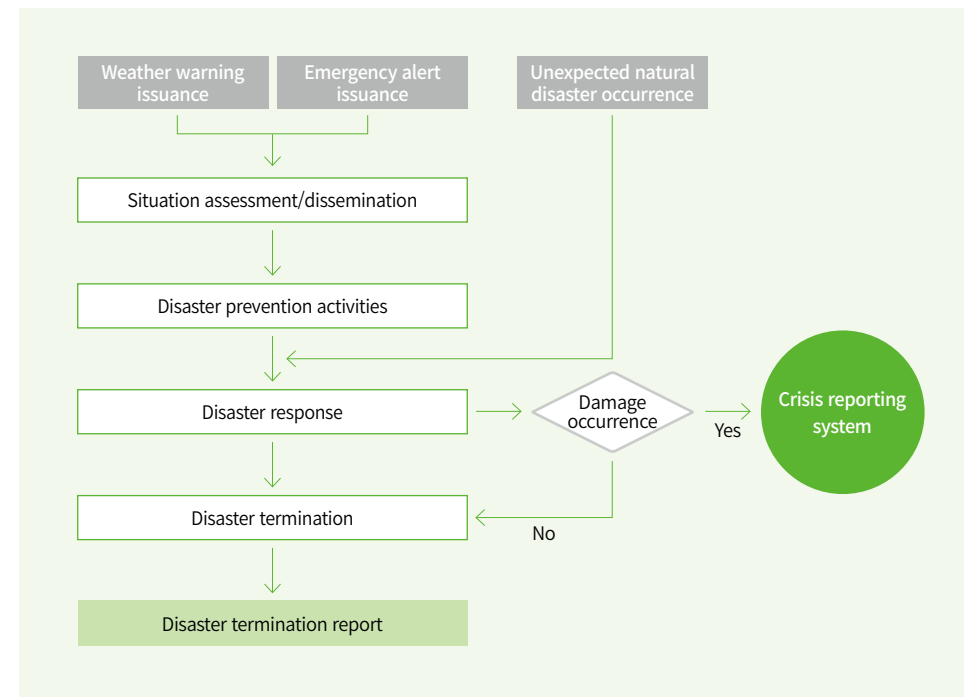
Samyang Corporation's Climate Change Risk and Opportunity Process



Physical Risk Response Plan

In the event of physical climate risks such as heatwaves and strong winds, an Emergency Response Committee is established to ensure a rapid response and quick business recovery. Additionally, a real-time earthquake monitoring system has been installed to automatically send text alerts and control automatic valves when earthquakes exceed a specified threshold. This enables swift action to address issues and ensures the smooth restoration of business operations. Furthermore, each business site is insured against climate risks, with additional clauses for natural disasters to cover recovery costs and damages.

Physical Risk Response System



Environmental Management System Certification

Samyang Corporation has implemented an environmental management system that adheres to the global ISO 14001 standard. This standard, developed by the International Organization for Standardization (ISO), sets forth criteria for environmental management systems, covering company operations, product production, and service delivery. All of the company's domestic facilities are currently certified under ISO 14001. Additionally, select products from the Q.one brand within the Food Business Unit, including white sugar in 1 kg, 3 kg, 15 kg, and 1-ton packages, as well as brown sugar in 3 kg and 15 kg packages, have been certified as low-carbon products. Moreover, brown sugar in 1 kg and black sugar in 1 kg and 15 kg packages have been awarded environmental product declaration labels.



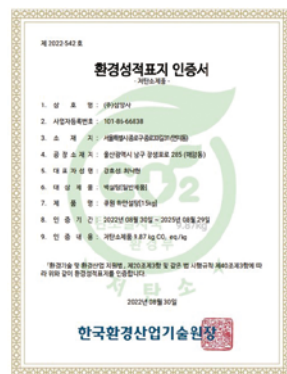
Q.one White Sugar

Investment in Environmental Management Practices

As part of its sustainable business activities, Samyang Corporation has implemented solar power generation facilities and introduced a Factory Energy Management System (FEMS). These measures align with the K-taxonomy's objectives to reduce GHG emissions and establish and operate ICT-based energy management systems, with plans for expansion to additional sites. Additionally, the company is actively planning and implementing various environmental protection efforts. These include investing in new green certifications, upgrading equipment, and supporting educational programs. When considering investments in significant facilities, Samyang Corporation adheres to its investment management regulations, which include conducting environmental impact assessments. The Investment Evaluation Review Committee then reviews these assessments to ensure that environmental considerations are integrated into investment decisions.



Samyang Corporation Asan Plant
ISO 14001 Certification



Low-carbon Product Certification

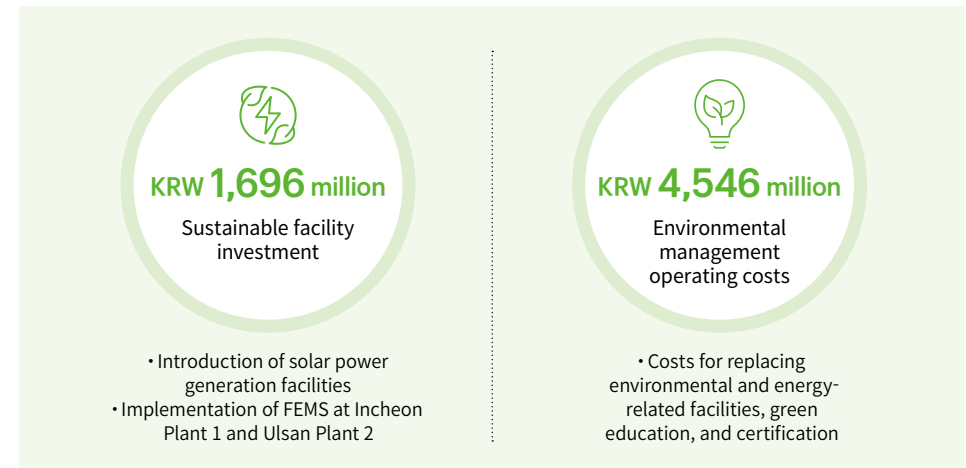


ISO 14001 certification
achievement

100%

*Business sites in Korea:
Ulsan 1, Ulsan 2, Incheon
1, Incheon 2, Asan, Jeonju
EP, and Sejong Plants

Environmental Investment Details in 2023



Integrating Environmental Management

Implementing Climate Change and Environmental Management Education

Samyang Corporation closely analyzes global climate change trends and explores practical strategies to achieve net zero emissions. The company places a strong emphasis on improving the knowledge and response capabilities of its executives, employees, and environmental managers concerning issues related to climate change and environmental management. To support these goals, Samyang Corporation conducts a range of internal and external educational programs.

These educational programs are designed to enhance awareness of the risks and opportunities associated with climate change, as well as its impact on lives, businesses, and individuals. They also emphasize the importance of nature and biodiversity. Through these initiatives, the company aims to help employees understand the severity of climate change and to encourage proactive measures for sustaining the environment.

Climate Change Environmental Management Education Details

Course Title	Target Trainees	Date	Attendance	Main Topic
Climate Change and Environmental Management for Environment-related Departments	Environmental management staffs	March 15, 2023	23	1. Climate change risks and their impact on corporate management 2. Trends in climate disclosure and strategies for response 3. Understanding natural capital and biodiversity
Climate Crisis and Industry Outlook	All employees	May 17, 2023	106	1. Interconnections between environment and economic activities 2. How the climate crisis triggers economic crises? - Adaptation to carbon-free trade regulations 3. Current state and future prospects of Korea's energy and industrial sectors 4. Our company's perspective on the climate crisis era
Environmental Changes and Carbon Emission Reduction Cases	Executives	October 5, 2023	22	1. Global climate change trends 2. Case studies of Net Zero initiatives in the industry 3. Strategic directions for corporate Net Zero initiatives



Business Trend Live Seminar

Samyang Corporation Environmental Management Education

Samyang Corporation conducts regular training programs (at least annually) for environmental managers to proactively prevent environmental risks. Specifically, in compliance with the Chemical Substances Control Act, customized professional training is provided for managers, handlers, and workers who deal with hazardous chemicals. Additionally, environmental managers in each department must undergo mandatory training on waste, water quality, and air. This training ensures that employees acquire specialized knowledge and develop a deeper understanding of environmental issues and policies. The knowledge gained from these training sessions is further disseminated to the field through collaboration with partners and stakeholders, thus extending the reach and impact of the educational efforts.

2023 Samyang Corporation Environmental Education

(Unit: Training Hours, Hours; Number of Trainees, Persons)

Course Title	Course Duration	Number of Trainees	Total
Professional Education on Chemical Accident Prevention Plan	16	1	16
Education for General Water Quality Technician	14	1	14
Education for Noise and Vibration Environment Technician	6	1	6
Education for Waste Discharger	4	1	4
Education for Professional Water Quality Technician	22	2	44
Education for Professional Air Quality Technician	22	2	44

Supplier Environmental Education

Samyang Corporation provides a range of environmental education programs aimed at enhancing the environmental management skills of its partners and increasing awareness of environmental issues. At the Asan Plant, the company has provided training for supplier employees on topics including environmental management system auditing techniques, environmental policies, GHG emissions trading schemes, and waste management regulations. The Incheon Plant 1 conducts safety and environmental education for all employees, including those from supplier companies. At the Jeonju EP Plant, the company holds monthly meetings with partner representatives to discuss topics related to chemicals, the environment, and safety. Additionally, the Incheon Plant 2 and both Ulsan Plants 1 and 2 offer various programs that cover the handling of chemical substances, the operation of air and water emission and prevention facilities, and the latest environmental regulations. Through these educational efforts, Samyang Corporation is reinforcing its partnerships for environmental protection and sustainable management.

Environmentally Conscious Raw Material Procurement

Purchasing Green Raw Materials and Products

Samyang Corporation's green material, recycled polycarbonate (PCR-PC), is produced through a compounding process that blends recycled PC materials. This method demands advanced technology and expertise in waste assessment, recycling processes, and the achievement of desired properties. The company has long been dedicated to advancing polycarbonate compounding technology and securing high-quality sources of recycled polycarbonate. Consequently, Samyang Corporation has successfully developed a recycled polycarbonate (PCR-PC) that contains over 90% recycled PC material while retaining its original properties. This product is environmentally friendly and sustainable, as it helps reduce plastic waste and lower carbon emissions by decreasing energy consumption. In 2023, the company utilized approximately 5,266 tons of recycled materials, which represented about 12% of the 44,738 tons of raw materials used at the Jeonju EP Plant. This year, there has been a significant increase in the acquisition and utilization of recycled PC materials, including at overseas facilities. The company aims to raise the purchase and usage of these materials to 6,350 tons by 2025.



Sustainable Palm Oil Procurement

Samyang Corporation has joined the Roundtable on Sustainable Palm Oil (RSPO) as an official member to address environmental and labor rights issues in palm oil production regions. The company procures palm oil that has been produced according to the standards verified by the RSPO. To acquire certified palm oil of mass balance grade, the company has secured supply chain certification from the association. RSPO-certified palm oil is delivered to the company's Incheon Plant 2 from production sites, utilized in manufacturing, and then sold as finished products. This process allows for the tracing of the entire RSPO certification journey. As of 2023, 9.6% of the company's total palm oil purchases are RSPO-certified. Products that contain certified palm oil include RSPO Palm Oil, Noblesse, and Snow Soft.

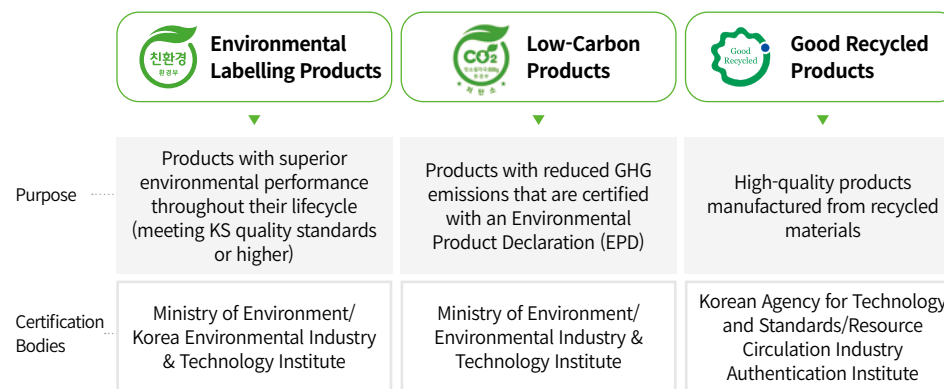
Amount of Certified Pam Oils Purchased

Classification	Unit	2021	2022	2023
Certified palm oils	Tons	1,700	1,350	1,550
Percentage (%)	%	9.0	8.8	9.6

Green Purchasing

Samyang Corporation is committed to fulfilling its social responsibilities by actively engaging in green purchasing to support environmental protection. The company strives to generate economic value through the development of innovative technologies and systems, along with creative purchasing strategies. By opting for green products, Samyang Corporation aims to foster mutual prosperity with its stakeholders and enhance collaboration with its customers. The company prioritizes buying products that have environmental certifications. These include products with environmental marks, recycled certifications, energy-saving certifications, waste reduction features, and other certified green products. Such purchasing practices help conserve resources and reduce environmental pollution. In 2023, to underscore its commitment to green purchasing and to set benchmarks in this area, Samyang Corporation developed a green purchasing policy.

Green Product Criteria



Samyang Corporation tracks the purchasing costs of products with green environmental marks by business site and aggregates these costs as expenditures on green products. These expenditures have been increasing for three consecutive years. The company plans to continue expanding the purchase of such green products.

Amount of Green Products Purchased

Classification	Unit	2021	2022	2023
Green products purchased	KRW 1,000	11,264	14,740	15,371

Development of Green Products

Low-carbon Certified Products: Q.one White Sugar

Q.one White Sugar is the sole product in the Korean sugar industry to have earned the Ministry of Environment's low-carbon certification. This prestigious certification is granted by the government to products that demonstrate lower average carbon emissions compared to their counterparts or that incorporate low-carbon technology to achieve a specified reduction rate. Initially awarded a carbon footprint certification in 2010, Q.one White Sugar has sustained its commitment to environmental excellence, securing the low-carbon product certification in 2013 and upholding this standard ever since. Moreover, Q.one aims to extend the low-carbon certification to other food product categories, such as flour, in an effort to boost sales. These initiatives support the shift towards a low-carbon economy and mandatory purchasing by public institutions under the "Act on the Promotion of the Purchase of Green Products," thus enhancing green business opportunities and promoting sustainable environmental protection.

Sales of Low-carbon Certified Products

(Unit: KRW Million)



*Data for low-carbon certified sugar products

Green Packaging Product: About Me

Samyang Corporation's cosmetics brand "About Me" is committed to vegan clean beauty and promotes environmentally conscious value consumption. "About Me" incorporates natural ingredients and plant-based raw materials, strictly opposes animal testing, and offers products that have earned vegan certification, ensuring they are safe for all users. These products are free from oxybenzone and octinoxate, substances known to harm marine environments. Furthermore, the packaging for these products features Forest Stewardship Council (FSC)-certified paper and soy-based ink to further protect the environment. The brand also employs easily separable labels to encourage the use of sustainable materials.

Sales of Products Using Green Packaging(*1)

Classification	Unit	2021	2022	2023
Sales Amount	KRW million	403	1,509	1,879
FSC-certified paper (*) used	Kg	2,274	4,373	5,800
Soy ink used	L	73	109	149

(*1) Sales data for “About Me” main products

(*2) Certified green paper, including 15% recycled pulp

Green Recycled Plastic Post-Consumer Material (PCM)

Samyang Corporation's Post-Consumer Material (PCM) utilizes discarded consumer waste, including waste plastic, fishing nets, and electronic batteries. Although the use of general PCMs typically leads to reduced carbon dioxide emissions, it often compromises material performance. However, Samyang Corporation has developed a technology that preserves performance levels, matching those of new Polycarbonate, even when incorporating up to 20% PCM material. This innovation enables the company to offer sustainable solutions.



• CASE STUDY •

Samyang Corporation and Hankook Fiber Collaborate on Green Lightweight Battery Pack Cases Using Recycled Fishing Nets for Electric Vehicles

Samyang Corporation has initiated the development of environmentally friendly and lightweight components for electric vehicles by recycling plastic from discarded fishing nets. In pursuit of this goal, Samyang Corporation and Hankook Fiber, a company specializing in composite materials led by CEO Jin-gwang Lee, have signed a memorandum of understanding (MOU) at Samyang Corporation's headquarters. This agreement facilitates their joint effort to develop green and lightweight battery pack cases for electric vehicles. Under the terms of the agreement, Samyang Corporation will provide Hankook Fiber with plastic compounds derived from recycled fishing nets. Hankook Fiber will use these materials to create lightweight battery pack cases for electric vehicles. This collaboration seeks to address the challenges associated with recycled plastics, such as diminished material properties, and aims to achieve performance comparable to that of conventional plastics. Through this initiative, both companies strive to contribute to net zero emissions and promote a circular economy, while also securing a leading position in the technology for vehicle lightweighting, a key concern in the electric vehicle market.





• CASE STUDY •

Recycled Plastic Material from Waste Fishing Nets - TRIECO 4D

Samyang Corporation's TRIECO 4D is a plastic material derived from recycled fishing nets. This innovative product has received the ECV Ocean Plastic certification from UL Solutions, acknowledging its contribution to biodiversity protection through the prevention of marine pollution and reduction of carbon emissions.

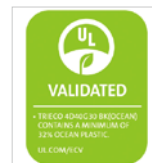
TRIECO 4D

The nine TRIECO 4D products that have been certified utilize discarded fishing nets with short replacement cycles from coastal fisheries, including those at Dadaepo Port in Busan and Jeongja Port in Ulsan, ensuring the use of high-quality raw materials. Furthermore, Samyang Corporation has addressed the common issue of diminished properties in recycled plastics. By employing advanced compounding technology, we have enhanced the material characteristics of TRIECO 4D. Consequently, this material has met the stringent property standards required by various Korean and international automotive manufacturers.

Samyang Corporation is currently expanding the use of this material to include not only interior and exterior automotive parts but also structural components of vehicle bodies.

CO₂ Reduction Effect

Using waste fishing nets as recycled material for plastic production reduces carbon emissions by 34% compared to using fossil fuels. According to the LCA system, producing one ton of PCM material leads to an annual CO₂ reduction of 1,595 kg. Korea generates about 40,000 tons of waste fishing nets each year, with an estimated 15,000 tons available for collection.

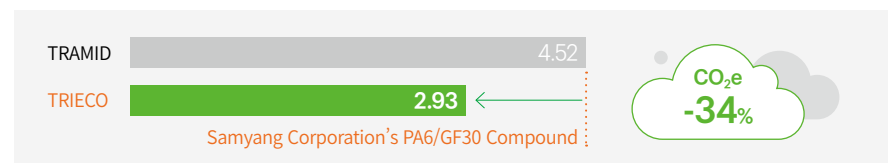


ECV Ocean Plastic Certification



TRIECO 4D

CO₂e Emissions Per Ton of Plastic Material Produced

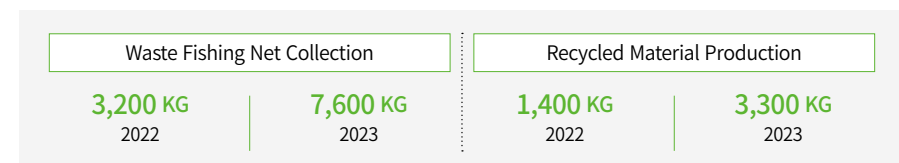


Waste Reduction and Biodiversity Protection Effects

Each year, approximately 640,000 tons of waste fishing nets are discarded worldwide, with South Korea contributing 44,000 tons. These nets, being lightweight, strong, and inexpensive, are frequently used and disposed of. Once abandoned, they accumulate and float in the sea, posing a significant threat to marine life. Additionally, these nets can entangle ship propellers, leading to accidents. According to the Ministry of Oceans and Fisheries, there are approximately 292 safety accidents each year caused by discarded fishing nets. Additionally, the phenomenon known as "ghost fishing," where fish are caught and perish in abandoned nets, significantly harms the fishing industry. To tackle these problems, the government and local authorities have implemented several initiatives, including the "Fishing Gear and Buoy Deposit System," which offers refunds for the return of gear and buoys. However, about 70% of waste fishing nets are composed of nylon, a material that does not decompose easily in nature. The absence of an effective system for collecting, processing, and recycling these nets exacerbates the issue. In response, Samyang Corporation is utilizing its advanced technology to transform these waste fishing nets into green products.



Collection and Recycling of Waste Fishing Nets



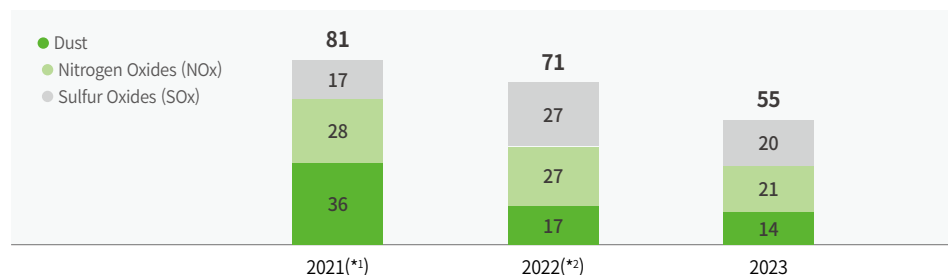
Greenhouse Gas Emission Reduction Activities

Samyang Corporation engages in various activities to reduce GHG emissions, aiming to mitigate the adverse effects of climate change and actively support the government's GHG reduction policies. At Incheon Plant 1, the company has installed a water treatment heat exchanger to recover waste heat and a high-efficiency inverter. These installations save 14,559 GJ of energy annually and reduce GHG emissions by 1,884 tons. Ulsan Plant 1 has implemented high-efficiency heat exchangers, achieving annual energy savings of 10,436 GJ and reducing GHG emissions by 531 tons. Additionally, at Ulsan Plant 2, the installation of a waste heat recovery air preheater results in an annual energy saving of 54,784 GJ and a reduction of 835 tons in GHG emissions per year.

Air Pollution Management

Samyang Corporation effectively manages air pollutants such as gases, dust, odors, and volatile organic compounds (VOCs) to minimize their environmental impact and preserve the natural environment. The company ensures that emission levels remain within legal limits and takes corrective actions if any equipment or process anomalies cause emissions to exceed these limits. Additionally, Samyang Corporation has implemented an air emission monitoring system to measure targeted pollutants and monitor the normal operation of emission control and prevention facilities in real time.

Air Pollutant Emission



(*1) Excludes data from Sejong Plant

(*2) Data corrected due to errors in some plants' data reporting

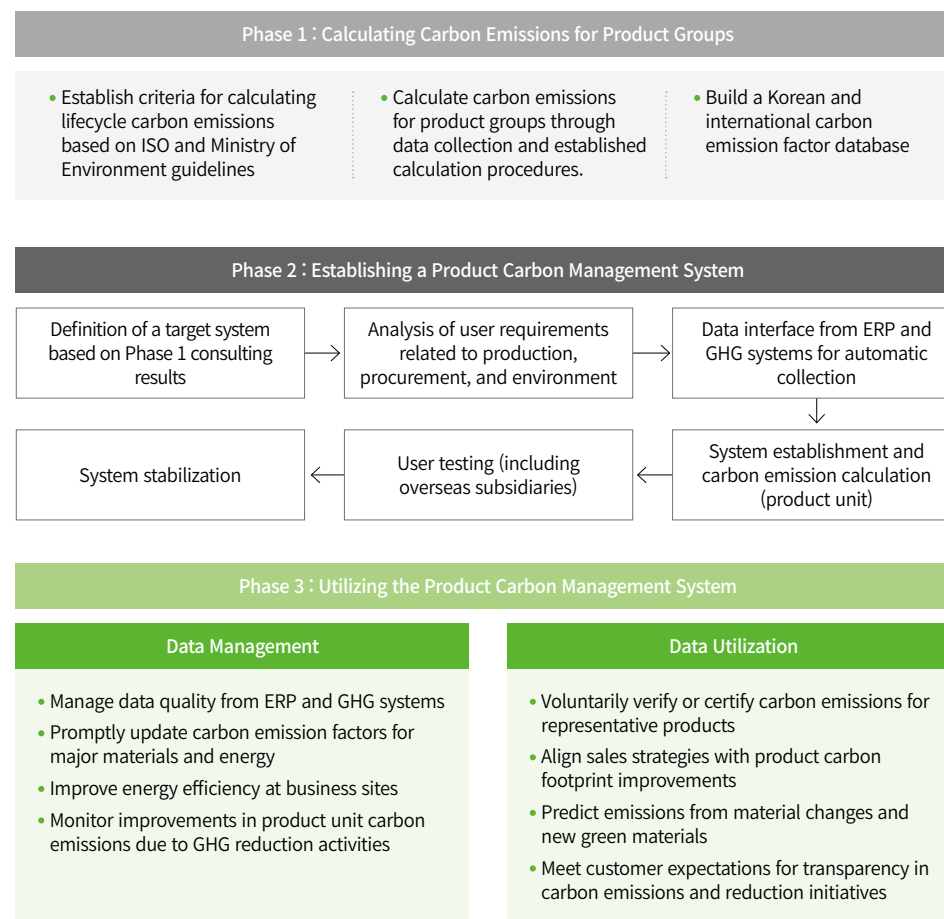
► **Target for Air Pollutant Emissions in 2023**

83 tons

Launching LCA System

In 2023, Samyang Corporation implemented the Life Cycle Assessment (LCA) system, calculating the carbon emissions for approximately 10% of compound products and about 7% of polymer products. Moving forward, the company aims to strengthen its efforts to reduce carbon emissions throughout the entire product life cycle by utilizing the LCA system.

Samyang Corporation's LCA System for Carbon Emission Reduction

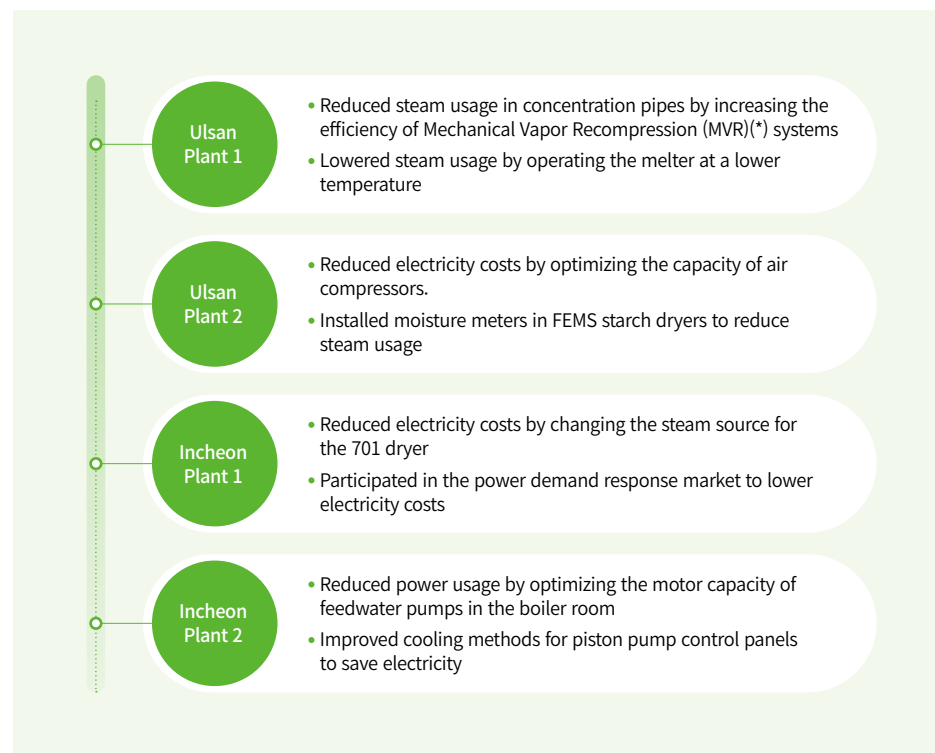


Energy Management

Energy Management System

Samyang Corporation employs a strategic approach to managing energy consumption across its facilities. The company utilizes a proprietary GHG management system to oversee energy targets and consumption data, establishing annual energy reduction goals for each plant. This system facilitates the implementation of active energy-saving measures tailored to the specific characteristics of each site.

Key Energy-savings Cases by Major Business Sites

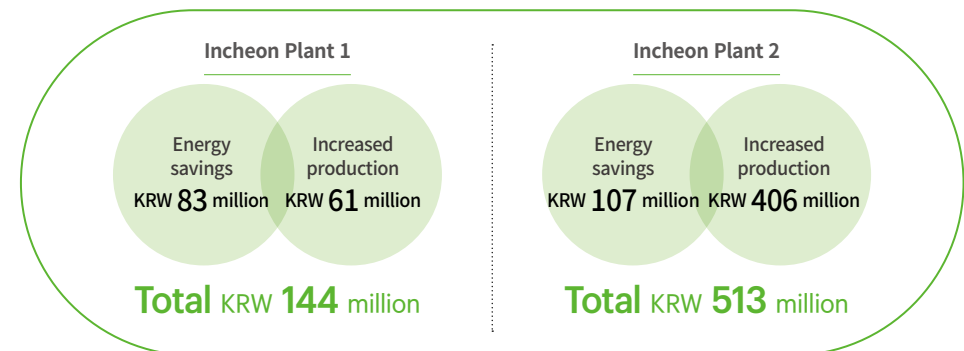


(*) MVR: Mechanical Vapor Recompression

Implementing High-efficiency Energy Management System

Samyang Corporation's Incheon Plant 1 and Ulsan Plant 2 have implemented the Factory Energy Management System (FEMS) to improve energy use and management efficiency. This initiative included consultations with external experts, the deployment of a system capable of energy monitoring and analysis, integration with related systems (RTDB and ERP), and investments in new measurement equipment. The primary goals of these efforts are to decrease annual energy costs and enhance production efficiency. The company intends to extend the implementation of FEMS to additional sites.

Expected Benefits of Energy Cost Efficiency and Increased Production



Participation in Energy-saving Technology Council

One of Samyang Corporation's key sites, Ulsan Plant 1, participates in the Food Industry Council under the Korea Energy Agency's Energy Saving through Partnership (ESP) program. This council promotes the sharing of energy-saving case studies and technologies across the industry. In support of these efforts, an internal energy-saving committee disseminates policies aimed at achieving net zero emissions and underscores the importance of energy conservation. It also focuses on establishing effective communication and cooperation systems, as well as setting and meeting energy reduction targets for manufacturing facilities and utilities.

Renewable Energy Adoption

To progressively achieve net zero emissions, Samyang Corporation is actively promoting the adoption of renewable energy. Since 2019, the company has established solar power generation facilities at its Pungse Logistics Center, for which it received a K-RE100(*) renewable energy consumption certificate from the Korea Energy Agency. Additionally, Incheon Plant 2 completed the installation of solar panels in December 2023. Installations of solar panels are also in progress at Ulsan Plants 1 and 2, Asan Plant, Jeonju Plant, Central R&D Center, and Samyang Packaging's Gwanghyewon Plant, with the goal of becoming operational by 2024.

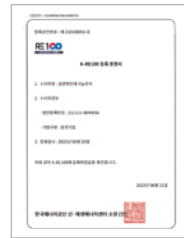
(*) K-RE100: The Korean version of the global RE100 campaign, which encourages companies to source 100% of their electricity from renewable energy.



Pungse Logistics Center

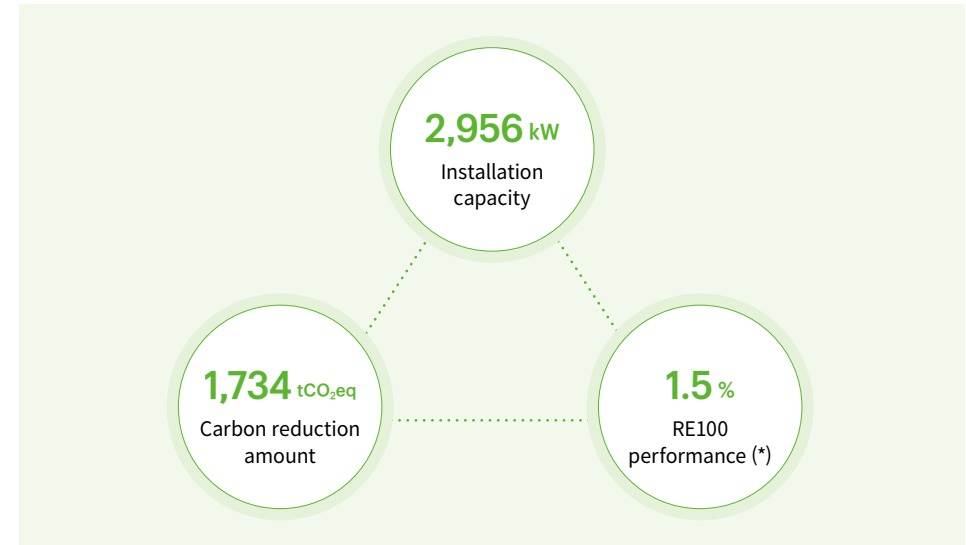


Incheon Plant 2



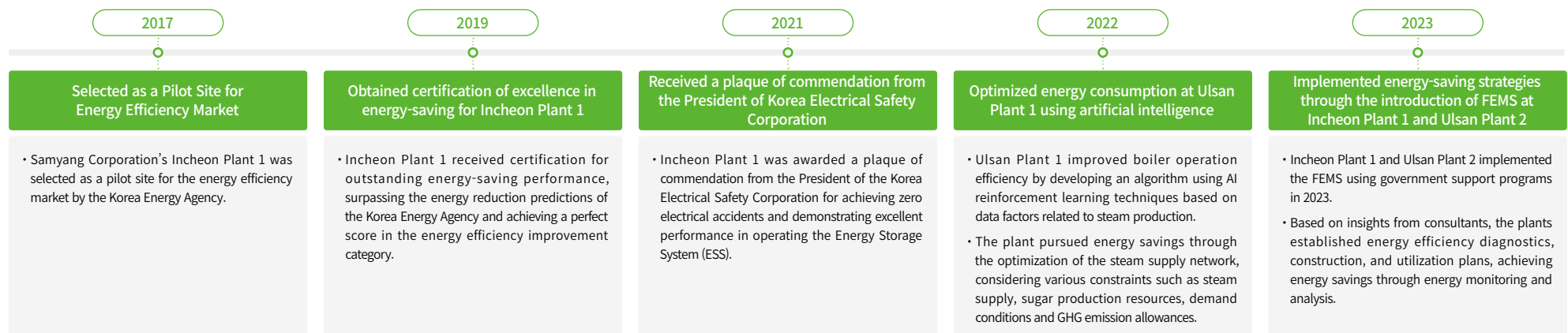
Korea Energy Agency
Renewable Energy
Consumption Certification

2024 Samyang Corporation Solar Panel Installation Plan for Six Sites and Target Performance



(*) Carbon reduction amount from solar power generation / Carbon emissions from electricity usage

Samyang Corporation's Energy Saving Activities - History



254,760 tCO₂eq

Scope 3 Calculation Results

Samyang Corporation initiated the calculation of Scope 3 emissions in 2023, adopting the GHG Protocol to meet stakeholder demands and enhance our GHG reduction management system. This calculation encompasses all GHG emissions throughout the entire production and supply chain, from the procurement of raw materials to the disposal of sold products. The company analyzed the impact, risks, and opportunities for each category, taking into account the significance of the value chain and the specific characteristics of its business. Emissions were calculated for 12 of the 15 categories recommended by the GHG Protocol, specifically excluding categories 10 (Processing of Sold Products), 11 (Use of Sold Products), and 14 (Franchises). These calculations undergo verification by an independent third party.

In 2023, Samyang Corporation's total Scope 3 emissions were calculated to be 1,864,625 tCO₂eq. Notably, categories 1, 4, and 9 represented approximately 95.8% of the total Scope 3 emissions for that year. In response, we are committed to creating a circular economy ecosystem through the increased procurement of green raw materials and the development of green products. Furthermore, the company is set to evaluate strategies for reducing Scope 3 emissions by progressively shifting to low-carbon transportation systems.

GHG Emissions by Category (Scope3)

 (Unit: tCO₂eq)

No	Category	2023	
1	Purchased goods and services	1,409,213	75.6%
2	Capital goods	432	0.0%
3	Fuel- and energy-related activities not included in scope 1 or scope 2	34,225	1.8%
4	Upstream transportation and distribution	312,533	16.8%
5	Waste generated in operations	5,088	0.3%
6	Business travel	747	0.0%
7	Employee commuting	1,234	0.1%
8	Upstream leased assets	138	0.0%
9	Downstream transportation and distribution	63,813	3.4%
12	End-of-life treatment of sold products	21,350	1.1%
13	Downstream leased assets	30	0.0%
15	Investments	15,822	0.8%

► Scope 3 Emissions in 2023

1,864,625 tCO₂eq


Waste and Hazardous Chemical Management

In response to growing demands for effective waste and hazardous chemical management, Samyang Corporation is committed to promoting safe and efficient waste disposal practices. These include the separation and minimization of emissions, which significantly reduce environmental impact. Additionally, to comply with regulations, we are strengthening our chemical management system and actively adapting to regulatory changes through continuous environmental protection initiatives.



Reduction in chemical usage

258 tons

Waste recycling rate **96%**

Management System

Samyang Corporation's environmental policy implementation and performance management are overseen by the management of each business division. This structure ensures that activities related to environmental management risk and performance improvement are supervised through management meetings involving key decision-makers.

Each business site's responsible person establishes specific goals tailored to their respective sites, which then receive approval. Various departments, including the Support Team, Production Team, and Quality Control Team, collaborate to achieve these goals. They engage in-depth in environmental management activities, monitor and guide progress, and report the outcomes to the responsible person at each site. Specifically, the operational departments at each site handle tasks, such as waste and hazardous chemical management, and compile reports for the site's responsible person.



Establishment of Internal Management Standards for Environmental Regulation Compliance

Samyang Corporation has implemented internal management standards that adhere to legal regulations concerning the emission of air and water pollutants, ensuring strict compliance with environmental laws. For soil pollution, we have adopted even more stringent standards, managing at levels that are half of the general concern standards for hazardous materials and oil storage facilities. Additionally, each business site employs internal evaluation criteria, which include environmental certification and the legal compliance status of partners, to rigorously manage environmental risks.



Samyang Corporation Sejong Plant
ISO 14001 Certification

Environmental Management System ISO 14001 Certification at Samyang Corporation and Subsidiaries' Domestic Production Sites

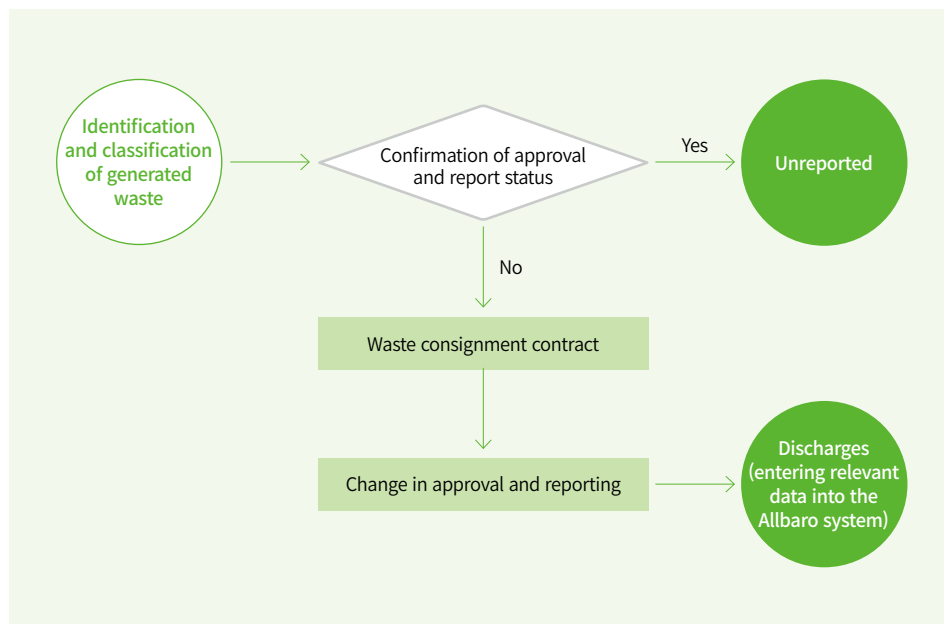
ISO 14001		
Samyang Corporation	Samyang Packaging	KCI
Certified sites: Ulsan 1, Ulsan 2, Incheon 1, Incheon 2, Asan, Jeonju EP, and Sejong Plants Non-certified sites: -	Certified sites: Gwanghyewon, Daejeon 1, Daejeon 2, and Jincheon Plants Non-certified sites: -	Certified sites: Daesan Plant Non-certified sites: Shihwa Plant and Seoul Office
100%	100%	33%

Waste Management

Waste Disposal Process

Samyang Corporation is committed to minimizing pollutant emissions and ensuring compliance with legal emission permits by implementing tailored waste management regulations for each business site. Each plant has established a waste management system that includes regular inspections according to regulations on environmental monitoring and measurements to verify compliance. In addition, we are committed to contracting with environmental management service suppliers to ensure that their waste disposal management meets our management standards. We assess their legality and suitability on an annual basis. The company strictly adheres to the Waste Management Act, accurately recording and managing disposal details in the Ministry of Environment's waste management system, "Allbaro."

Waste Disposal Process



Waste Reduction Activities

Samyang Corporation is actively engaged in efforts to significantly reduce waste generated at its business sites by focusing on recycling and reuse. To achieve this, each site has shifted from incineration to employing recycling processing companies for waste disposal. In 2023, the seven business sites of Samyang Corporation utilized a total of 1,456,580 tons of raw materials. We are committed to increasing the frequency of usage and reducing the rate of final disposal. Moreover, waste that was previously managed by contracting suppliers is now being converted into reusable raw materials through process enhancements. Notably, Incheon Plant 1, Incheon Plant 2, and Ulsan Plant 1 have achieved exceptionally high recycling rates of 98%, 96%, and 97%, respectively.

Waste Disposal Performance

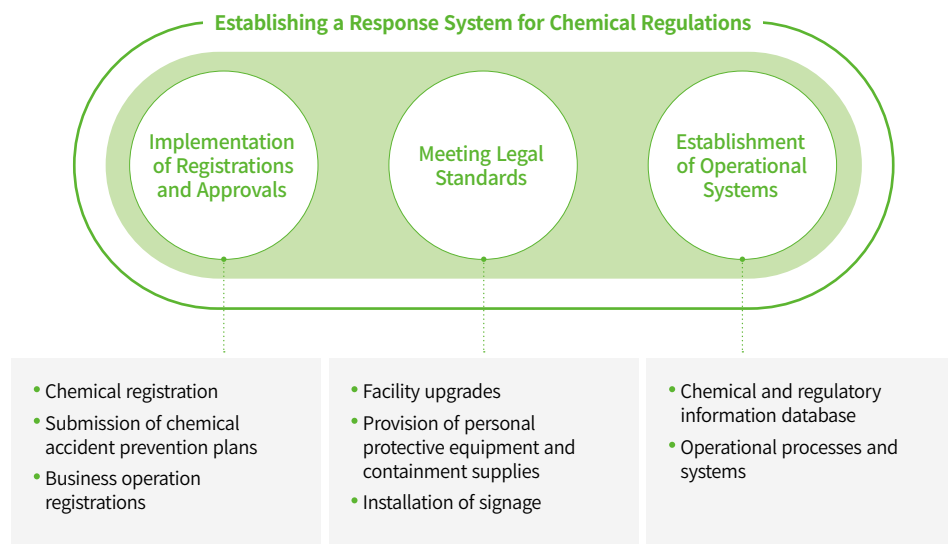


Hazardous Chemical Management

Chemical Management System

Samyang Corporation has implemented hazardous chemical management regulations at each business site to effectively manage the environmental risks associated with the handling of hazardous chemicals, including storage and transportation. We ensure that these chemicals are securely stored in designated warehouses and storage facilities, and are disposed of in compliance with hazardous chemical handling standards. Regular inspections are conducted to enhance the safety of our hazardous chemical handling facilities. Additionally, we provide our suppliers with chemical management information, management guidance, and technical support. We continuously engage in monitoring and improvement activities to minimize the environmental release of hazardous chemicals.

Response System for Chemical Regulations



Chemical Regulation Responses

Samyang Corporation prepares and maintains Material Safety Data Sheets (MSDS), which are essential for the external disclosure of product information, in compliance with legal requirements. We adhere to the UN's Globally Harmonized System of Classification and Labelling of Chemicals (GHS) in drafting these documents and make this information available on our website. Additionally, we ensure that containers holding chemical products have warning labels based on the MSDS, enhancing safety for all workers. At the Jeonju EP Plant, for instance, we assess the implementation of MSDS measures—including the preparation of MSDS for products and the attachment of warning labels—by linking their completeness, reliability, satisfaction, and adherence to schedules to the KPIs of the Head of the Environmental Conservation Division. Furthermore, we enhance chemical management and work to prevent chemical accidents through relevant training and by complying with the Act on the Registration and Evaluation of Chemical Substances and the Chemical Substances Control Act. We are committed to continuous improvement in these areas.

2023 Samyang Corporation Hazardous Chemical Education

(Unit: Training Hours, Hours; Number of Trainees, Persons)

Course Title	Course Duration	Number of Trainee	Total Training Hours
Hazardous Chemical Substance Manager Qualification Course	64	3	96
Education for Hazardous Chemical Technical Workers and Managers	96	26	400
Training for Hazardous Chemical Handlers	96	44	560
Training for Workers Related to Hazardous Chemical Substances (all personnel other than those who handle hazardous substances)	12	991	1,894

Enhancing Customer Health and Nutrition / Enhancing Product Safety and Quality

Samyang Corporation is committed to ongoing research and development to improve product quality and safety, aiming to meet customer expectations. The Food and Chemicals Business Units are dedicated to ensuring safety and offering superior and healthier products, thereby reinforcing its reputation as a trusted company.



Customer complaint handling rate
100%



Violations related to health and safety impacts of products and services
None

Enhancing Customer Health and Nutrition

Customer Health-oriented Portfolio

As society shifts its focus from “How long do we live?” to “How well do we live?” and consumer interest in health surges post-pandemic, the demand for health and wellness fields is on the rise. In response to this trend, Samyang Corporation has expanded its portfolio to include new health-oriented functional food materials, leveraging biotechnology. This adds to its existing business areas of sugar and starch. Currently, Samyang Corporation offers a 0-kcal sugar substitute called allulose, soluble dietary fiber, and functional yeast, which have been developed using proprietary strain and enzyme improvement technologies.

Food R&D Center	Health-oriented Focus	Key Technologies and Strategies	Products
	Sugars and calorie reduction	Use of proprietary enzyme technology	Nexweet® Liquid Allulose, Nexweet® Crystalline Allulose, Allulose Blended Sugar, Truesweet Allulose
	Dietary fiber & prebiotics enhancement	Fractionation of indigestible components after enzyme reaction	Fiberist, Resistant dextrin, Powder/Liquid
	Reduction of additives, preservatives, and sweeteners	Obtaining HALAL/Kosher certifications	Allulose, Resistant dextrin

Health & Wellness Implementation Principles

Samyang Corporation’s Q.one is committed to promoting a health-oriented diet and a pleasurable eating culture that is mindful of the environment. This commitment is guided by five implementation principles, which are organized into a “Do List” and a “Don’t List.”

Do List

- 1 We prioritize customer safety by producing high-quality, safe products.
- 2 We promote healthy eating habits through balanced nutrition.
- 3 We deliver tangible benefits that customers can directly experience.
- 4 We are committed to open innovation.
- 5 We are dedicated to protecting the environment.

Don't List

- 1 We minimize health-detrimental factors.
- 2 We do not use ingredients with unproven safety.
- 3 We do not exaggerate product efficacy.
- 4 We minimize harmful substances generated during processing.
- 5 We do not sacrifice quality for cost reduction.



Resistant dextrin



Allulose Oligosaccharide

Efforts to Reduce Sugar and Calories

With rising consumer interest in healthy eating habits, there is an increasing preference for products that preserve flavor while reducing unhealthy ingredients like calories, sugars, and sodium. In response, Samyang Corporation has developed a range of products including oligosaccharides, sugar alcohols, sources of dietary fiber, and high-intensity sweeteners designed to lower sugar content and caloric intake. By 2024, Samyang Corporation aims to generate sales of 80 billion KRW from these specialty ingredients that enhance customer health and nutrition.

Nexweet®

Allulose (Liquid and Crystalline)



Allulose is a sugar present in small quantities in fruits like figs and raisins. Using proprietary enzyme technology, Samyang Corporation has successfully commercialized this sugar. Allulose possesses 70% of the sweetness of regular sugar yet contains 0 kcal, making it an excellent choice for reducing both sugar content and calories in processed foods.

Allulose Blended Sugars



Blended sugars leverage Samyang Corporation's specialty ingredients to create optimal blends tailored to customer requirements. These products provide the desired sweetness and texture, along with reduced sugar content and fewer calories. They also enhance user convenience and lower costs. Besides allulose, Samyang Corporation also offers blended sugar products that incorporate various other ingredients.

Functional Food Ingredients for Customer Health

Since the completion of the Ulsan Sugar Refinery in December 1955, Samyang Corporation's Food Division has played a pivotal role in enhancing the national diet and advancing the domestic food industry. The company has built its reputation on foundational food ingredients such as sugar, starch syrup, and processed fats, continually boosting its competitive edge. In recent years, Samyang Corporation has embraced various food biotechnology techniques to create specialty ingredients and products that emphasize health and vitality. This includes the development of unique functional ingredients. During the production of these functional ingredients, the company maintains high standards of quality and safety by adhering to strict GMP standards at its domestic facilities, Incheon Plant 1 and Ulsan Plant 2. Furthermore, by utilizing the general food functional labeling system, Samyang Corporation is expanding its prebiotics business, which includes products like fructo-oligosaccharide and resistant dextrin. This expansion not only advances the domestic food industry but also promotes a healthier dietary culture.

Fiberest®

Resistant dextrin



Resistant dextrin (NMD) is a soluble dietary fiber made up of non-digestible polysaccharides that human digestive enzymes cannot break down. It has a higher content of non-digestible bonds than dextrin or starch, resulting in a product that contains over 85% dietary fiber. NMD is commonly used as an ingredient in health supplements and is recognized for its ability to help regulate blood sugar levels post-meal, improve blood triglyceride levels, and promote healthy bowel movements.

Fructo-oligosaccharide



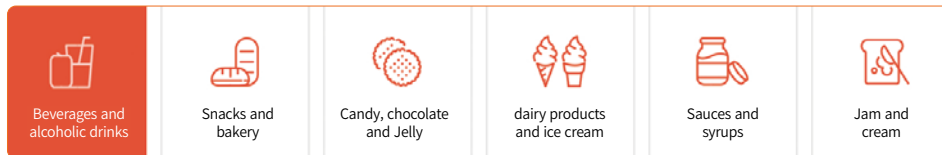
Fructo-oligosaccharide (FOS) is a sugar present in a variety of fruits and vegetables, including onions, asparagus, bananas, and tomatoes. It is commercially produced from sugar via an enzymatic reaction. FOS serves as a prebiotic ingredient and possesses sweetness properties akin to sugar. Additionally, it is recognized for its capacity to enhance the growth of beneficial bacteria in the gut.

Sweetener and Dietary Fiber Calculator for Specialty Ingredients

Samyang Corporation's website features a service that enables users to conveniently monitor nutritional changes during the manufacturing and production of products that incorporate the company's specialty ingredients. These ingredients allow users to decrease sugars and calories while increasing dietary fiber content. The calculator offers a means to create and produce healthier food ingredients.

[Guide to Using the Sweetener and Dietary Fiber Calculator](#)

Step1 Select a category



Step2 Enter nutritional information and select solutions and ingredients

1. 음료수류 영양 성분 입력

영양성분	원재료량	100g (%)	비율
Total Carbohydrate	6	10	
Fiber*	3	2	6
Allulose	2	0	0
Added Sugars	1	4	4
Fat	0	9	0
Protein	0	4	0

* 식약처 영양성분표 산출법 활용

Calorie 10

Step3 View the nutritional information

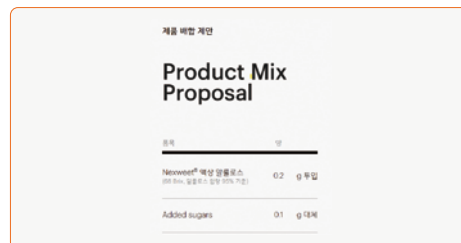
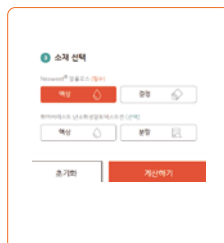
작성 결과

영양성분	원재료량	100g (%)	비율
Total Carbohydrate	4	0	0.8
Fiber*	3	2	6
Allulose	21	0	0
Added Sugars	0.9	4	0.8
Fat	0	9	0
Protein	0	4	0

* 식약처 영양성분표 산출법 활용

Calorie 9.6

원재료량 100g 기준
당류 4% (0.4g)

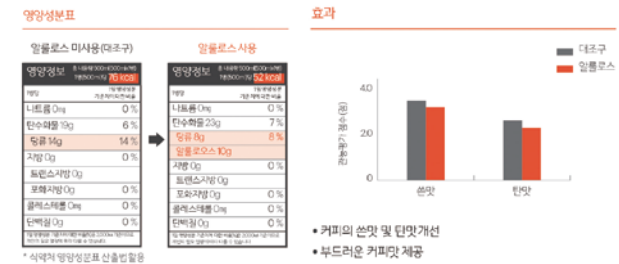


CASE STUDY

RTD (*) Coffee (Using Allulose)

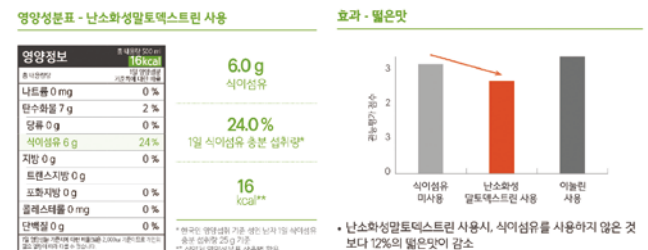
Incorporating allulose in coffee production can decrease calorie content by 30% and sugar levels by 40% compared to using solely white sugar. Additionally, it mitigates the bitterness associated with roasted coffee beans.

(*) Ready To Drink coffee: coffee available in cans, cups, or bottles for immediate consumption.



Green Tea (Using Resistant dextrin)

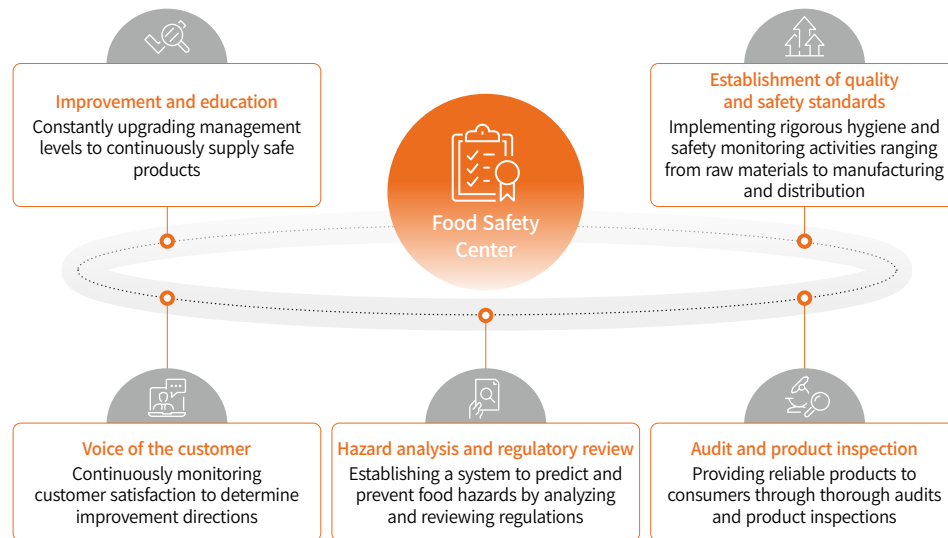
When Resistant dextrin is incorporated into green tea production, each product gains an additional 6g of dietary fiber. Additionally, this process reduces the astringent taste by 12%, yielding a smoother flavor compared to products made without indigestible maltodextrin.



Food Nutrition and Safety

Food Safety Center

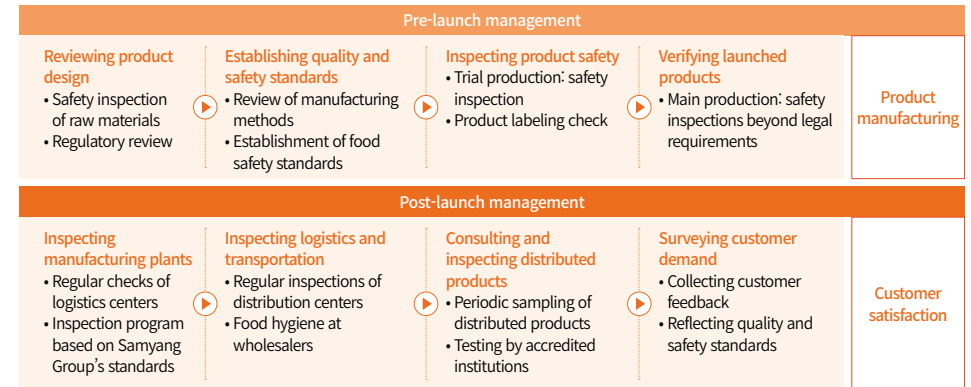
In 2011, Samyang Corporation established the Food Safety Center to integrate comprehensive food safety management across all its food business units. This initiative reflects the company's commitment to the goal of “providing safe food that our family can confidently consume to customers.” In response to high customer demands for food safety, the company has developed and rigorously maintains a systematic and stringent food safety management system, continually upgrading its processes.



Key Tasks of the Food Safety Center

Task	Description
Thorough safety verification	Conducting pre-verification of food safety for raw materials, manufacturing processes, and product design, ensuring strict food safety standards that reflect consumer safety and expectations
Providing reliable products	Implementing real-time foreign matter management using X-ray examinations, metal detectors, and vision systems, and conducting regular inspections and consultations for raw materials and manufacturing plants
Enhancing food safety implementation capabilities	Promoting food safety awareness among employees in purchasing, manufacturing, logistics, and sales processes, and providing correct food safety information to consumers

Food Safety Management Process



Food Safety Management Certifications

Samyang Corporation's food production facilities have been certified with Food Safety System Certification (FSSC) 22000 and Hazard Analysis Critical Control Point (HACCP), ensuring the safety and reliability of its products for customers. The company's products based on allulose have received FDA Generally Recognized As Safe (GRAS) recognition. They also hold HALAL certification, ensuring compliance with Islamic dietary laws, and Kosher certification, which adheres to Jewish dietary regulations. The Kosher certification demands strict adherence to standards concerning raw materials and manufacturing processes, underscoring the company's dedication to producing clean and safe foods. Additionally, the company's resistant maltodextrin products have been awarded Good Manufacturing Practice (GMP) certification, reflecting the highest standards in health food manufacturing. These products also feature HALAL certification, positioning us as leaders in achieving global certifications and approvals.



Ulsan Plant 2 GMP Certification Incheon Plant 1 GMP Certification

Classification	Ulsan Plant 1	Ulsan Plant 2	Incheon Plant 1	Incheon Plant 2	Asan Plant
FSSC22000	●	●	●	●	●
HACCP	●	●	●	●	●
Kosher	●	●	●	●	●
HALAL	●	●	●	●	●
GMP	●	●	●	●	●

Enhancing Product Safety and Quality

Product Safety Management Process

Samyang Corporation classifies and manages restricted and observed substances to ensure compliance with international standards (RoHS, ELV, REACH, etc.) and customer policies on hazardous substances in products. The company ensures that restricted substances are excluded from products, components, or packaging materials and maintains an integrated management system.

Hazardous Substance Management Procedure

	Design	Approval	Mass Production	Shipment
R&D	<ul style="list-style-type: none"> •Design products within hazardous substance standards •Verify compliance with customer hazardous substance standards 			
Procurement	<ul style="list-style-type: none"> •Check for the presence of hazardous substances 			
Production			<ul style="list-style-type: none"> •Comply with the hazardous substance management system 	
Quality	<ul style="list-style-type: none"> •Establish a hazardous substance management •Test for hazardous substances 	<ul style="list-style-type: none"> •Check compliance with customer hazardous substance standards 		<ul style="list-style-type: none"> •Sample inspection of shipped products •Confirm compliance with customer hazardous substance standards

Excluded Hazardous Substances

Samyang Corporation defines and manages substances that can negatively impact human health and the environment as follows:

Classification	Management Regulation
Class I	Substances regulated by the EU RoHS Directive (*) that are prohibited from use in products
Class II	Substances managed by national laws or agreements outside the EU RoHS Directive (*) that are prohibited from use in products
Class III	Substances voluntarily reduced by the company due to their impact on the environment and human health
SVHC Substances	Substances of "Very High Concern" regulated by the EU REACH that are prohibited from use in products

(*) The restriction of the use of certain hazardous substances in the EU (RoHS Directive) is a guideline issued by the European Parliament and the European Council of Ministers. It restricts the use of six specific hazardous substances [cadmium (Cd), lead (Pb), mercury (Hg), hexavalent chromium (Cr6+), and brominated flame retardants (PBB: polybrominated biphenyls, PBDE: polybrominated diphenyl ethers)] in electronic products.

• CASE STUDY •



Samyang Corporation's Green Transparent Flame-retardant Polycarbonate: Proven Free of Perfluorinated Compounds

Samyang Corporation has developed a green, transparent flame-retardant polycarbonate that does not contain halogen-based flame retardants like chlorine and bromine, which release toxic gases during incineration. Instead, the company utilizes a siloxane-polycarbonate (Si-PC) base, modifying the molecular structure to produce this innovative material. This new material addresses the limitations of traditional flame-retardant polycarbonates, which typically suffer from reduced transparency and impact strength. It offers superior chemical resistance and maintains its impact strength even in low-temperature environments, outperforming standard polycarbonate. Moreover, its flame-retardant properties are exceptional, achieving the highest rating of 1.0mm “V-0” in the “UL 94” vertical burning test conducted by UL Solutions, a U.S. organization that develops safety standards and provides certifications.

Moreover, the company conducted detection tests for 74 types of perfluorinated compounds on the flame-retardant polycarbonate. Perfluorinated compounds, which are synthetic materials made of carbon and fluorine, are widely used in various industries due to their superior thermal stability, water resistance, and oil resistance. However, these compounds are difficult to degrade naturally and are commonly known as “forever chemicals.” The tests confirmed that the product is free from these compounds.



Achieved the highest grade
“V-0” certification in the UL
flame-retardant test

No detection of 74 types of perfluorinated compounds in the tests

Quality Management

Quality Management Policy

Samyang Corporation has established quality management policy documents and established monitoring procedures for each business unit, ensuring the implementation of these policies throughout the entire process from product development to mass production. Additionally, the company has tailored quality management systems and processes for each business unit, adhering to ISO 9001 and IATF 16949 quality system standards. The company actively monitors and manages the quality of products manufactured in its factories in real-time. By leveraging an integrated Enterprise Resource Planning (ERP) system, Samyang Corporation has improved product quality and management efficiency. This system facilitates systematic management across all stages, including raw material procurement, processing, inspection, production, sales, and inventory management, following the P-D-C-A Cycle.



Strengthening Internal Quality Management Capabilities

Samyang Corporation offers a range of training and education courses, both online and offline, led by designated in-house and external expert instructors. These courses aim to foster quality awareness among employees and suppliers. A systematic education framework has been established, categorizing the types of educational content and highlighting the importance of enhancing employees' quality awareness. The company is committed to continuously improving the quality and quantity of its quality mindset training.

Target Trainees	New Qualification		New/Requalification	Requalification
	Qualification Area			
	Course Title	Course Duration	Main Topic	Evaluation
Manufacturing and equipment management staff	Manufacturing and Equipment Management Course	16	<ul style="list-style-type: none"> Production processes and raw material input Management of production and auxiliary equipment 	
Testing and inspection staff	Internal Inspector Course	16	<ul style="list-style-type: none"> Relevant inspection/testing procedures Handling guidelines for inspection, testing, and measuring instruments 	<ul style="list-style-type: none"> Job-related evaluation - Average score of 70 Internal education evaluation - Minimum score of 70
Design staff (researchers)	Design Staff Course	22	<ul style="list-style-type: none"> Basic photoresist education Photolithography process education Material property evaluation education Product education 	<ul style="list-style-type: none"> Excluded evaluation items 1) Academic background 2) Career 3) Education Evaluation items 1) Job-related evaluation : Average score of 70 2) Internal education evaluation : Minimum score of 70
Internal auditors	Internal Auditor Course	15	<ul style="list-style-type: none"> ISO 9001/14001 IATF16949 requirements Auditor education Relevant job procedures and quality/environment manuals 	<ul style="list-style-type: none"> Excluded evaluation items : Academic background/ career/education At least one experience in ISO internal audit
Environmental technicians	Environmental Management Law Course	8	<ul style="list-style-type: none"> Can be completed within one year after appointment Water Environment Conservation Act Clean Air Conservation Act Waste Control Act Noise and Vibration Control Act 	<ul style="list-style-type: none"> According to legal requirements



To achieve these quality policies, we set detailed quality objectives (specific management goals) for each business year and analyze the outcomes to make improvements, thereby promoting effective and continuous quality enhancement.

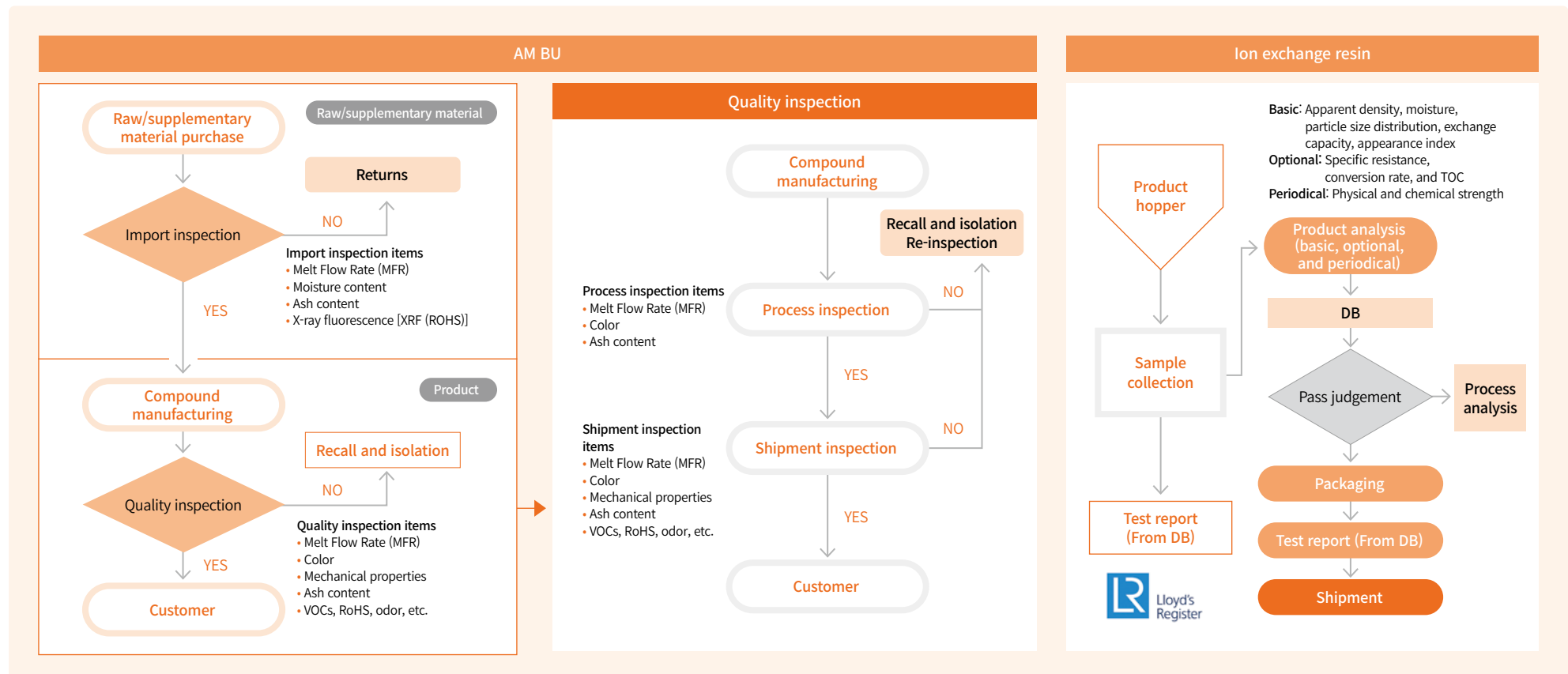
What is IATF 16949?

The International Automotive Task Force (IATF) and ISO/TC 176 have developed the ISO/TS 16949 standard by consolidating various existing automotive quality management system standards. This standard is applicable to all companies within the global automotive industry supply chain. By achieving ISO/TS 16949 certification, suppliers and partners in the automotive industry can show that they maintain a quality management system focused on continuous improvement, defect prevention, and the reduction of distribution and waste.



Quality Management Process

Samyang Corporation's AM BU Business Unit aims to deliver high-quality engineering plastics to its customers. This commitment is upheld through meticulous inspections at every stage of production, including the inspection of imported raw materials, in-process inspections, and final inspections before product shipment. Through rigorous quality management, the company has achieved IATF 16949 certification, an international quality standard for automotive material suppliers, which recognizes their excellence in quality. Additionally, the company has received UL-ECV certification from the globally respected UL Solutions in the United States and ISCC PLUS certification from the European Union (EU), highlighting their dedication to providing high-quality and sustainable products. Samyang Corporation's Ion Exchange Resin Business Unit is committed to excellent quality and efficient processes, employing a three-stage analysis procedure: Basic, Optional, and Periodical. TRILITE® ion exchange resins are manufactured under stringent quality management, and their superior quality is affirmed by ISO 9001 quality assurance system certification. Additionally, to support exports to Islamic countries, the company has secured HALAL certification. For exports to European countries, it has completed EU REACH registration. To adhere to the quality standards required by power plants, the unit has also achieved Veritas certification, guaranteeing stable and reliable quality.



Continuous Improvement Process of the Quality Management System

Purpose

Samyang Corporation's AM BU Business Unit focuses on making ongoing improvements to the quality management system to enhance its suitability, adequacy, and effectiveness. The company has adopted three continuous improvement methods to address and prevent non-conformities and potential non-conformities, thereby improving product quality.

Continuous Improvement Methods

1. Determine methodology, set improvement goals, measure changes after improvements, assess the effectiveness of improvements, and document the process (preparing and maintaining improvement procedures and records)
2. Take production improvement actions focusing on reducing process variations and waste (improving manufacturing processes)
3. Conduct risk analysis (FMEA)

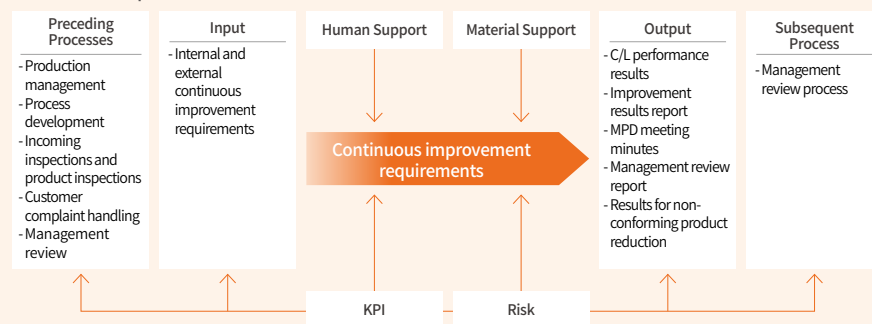
Evaluation and Rewards Based on Continuous Improvement Performance

To achieve continuous improvements in product safety and quality, the outcomes of improvement activities are assessed using key performance indicators (KPIs). Based on these evaluations, suitable rewards are allocated. Managers from the QA, QC, and Planning Departments thoroughly review the results of these activities and integrate them with future improvement efforts. This strategy ensures that the organization persistently fosters improvement, effectively managing the process through evaluation and rewards.

Required Competencies

The roles integral to continuous improvement encompass the Planning Department Manager and the responsible Planning Officer, the QA Department Manager and the responsible QA Officer, the Production Department Manager and the responsible Production Officer, and the responsible Purchasing Officer. Essential competencies for these roles include a comprehensive understanding of the process, robust execution capability, pertinent execution experience, and the capacity to guide and mentor relevant personnel.

Continuous Improvement Process Structure



Enhancing Customer Satisfaction with Quality

Samyang Corporation is dedicated to enriching and facilitating daily life by maintaining close relationships with its customers. To ensure customer satisfaction, the company integrates its products seamlessly into everyday life and manages customer satisfaction through systems that monitor product side effects, safety information, responses to customer complaints, and overall customer management.

Operating Customer Management System

Samyang Corporation accepts customer inquiries via the "Inquiry" section on its website. The company assigns responsible personnel to address these inquiries and maintains a database of customer information, inquiries, and processing details for ongoing management. To enhance the customer management system in accordance with digital infrastructure and global standards, Samyang Corporation has implemented Salesforce. This system efficiently manages and processes data collected during VOC (Voice of Customer) incidents.

• CASE STUDY •



Sangkwaehwan (EASY TOMORROW) Ranked No. 1 in Customer Satisfaction in the Hangover Relief Segment for Six Consecutive Years

Samyang Corporation's Sangkwaehwan has been ranked No. 1 in the hangover relief segment of the Brand Customer Satisfaction Index (BCSI) for six consecutive years. The BCSI identifies outstanding products through face-to-face surveys with consumers who have used these products, assessing their satisfaction, intention to repurchase, satisfaction with quality, and satisfaction with price.

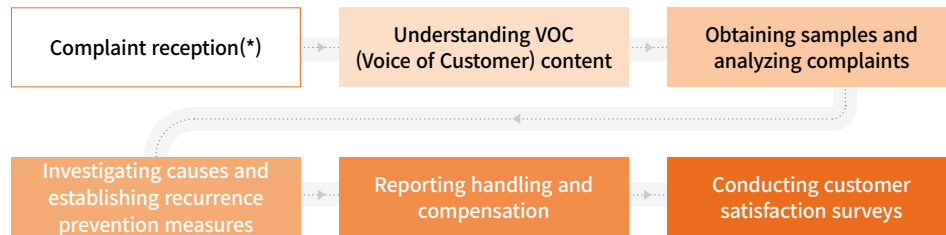
The company's efforts in superior quality management are reflected in each product, increasing consumer satisfaction.



Responding to Customer Complaints

Samyang Corporation employs a systematic approach to manage the entire process, from recognizing to resolving customer complaints. By swiftly addressing issues using data collected from customers, the company effectively prevents and mitigates the recurrence of these complaints.

Customer Complaint Response Process



(*) Channels for reception

• Tel: 080-023-3399

• Email: customermanager@samyang.com

Customer Dispute Resolution Standards

The Food Group of Samyang Corporation adheres to the Fair Trade Commission's Consumer Dispute Resolution Standards for resolving consumer disputes.

Applicable Products (19 categories)

Carbonated beverages, confectionery, ice cream, dairy products, canned goods, baked goods, sugar and flour products, edible oils, processed meat products, seasonings, fermented products, tea, noodles, nutritional foods, alcoholic beverages, lunchboxes, side dishes, and frozen foods

Type of Disputes

Insufficient content or volume	Spoilage or deterioration
Expired shelf life	Foreign substance contamination
Side effects	
Injuries due to container damage, etc.	

Resolution Standards

Product exchange or refund of purchase price
Compensation for medical expenses and lost future income (*)


(*) In cases where an accident occurs, compensation includes the future income lost by the victim.

• CASE STUDY •



Quality Improvement at Jeonju EP Plant

STEP 1 Understanding the VOC from a customer (VOC: pellet color variation)

Customer	VOC details
AAA	Product injection resulted in a redder shade compared to previous injection products. 

STEP 2 Analysis of major quality improvement causes

Verification method

WHY 1 Why were defective color products shipped?

→ The standard color sample inspection method could not detect non-conforming products.

WHY 2 Why couldn't the defective products be detected through the color sample inspection method?

→ The color data in the pellet form differed from that in the color samples, leading to non-detection during inspection.

WHY 3 Why was there a difference in color between the pellet form and the color samples?

→ Due to the natural color and characteristics of GF-reinforced products, it is challenging to distinguish minor color differences by a visual inspection of the samples.

Cause of the occurrence

WHY 1 Why did the color variation occur?

→ Increased internal frictional heat caused by the use of high-molecular-weight PC in the manufacturing process can lead to yellowing of the pellet color.

STEP 3 Improvement and Management Plans Based on Cause Analysis Results

Classification	Management Plan	
	Current	Improvement
Detection method	Comparison of sample color specimens with STD color specimens	Addition of new inspection method: comparison of STD pellets with the color in the pellet state
Cause of the occurrence	Use of high-molecular-weight PC to control MI	Application of optimal processing conditions to control MI, limiting the use of high-molecular-weight PC

TCFD Report Framework

Strengthening Safety and Health Prevention Activities

Samyang Corporation prioritizes safety and health based on the management philosophy of human dignity. We consistently strive to establish and maintain a health and safety management system that exceeds legal standards. Through the implementation of a rigorous crisis management system at all our business sites, along with regular safety campaigns and training sessions, we aim to enhance our employees' safety awareness. Our goal is to foster a secure working environment that safeguards their lives and health while supporting sustainable business growth.



Frequency rate of injury in 2023

1.23



Number of improved items based on health and safety risk assessment results in 2023

539 cases

Governance

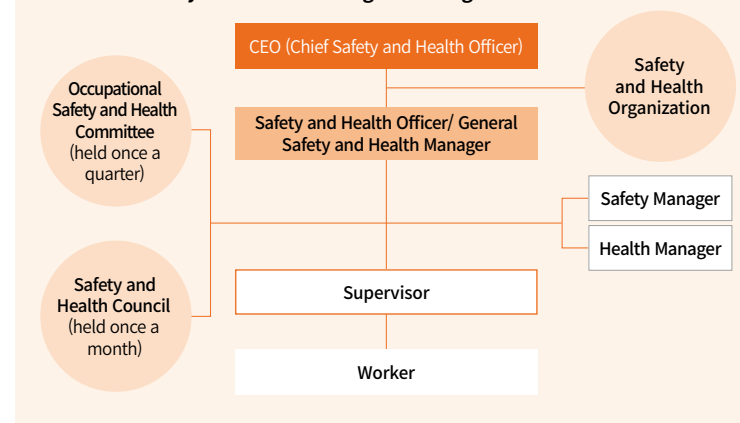
Safety and Health Management Governance

Samyang Corporation has appointed the CEO as the chief management officer, with authority and responsibility to represent and oversee its business. The ESG Team Safety and Health Division, a specialized unit responsible for safety and health, manages company-wide initiatives by providing guidance, advice, and monitoring the implementation of safety and health practices at business sites. We have established both an Occupational Safety and Health Committee and a Safety and Health Council. These committees are led by safety and health officers and general safety and health managers from each business site. Their primary role is to identify hazards and risk factors related to the safety and health of our employees and suppliers, and to conduct relevant improvement activities.

Safety and Health Management Policy

Annually, we develop a safety and health plan, which is then submitted to the Board of Directors for approval. Once approved, we diligently implement this plan. Additionally, we analyze and evaluate the performance of our safety and health management initiatives based on the plan, as well as monitor any changes in safety and health management at our business sites.

Safety and Health Management Organizational Chart



Classification	Role
CEO	The person with the authority and responsibility to represent and oversee a business or the equivalent person in charge of safety and health tasks
Safety and Health Officer	The leader of a business site who oversees health and safety tasks and implements the CEO's hazard prevention policies at the site
Occupational Safety and Health Committee	A committee consisting of management and workers to review and make decisions on important matters related to safety and health, such as plans and measures to prevent risks or health hazards for workers at business sites
Safety and Health Council	A committee formed and operated by the contractor and the subcontractor for necessary safety and health measures to prevent industrial accidents involving contractors' and subcontractors' workers at business sites
Safety Manager and Health Manager	People who assist the Safety and Health Officer with the technical aspects of safety and health at business sites and provide supervisors with guidance and advice
Supervisor	A person who performs tasks related to production at business sites, is responsible for the safety and health aspects of the tasks, and directly supervises the employees at sites
Worker	A person who provides labor to a business or a business site for wages, regardless of their occupation

Safety and Health Management System

Samyang Corporation prioritizes the safety and health of its employees in its management practices. We regard this as a fundamental aspect of sustainable development and social responsibility, and we are committed to its diligent implementation. To consistently enhance our safety and health performance, we proactively manage safety and health issues. This is crucial because safety incidents not only impact workers exposed to the work environment but also affect local communities. Additionally, we have established safety and health management policies to increase employees' awareness of safety and health importance and to improve their implementation.



Safety and Health Management Process

Classification	Activity Details		Period
Inspection of Safety and Health Goals	<ul style="list-style-type: none"> Establishing safety and health goals Establishing budgets for disaster prevention 	<ul style="list-style-type: none"> Identifying legal and regulatory obligations Reporting targets for safety and health education 	<ul style="list-style-type: none"> Annually (January)
Distribution of Management Guidelines	<ul style="list-style-type: none"> Distributing safety and health management guidelines 		<ul style="list-style-type: none"> Annually (January)
Inspection of Safety and Health Performance	<ul style="list-style-type: none"> Inspecting performance regarding safety and health goals (semiannually) Reporting risk assessment results (annually) Reporting results for the identification and improvement of hazards and risk factors (annually) Reporting budget execution outcomes (semiannually) Evaluating the work performance of safety and health officers (semiannually) Reporting the results of the Occupational Safety and Health Committee meetings (quarterly) 	<ul style="list-style-type: none"> Reporting the results of supplier council meetings (monthly) Reporting the results of safety and health education (semiannually) Reporting the results of emergency response training (semiannually) Reporting work suspension status (upon occurrence) Reporting contractee selection (semiannually) Reporting the details of safety and health expenses of contractees (semiannually) Reporting implementation of compulsory safety and health obligations (semiannually) 	<ul style="list-style-type: none"> Semiannually (July and August)
Evaluation of Safety and Health Goals Attained	<ul style="list-style-type: none"> Evaluating safety and health goals attained by the CEO 		<ul style="list-style-type: none"> Annually (January of the next year)

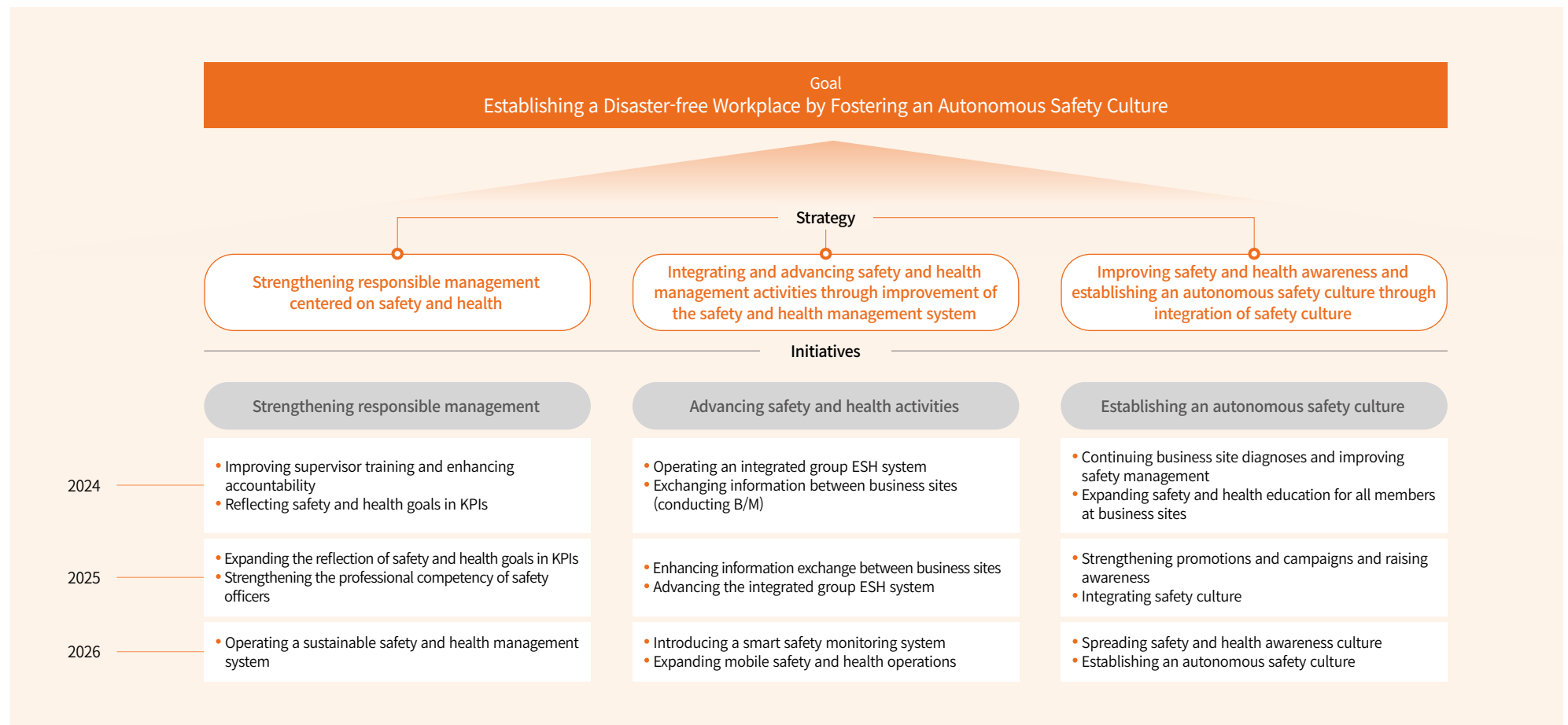
Safety and Health Management Implementation Process



Strategy

Establishing a Three-year Mid- to Long-term Strategy and Initiatives for Safety and Health

Samyang Corporation prioritizes industrial safety and health, guided by a management philosophy that emphasizes human dignity. The company is committed to creating a safe work environment where both local communities and employees can operate securely. To this end, Samyang Corporation strives to establish a disaster-free workplace by promoting an autonomous safety culture. To achieve these objectives, the company has developed and implemented three safety and health strategies, accompanied by a mid- to long-term plan spanning the next three years.

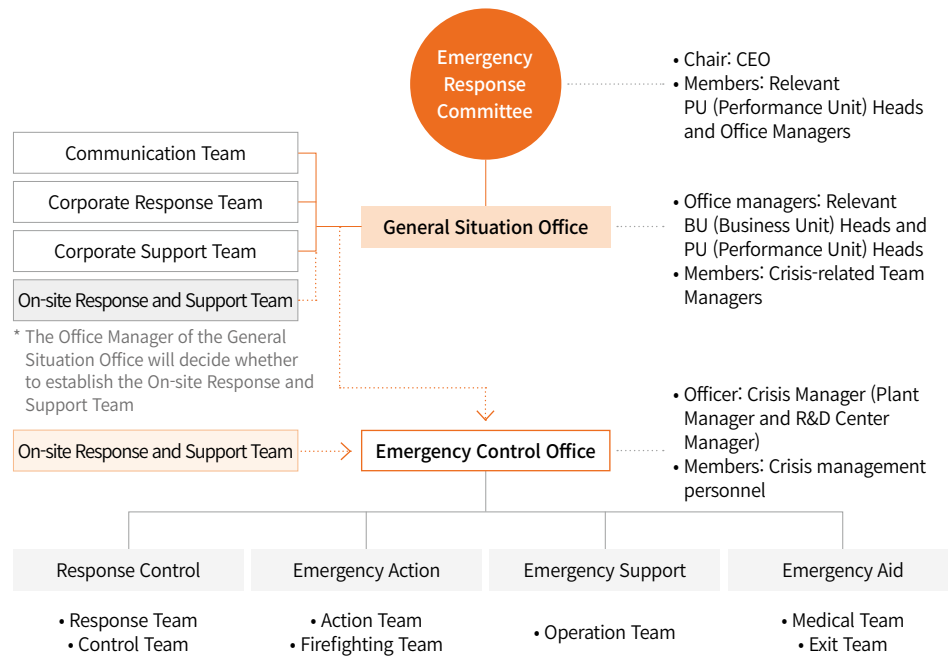


Risk Management

Crisis Response Governance

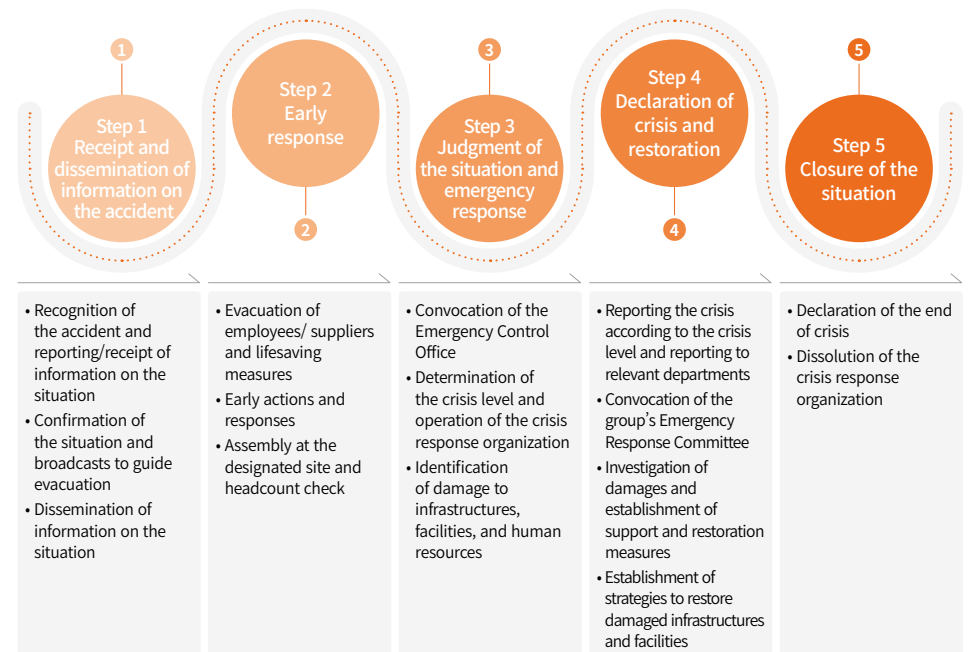
Samyang Corporation has established a comprehensive crisis response organization to address emergencies and unexpected incidents across its operations. This permanent structure includes the Emergency Response Committee, the General Situation Office, and various subordinate groups. Each business site is equipped with its own emergency control office. In the event of a crisis, managers at the impacted sites immediately relay the incident details through both the work reporting line and the work reference line. All reports, regardless of severity, are escalated to the CEO. Furthermore, any violations of environmental safety regulations are promptly reported to the CEO. Strategies to prevent similar future incidents are devised, and the outcomes of these implementations are also communicated to the CEO.

Crisis Management Organizational Chart



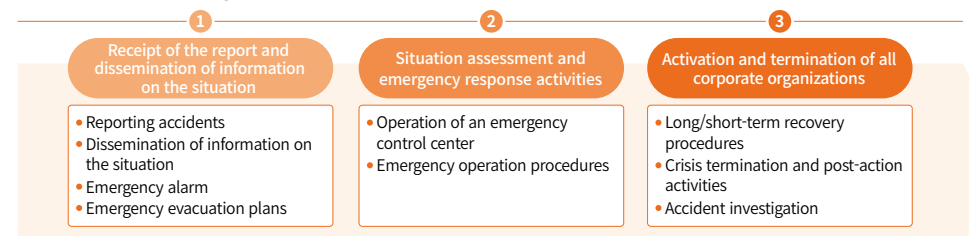
Crisis Response Procedures

Samyang Corporation has established prompt and systematic crisis response procedures to prioritize the safety of its employees.



Samyang Corporation has compiled a Crisis Response Manual that outlines the essential procedures for each of the following three steps: receiving and disseminating reports on the situation; assessing the situation and coordinating emergency response activities; and activating and terminating all corporate organizations.

Items of the Crisis Response Manual



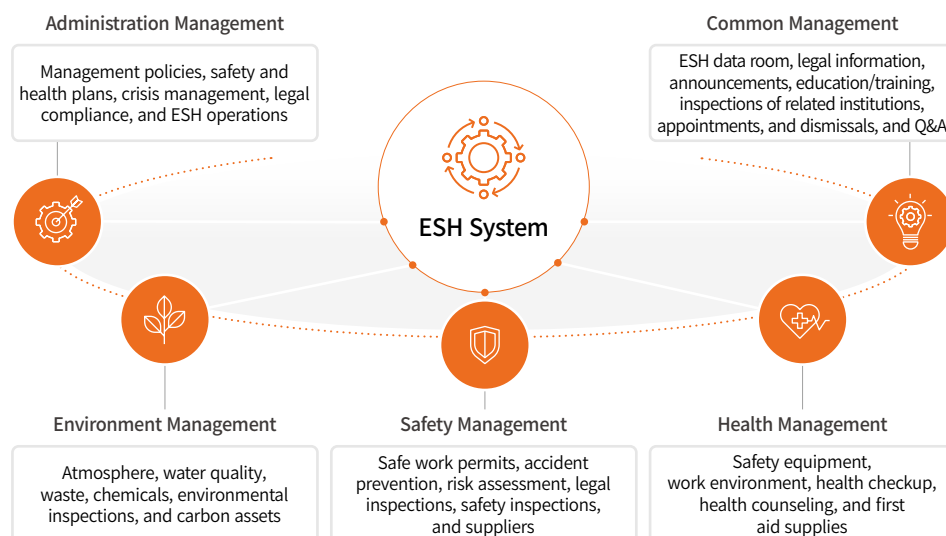
Response to the Serious Accidents Punishment Act

Samyang Corporation is committed to establishing a safe workplace by defining the CEO's responsibilities in accordance with the Serious Accidents Punishment Act. The company mitigates risks associated with this legislation through a structured three-step inspection and improvement process. Initially, each business site is tasked with developing and maintaining a detailed manual. This is followed by biannual inspections and evaluations to ensure adherence to these responsibilities. The final step involves the implementation of a list of improvements identified during the inspections and evaluations throughout the company. In 2023, we established an integrated environment, safety, and health (ESH) system to enhance management and oversight in response to the Serious Accidents Punishment Act.

Establishment of ESH System for Safe Business Sites

In response to strengthened environmental safety regulations, Samyang Corporation has established a group-based environment, safety, and health (ESH) system to create an integrated management framework. This system facilitates data management and information sharing, which in turn enhances our management capabilities, reduces legal risks, and improves our responsiveness to ESG issues. By continuously developing and increasing ESH management efficiency in this system, we aim to achieve sustainable development.

ESH System



The CEO Conducting an On-site Inspection at Ulsan Plant 2

Company-wide Safety and Health Management Activities

Samyang Corporation prioritizes safety and health based on the management philosophy of human dignity. We have established and are implementing three core themes in its safety and health management strategy: “strengthening prevention activities,” “improving safety awareness,” and “strengthening responsible management.” This strategy aims to create a safe and healthy working environment where all stakeholders, including employees and suppliers, adhere to the company’s safety and health management policy.

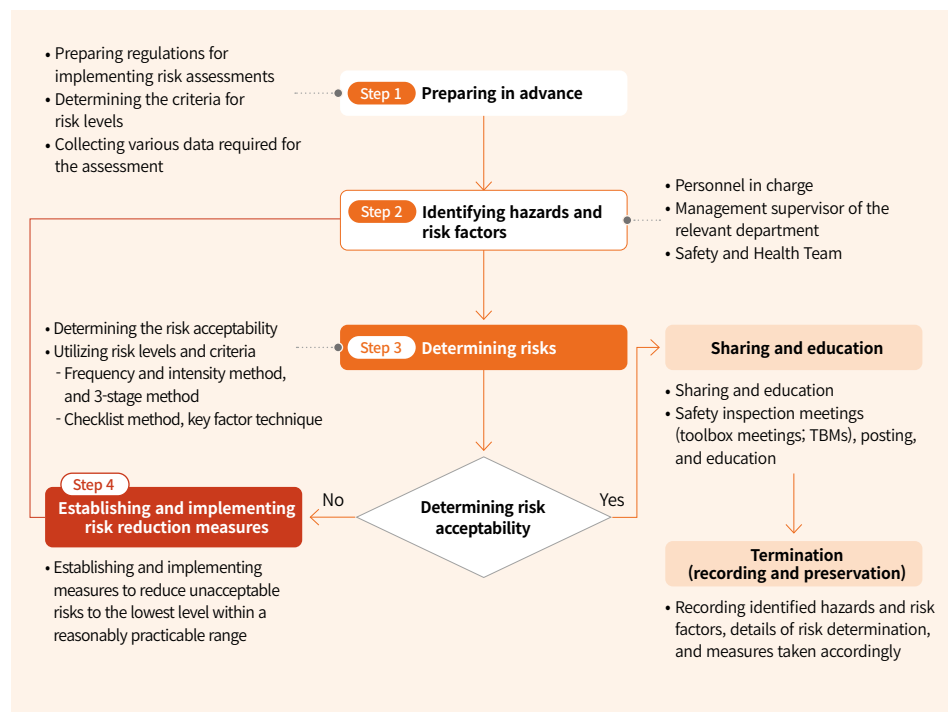
Safety and Health Management Activities



Risk Assessment

Samyang Corporation conducted and improved risk assessments from January to June in the first half of the year across all business sites, and from January to December in the second half of the year. These assessments aimed to identify and mitigate hazards, risk factors, and improve overall risk management. For each workplace, we identify areas requiring improvement, quantify these items, and address the assessed risks to ensure a safe working environment for all workers. Additionally, we uphold the right of all workers to stop work in hazardous conditions and strictly prohibit any retaliation or unfair treatment for exercising this right.

Risk Assessment Process



External Safety and Health Certifications

The safety and health of employees significantly impact overall business operations, and there is a growing demand for companies to disclose their safety and health performance metrics. Samyang Corporation's major business sites have obtained ISO 45001 certification, an international standard for safety and health management systems, to foster more systematic management in these areas. In January 2024, Incheon Plant 2 successfully achieved ISO 45001 certification. As a result, six (86%) of Samyang Corporation's seven manufacturing plants now hold this certification and continue to maintain it, along with KOSHA-MS certifications. Samyang Corporation extends the scope of its safety and health management system to include all employees and the workers of suppliers at these certified sites.

Classification	First Acquisition Year	Renewal Year	Acquired Business Site
ISO 45001	2007	2022	Ulsan Plant 1
ISO 45001	2020	2024	Ulsan Plant 2
ISO 45001	2020	2023	Asan Plant
ISO 45001	2022	-	Incheon Plant 1
ISO 45001	2024	-	Incheon Plant 2
KOSHA MS	2022	-	Jeonju EP Plant

Safety and Health Education for Employees

Each business site of Samyang Corporation conducts systematic safety and health education, providing training tailored to the nature of work and real-life situations. This approach aims to enhance employees' awareness of safety and proactively prevent potential risks. We offer mandatory training as required by the Occupational Safety and Health Act, which includes education for safety and health managers, regular worker education, emergency response training, and specialized safety and health education for workers requiring special training. Through these educational and training initiatives, as well as competency development activities, senior managers across all our business sites have earned a variety of certifications. These include 60 various engineer certificates, such as Industrial Safety Engineer and Air Pollution Environmental Engineer, 31 technical engineer certificates, including Energy Management Craftsman and Hazardous Material Craftsman, one Master Hazardous Material Craftsman certificate, and 43 industrial engineer certificates, such as Industrial Engineer Electricity and Industrial Engineer Hazardous Material.

Classification	Unit	2021	2022	2023
Total training hours	Hours	31,372	32,638	33,061
Number of trainees who have completed education	Persons	1,454	1,719	1,518

Status of Accidents Involving Employees and Establishing Mid- to Long-term Goals

Samyang Corporation monitors the incidence of accidents involving both its employees and those of its suppliers, setting management objectives accordingly. In pursuit of these goals, we have developed a three-year mid- to long-term strategy and are committed to its successful implementation.

Accidents Involving Samyang Corporation Employees

Business Year	Violations of the Occupational Safety and Health Act (cases)	Number of Full-time Workers	Fatalities (persons)	Diseases	Injuries(*2)	Total	Accident Rate (%)	Frequency Rate	Intensity Rate
2023	0	1,359	0	0	4	4	0.30	1.23	0.09
2022(*1)	0	1,404	0	0	4	4	0.28	1.19	0.17
2021(*1)	0	1,353	0	1	5	6	0.37	1.54	0.12

(*1) Accident rate data for 2021 and 2022 was recalculated due to data errors.

(*2) Frequency injury types are falls, entrapment, and bumps

Accidents Involving Samyang Corporation Suppliers' Workers

Business Year	Violations of the Occupational Safety and Health Act (cases)	Number of Full-time Workers	Fatalities (persons)	Diseases	Injuries	Total	Accident Rate (%)
2023	0	774	0	0	8	8	1.03
2022	0	798	0	0	2	2	0.25
2021	0	739	0	0	1	1	0.14

Samyang Corporation's Three-year Mid- to Long-term Goals for Serious Accidents

Classification	Unit	2024	2025	2026	
Employees	Fatalities	Cases	0	0	0
	Serious accidents	Cases	0	0	0
	Accident rate(* ¹)	%	0.29	0.28	0.27
	Frequency rate(* ²)	%	1.15	1.12	1.09
	Intensity rate(* ³)	%	0.16	0.15	0.14
Suppliers	Fatalities	Cases	0	0	0
	Serious accidents	Cases	0	0	0
	Accident rate(* ¹)	%	0.98	0.93	0.88

(*1) Accident rate: Percentage of injured workers relative to total workers

(*2) Frequency rate: Rate of injury cases per 1 million hours worked, based on employees

(*3) Intensity rate: Ratio of lost work days per 1,000 labor hours, based on employees

• CASE STUDY •

Samyang Corporation Management Support PU (Performance Unit) Holds a Workshop for Group Safety and Health Personnel

From October 26 to 27, 2023, the Management Support PU (Performance Unit) of Samyang Corporation (Performance Unit Head Jaeman Yang) held a two-day workshop at the Daejeon Central Research Institute Training Center. This event was specifically designed for group safety and health personnel. The workshop focused on reinforcing the importance of safety management by reviewing accidents that occurred at various business sites in 2022 and 2023. Additionally, it facilitated discussions on system enhancements to boost the work efficiency of supervisors and those involved in safety and health tasks. This provided a valuable opportunity for participants to exchange in-depth opinions on the development of safety and health management.



Samyang Group's Workshop for Safety and Health Personnel

Samyang Corporation Asan Plant Held a Ceremony for Its Safety Accident Prevention Idea Contest in the Second Half of 2023

On August 30, the Samyang Corporation Asan Plant conducted a ceremony to honor the best ideas for preventing safety accidents and establishing zero-accident workplaces. During the ceremony, six outstanding contributions, including special suggestions, risk assessments, and slogans, were selected for presentation. Plant Manager Wonjin Choi stated, “We will continue to prioritize safety and strive to create a zero-accident workplace.” He emphasized the necessity of everyone’s continuous attention to safety.



Ceremony for the Safety Accident Prevention Idea Contest at Asan Plant

Flexible Organizational Culture and Work-life Balance

Samyang Corporation is committed to promoting the health and happiness of its employees by fostering a proactive organizational culture and supporting work-life balance. We facilitate employees' balanced lives through flexible work arrangements and a range of welfare programs. Additionally, we are dedicated to enhancing work efficiency and fostering a harmonious work environment.



Three-year parental leave return rate
100 %



Employees' average years of service
14 years

Collaborative Organizational Culture

Human Rights Management Policy

Guided by the managerial philosophy of “a company that provides ingredients that add value to life,” Samyang Corporation is committed to respecting the human rights of all stakeholders, including employees, customers, suppliers, and local communities. The company adheres to international standards and norms such as the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the UN Convention on the Rights of the Child. Furthermore, Samyang Corporation, along with its subsidiaries Samyang Packaging and KCI, has introduced human rights management policies as an agenda item, which have been approved by the ESG Committee. We continuously monitor and address human rights and labor-related risks to improve our practices.

Internal Human Rights Reporting

Samyang Corporation has established a grievance handling process to listen to its employees' grievances and thereby improve the working environment. For this purpose, we appoint one representative each from labor and management as grievance handling officers from the Labor-Management Council. Our employees can submit oral or written reports to the grievance handling officer, and the grievance handling officer must immediately handle the reported matters through consultations with all council members.

Workplace Bullying Handling Process

Incident reporting	Reporting or awareness		
Counseling	Understanding the incident overview and victim's requirements through counseling with the reporter and victim → Determining the primary resolution method		
	Separation from the perpetrator	Agreement between parties (perpetrator's apology)	Resolution through investigation
Investigation	↓		
		Reporting after summary investigation	Formal investigation
Actions upon confirmation	Preparation of counseling report by the business unit head/Reporting to the affiliate's representative	Communicating the victim's requirements to the perpetrator Communication/reaching an agreement	Disciplinary actions against the perpetrator (Personnel Committee)
	Monitoring		
	Compliance with the agreement, follow-up to check for additional harassment against the victim		

Implementation of Human Rights Management

Samyang Corporation has established a human rights policy and documented management standards for human rights, which were approved by the ESG Committee, to implement human rights management. This year, to further enhance our human rights management, we plan to conduct employee surveys and self-assessments at our business sites to continuously monitor and improve our practices. Additionally, we regularly inspect and develop the implementation status of our human rights management by conducting training, and by sharing monitoring results and improvement measures with our stakeholders through the ESG Committee, management meetings, and Sustainability Reports.

Operation of Labor-Management Council

Samyang Corporation adheres to International Labour Organization (ILO) conventions and domestic labor laws, ensuring respect for our employees' freedom of association and collective bargaining. In support of this commitment, we have established regulations for the Labor-Management Council and actively participate in activities aimed at enhancing our organizational culture and addressing grievances. Decisions made through the council are fairly applied to all employees, while specific individual matters are directed to the relevant parties. The Labor-Management Council convenes regular quarterly meetings to uphold and improve working conditions. Additionally, a labor union is in operation, continuously promoting various initiatives to sustain and foster healthy and positive labor-management relations. Moreover, we ensure that none of our business sites or suppliers are places where workers' rights to freedom of association and collective bargaining might be violated or significantly compromised.

Labor Relations Risk Management Through Labor Inspection

As part of our efforts to establish transparent and healthy labor relations, Samyang Corporation has introduced a proprietary labor inspection system. This initiative extends beyond simple compliance with existing laws and principles, underscoring our dedication to establishing a fair and stable work environment. To safeguard and enhance labor relations across our 6 business sites nationwide, we have conducted internal labor inspections overseen by the Management Support PU (Performance Unit). These inspections included thorough reviews of various aspects such as the labor environment, labor-management relationships, and worker safety and health. By swiftly addressing any identified issues and enhancing communication between labor and management, we aim to promote healthier and more transparent labor relations.

Labor Inspection Process



Key Inspection Items for Labor Inspections

Inspection Item	Specific Details	Inspection Documents
Employment Contract Compliance	Inclusion of essential details (wages, standard working hours, holidays, etc.)	Employment contracts for regular, fixed-term, and part-time workers
Working Hours and Break Compliance	Adherence to the 52-hour workweek limit	Attendance records, payroll, overtime work applications, and flexible work agreements
Holiday Compliance	Confirmation of holiday stipulations in Employee handbook and contracts	Employee handbook, employment contracts, and payroll
Wage Compliance	Proper settlement of wages and payment of additional allowances	Payroll records and wage statements
Annual Paid Leave Compliance	Legality of annual leave and payment for unused leave	Annual leave management, leave applications, and resignation settlement details
Sexual Harassment Prevention and Workplace Bullying Handling	Annual sexual harassment prevention training and proper handling of workplace bullying	Training logs and attendance lists
Employee handbook Establishment	Establishment of Employee handbook and reporting to the Ministry of Employment and Labor	Employee handbook and personnel regulations
Labor-Management Council Operation	Establishment and operation of the council, and record-keeping of meeting minutes	Labor-Management Council regulations and meeting minutes
Maternity Protection Provision	Provision of maternity leave and miscarriage leave	Employment contracts, Employee handbook, and payroll
Discriminatory Treatment Assurance	Non-discriminatory treatment of fixed-term, part-time, and dispatched workers	Employment contracts, Employee handbook, payroll, and drafts
Comprehensive Wage System Compliance	Comparison of stipulated additional allowances in contracts with actual overtime, night, and holiday work	Employment contracts and overtime/night/holiday work records
Required Document Preservation	Preservation of employee list and employment contracts for three years	Employee list, employment contracts, and Employee handbook
Union Activity and Unfair Labor Practice Monitoring	Reporting of collective agreements, deduction of union dues, and support for operating expenses	Collective agreements, union rules, and union dues deduction details

Organizational Culture Assessment

Samyang Corporation conducts annual surveys to identify areas that need to be addressed to achieve ongoing cultural growth and to rectify any issues. These surveys assess Samyang's Vitality Index (VI)(*). By identifying areas for improvement and proactively addressing these challenges at the group level, we aim to promote a healthy organizational culture.

*Vitality Index (VI) quantifies employees' engagement in their work.

Steps to Enhance Organizational Culture at Samyang Corporation: From Assessment to Practice

- Step 1**
Conduct a company-wide survey to identify group-level improvement tasks

To promote a healthy organizational culture, we conduct a VI assessment for each business group and survey improvement areas. Based on the results, we identify improvement tasks at the group level.
- Step 2**
Conduct workshops to identify follow-up tasks for each business group

During these workshops, we gather executives, team leaders, and team members from each business group to pinpoint positive experiences and emotions within the organization. Drawing on these insights, we select follow-up tasks aimed at addressing organizational issues.
- Step 3**
Keep going

To establish a digital work environment, we conduct regular training sessions to increase members' understanding of new systems and encourage change. We also hold meetings to promote understanding between different generations.
- Step 4**
Establish future plans for organizational improvement

We plan to incorporate employees' feedback on an ongoing basis by introducing new training programs, enhancing systems, improving communication of our vision, and promoting cultural improvement activities.

Continuous Communication for Organizational Culture Improvement

Samyang Corporation regularly holds town hall meetings for each group and organization to discuss future directions. We also offer a communication platform where employees can freely interact and exchange opinions, and we encourage various activities to foster camaraderie. At the Samyang Online Communication Platform, Samyang Corporation maintains bulletin boards for work improvement, compliments, clubs, and cultural activities sharing, all aimed at creating a healthier organization. Additionally, by incorporating feedback from junior staff meetings, we aim to develop diverse educational curricula and enhance understanding and communication regarding our vision. We are committed to advancing the culture of Samyang Corporation and fostering empathy among our employees.



Samyang Online Communication Platform

Organizational Diversity

Samyang Corporation pursues a culture of respect and inclusion that values the diverse talents and experiences of its employees. This commitment aims to create an environment where all employees can fully utilize their abilities. To achieve this, we have set specific goals to enhance diversity and inclusiveness and are actively working toward meeting them. Our workforce includes a wide range of individuals, such as women, people with disabilities, veterans, and international employees. Each year, we prioritize increasing the representation and recruitment of female employees. In 2023, we took significant steps by appointing a female outside director and boosting the number of employees with disabilities. We have also organized a mentoring forum tailored to develop female leadership and provide opportunities for all employees to realize their full potential. Additionally, we have established a target for 2025 to ensure that socially disadvantaged individuals make up 7% of our total workforce. To meet this objective, we plan to employ 12 individuals with disabilities and 26 veterans, further strengthening our commitment to diversity and inclusiveness.



Executive Coaching Debriefing



King of Mask Singer, Food Group

Joyful Work Environment

Organizational culture is the spiritual foundation of a company, shaping the values, mindset, and behaviors of its members while forming the company's unique core competencies. Samyang Corporation develops and implements various initiatives with the goal of creating a more enjoyable and vibrant work environment for our employees.

Program	Details
VI assessment survey and Task Derivation Workshop	We conduct an annual VI assessment survey to measure employee engagement. Through workshops within organizational units, we identify areas needing improvement and establish action plans to address those issues.
Employee Assistance Program (EAP: implemented in 2023)	We connect employees with professional psychological counseling services to support their psychological and emotional health, helping to resolve concerns and foster positive thinking and work engagement.
Interaction with the CEO	Through opportunities to communicate with the CEO, we foster organizational empathy, trust in the company and management, and positive perceptions.
"Change Agent" Activities	Through "Change Agent" activities, we disseminate key messages to improve the organizational atmosphere within Samyang Group and support self-driven change and innovation.
Company-wide and Organizational Culture Engagement Activities	We design and operate organizational improvement activities tailored to each organization, meeting members' needs, supporting growth, and engaging in community service.
Women Workforce Mentoring Forum	We invite internal and external female professionals to support future vision and career planning while conducting Q&A sessions about work-family balance systems currently in operation within Samyang Group.

• CASE STUDY •



Samyang Group's 99th Anniversary Heritage Walking Event

To celebrate its 99th anniversary, Samyang Group organized an event in Gochang, North Jeolla Province, the birthplace of the group's founder. This gathering provided an opportunity to reflect on the rich heritage that underpins our organization. The 99th Anniversary Heritage Walking event was designed to encourage participants to contemplate our past and present while committing to a promising future. It successfully fostered a sense of unity among our employees. Just as the event highlighted the significance of Samyang Group's inception, evolution, and growth, we remain committed to maintaining open communication with our employees as we eagerly anticipate surpassing the milestone of our 100th anniversary.



Samyang Group's 99th Anniversary Heritage Walking Event



The 99th Anniversary Moment Created by All Our Executives and Employees

Flash Gatherings after Work

Samyang Corporation has established a virtuous cycle where labor and management collaborate to achieve sustainable growth through creative activities, thereby enhancing employee happiness. One of our initiatives to foster active communication among employees includes hosting flash gatherings after work. Additionally, we share our employees' stories through internal newsletters to reinforce this virtuous cycle. Implementing communicative labor-management practices is one of Samyang Corporation's core values.



Company Newsletter "With Us" Spring Issue, 2023

Work-life Balance

Transforming the Work Environment

Samyang Corporation is focusing on improving the work environment to boost employee efficiency and satisfaction. We are implementing strategies to eliminate inefficient tasks and concentrate on core responsibilities, with the goal of altering both the methods and culture of work. By soliciting employee feedback and analyzing work processes, we are committed to refining inefficient practices. These initiatives are designed to improve the work environment and foster productivity, efficiency, and creativity among employees.

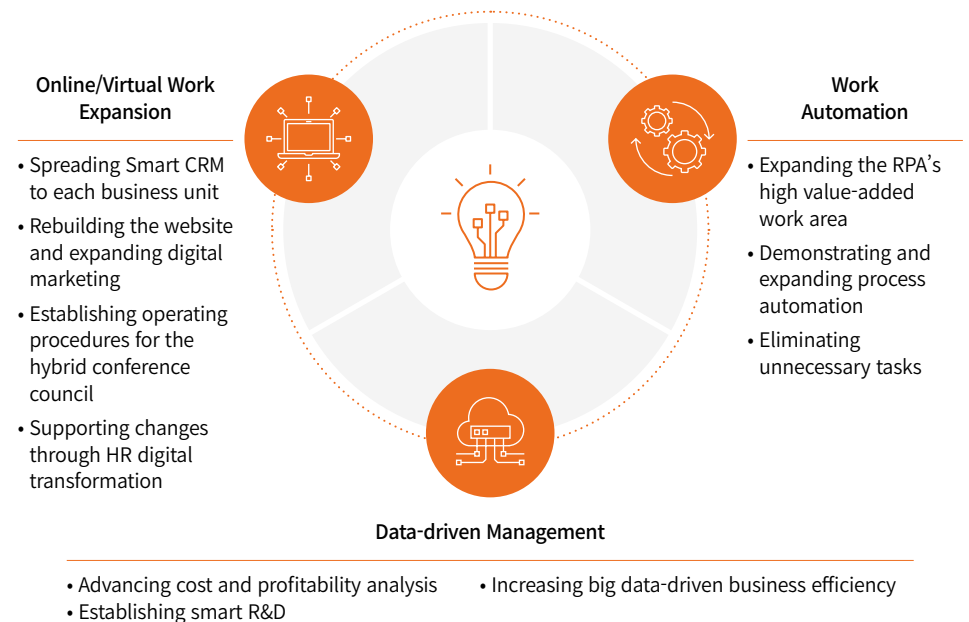
Work-life Balance and Establishment of a Performance-oriented Culture

	Flexible Work Arrangements	<ul style="list-style-type: none"> • Staggered work hours • Flexible working hours (core time) • Flexible leave system
	Smart Work Environment	<ul style="list-style-type: none"> • Promoting an office “free of 3” and “full of 3” (“free of 3”: wireless, paperless, borderless) (“full of 3”: Voluntary engagement, organic collaboration, creative expression) • Creating a flexible working environment
	Work Hours Management System	<ul style="list-style-type: none"> • Operation of a PC-off system • Pre-approval for overtime work
	Healthy Rest Culture	<ul style="list-style-type: none"> • Sabbatical month program • Encouragement of intensive vacation periods

Work Transformation

Samyang Corporation is focused on changing the way employees work through digital transformation and by cultivating a data-driven mindset. To this end, we have introduced a robust digital infrastructure that includes Microsoft 365 (M365), mobile work environments, a new enterprise resource planning (ERP) system, a smart customer relationship management (CRM) system, and Workday. These technological advancements are revolutionizing our work processes. The adoption of this digital infrastructure enables employees to focus on higher-value tasks, free from the traditional constraints of time and space. It also creates an environment where decisions are based on solid data and factual information. Furthermore, this foundation facilitates ongoing investment in and development of our human resources, which promotes sustained organizational growth and advancement. By actively embracing and leveraging these digital tools and systems, we are not only enhancing work efficiency but also increasing employee job satisfaction and creativity. This, in turn, helps to foster a competitive corporate culture.

Three Major Changes in Digital Transformation

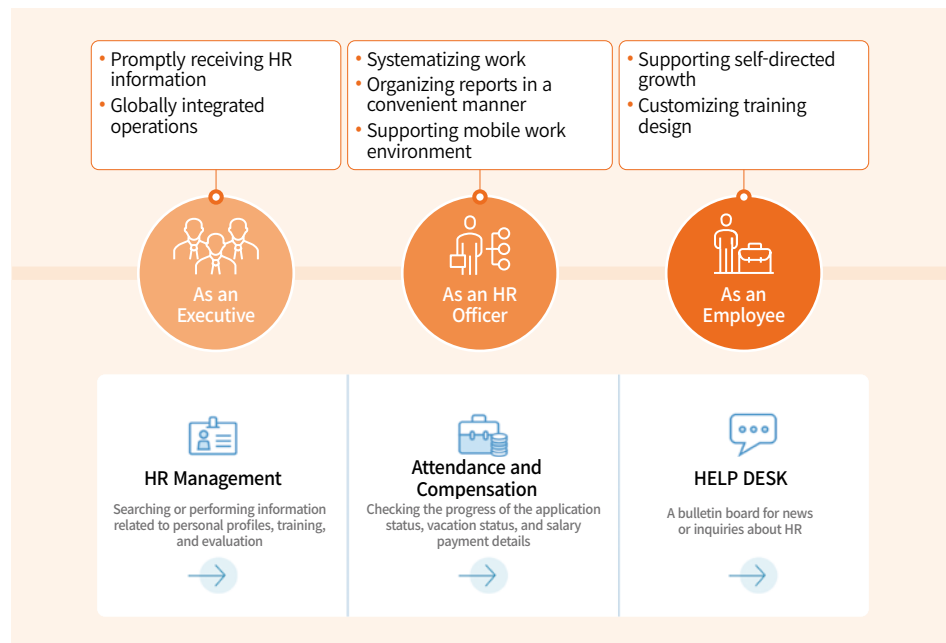


Building a Digital HR Infrastructure

Samyang Corporation has launched a new HR system to address the shortcomings of the existing system and to enhance HR management through the use of advanced technologies such as cloud computing, big data, artificial intelligence (AI), and robotic process automation (RPA). This new system is built on a platform that leverages these technologies to facilitate active communication with employees and ensure transparent and equitable field-oriented HR operations.

Samyang Corporation has implemented the new HR system at both domestic and overseas business sites, as well as at affiliates. Additionally, we are enhancing the system to include more comprehensive HR analytics. We are currently refining the system through employee training and ongoing enhancements to ensure its successful integration. Similar to AI, the new HR system becomes easier to improve and upgrade with use, and we anticipate that it will significantly enhance the HR work environment at Samyang Corporation.

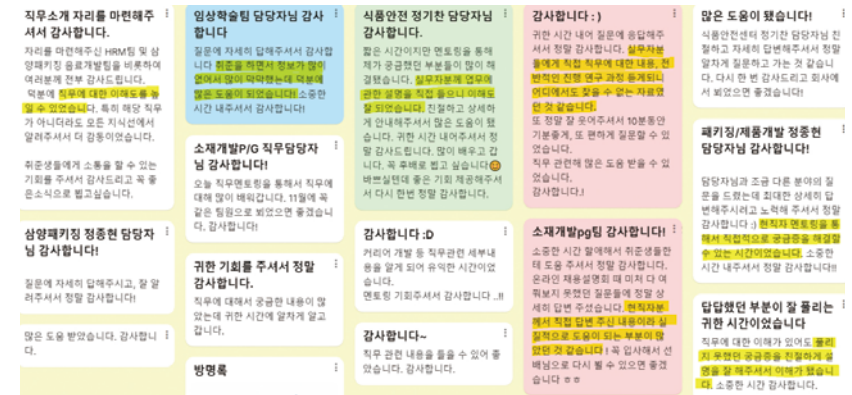
Samyang Group HR Portal



CASE STUDY

One-On-One Mentoring Using the Metaverse

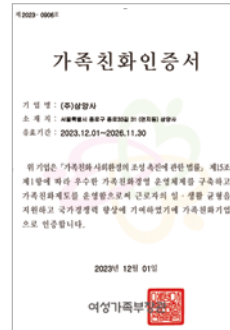
Samyang Corporation has embraced the metaverse as a platform to provide personalized one-on-one job mentoring, enabling potential candidates to communicate in real time and directly share experiences with mentors. This innovative program offers mentees comprehensive insights into various roles within Samyang Corporation and allows them to virtually experience the work environment and culture. Additionally, this initiative positions Samyang Corporation favorably among prospective candidates, increasing its ability to attract exceptional talent over the long term. Job mentoring via the metaverse transforms traditional mentoring approaches, establishing a space for talent development and communication that is in tune with the new digital era.



Job Mentoring Participation Reviews

Operating Various Employee Benefits

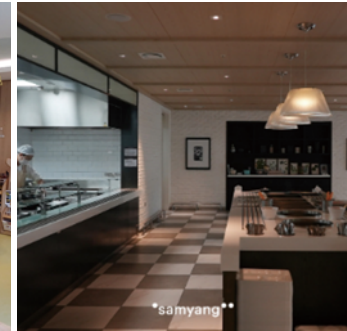
Samyang Corporation values the harmony between work and life, or work-life balance, of its employees. We operate employee benefits programs guided by three main principles to ensure that employees can concentrate on their work during office hours and maintain stable, healthy lives outside of work. Through these initiatives, Samyang Corporation achieved family-friendly company certification in 2015, a status we have proudly maintained to this day.



Samyang Corporation
Family-friendly Company
Certification



Samyang Daycare Center



In-house Cafeteria at Pangyo Discovery Center



Fitness Center at Pangyo Discovery Center

Various Employee Benefits

Supporting a Stable Life	
Program	Details
Loan Programs	<ul style="list-style-type: none"> We provide various internal loan programs, including living stabilization funds, wedding funds, relocation funds, housing funds, and employee association loans.
On-Site Daycare Center	<ul style="list-style-type: none"> We operate an on-site daycare center for working parents, allowing them to focus on their jobs knowing their children are well cared for.
Support for Children's Educational Expenses and Enrollment Bonuses	<ul style="list-style-type: none"> To reduce our employees' educational expenses, we offer financial support for their children's tuition from kindergarten to university. We also provide enrollment bonuses when employees' children enter elementary, middle, or high school.
Support for Family Events	<ul style="list-style-type: none"> In case of family events, we provide financial support, wreaths, and special leave. We also offer funeral supplies when an employee's parent, spouse's parent, spouse, or child passes away.
Reduced Working Hours During Pregnancy	<ul style="list-style-type: none"> To protect the health of pregnant employees and contribute to addressing the low birth rate, we offer reduced working hours (2 hours/day) from the time of pregnancy confirmation until the application for maternity leave.

Supporting a Healthy Life	
Program	Details
Support for Health Check-ups and Medical Expenses	<ul style="list-style-type: none"> We support comprehensive health check-ups (for employees and their spouses) and general health check-ups to monitor health status and prevent or detect diseases early. We also offset medical expenses for employees, their spouses, children, and parents.
Support for Health Counseling	<ul style="list-style-type: none"> We conduct monthly health counseling sessions with nurses from contracted health management agencies who visit our business sites to provide follow-up care based on health check-up results. Additionally, biannual health counseling is provided by doctors and nurses from these agencies.
In-house Cafeteria and Fitness Center	<ul style="list-style-type: none"> We offer free breakfast, lunch, and dinner (three meals a day) at our in-house cafeteria. We also operate fitness centers at each business site, allowing employees to maintain their health regularly.

Supporting a Pleasant Life	
Program	Details
Flexible Working Hours	<ul style="list-style-type: none"> We offer flexible working hours, including staggered work hours and flexible arrival and departure times, allowing employees to choose the most convenient hours for themselves.
Sabbatical Month Program	<ul style="list-style-type: none"> We offer a sabbatical month program for new team leaders and employees with 10 years of service to ensure they get adequate rest.
Summer Vacation and Allowance	<ul style="list-style-type: none"> We provide support for summer vacations and vacation allowances.
Resort Facilities and Leisure Activity Support	<ul style="list-style-type: none"> We operate resort facilities on Jeju Island, and various condos and resorts (e.g., Hanwha Hotels and Resorts, Sono Hotel and Resort, Muju Resort, Oak Valley) and offer lodging support and leisure activity allowances.
Long-service Rewards	<ul style="list-style-type: none"> We offer rewards and vacations for long-term service, including opportunities for overseas training for long-serving employees.
Support for In-house Club Activities	<ul style="list-style-type: none"> We support in-house clubs and activities to cater to employees' interests and hobbies.

Welfare Program Satisfaction Survey

Samyang Corporation routinely carries out satisfaction surveys on our welfare programs. The findings from these surveys serve as crucial benchmarks for evaluating our welfare services and identifying areas for future enhancements. Through this ongoing process, we maintain open communication with our employees, aiming to enhance their quality of life and job satisfaction, boost their morale, and increase work engagement.

Interviews with Employees

Welfare Benefit Expenses		
KRW 18,700 million	KRW 18,707 million	KRW 22,364million
2021	2022	2023

(*) Recalculated as the sum of company expenses and employee benefit fund expenses

Samyang Corporation Chemical Group,
Employee 000

Daycare Center



I've been using Samyang Daycare Center for 4 years, and I'm 100% satisfied. It's a well-known Puruni Childcare Foundation, so the curriculum is solid. Since infants and toddlers need delicate care, the small number of children in the center allows for more thorough attention to each child. Additionally, the daycare has its own cooking facilities, ensuring that meals are served warm and consist of organic ingredients, which is very reassuring. I think the biggest advantage of an in-house daycare center is that children can stay up late and have fun without feeling lonely. (In contrast, at most daycare centers, more than 90% of children feel lonely because of the relative deprivation resulting from the 4 o'clock pick-up time, such as "My friends are going home, but why aren't my mom and dad coming?" Children at in-house daycare centers stay up late together, which is great.) It's also nice to know that if my child gets hurt or sick, I can just go downstairs and care for them. I am grateful for the in-house benefits that allow me to juggle work and childcare.

Samyang Corporation Management Support
PU (Performance Unit), Deputy Manager 000

Parental Leave



After the birth of my child, I took parental leave for a year to take a break from the routine that I had been keeping for over a decade to take care of my child. Thanks to the support of my colleagues, I was very grateful to leave without being pressured, and then returning to my position. It was rewarding to be a primary caregiver when my child needed me the most. After returning to work, I am also happy that my child comes to work with me and considers it natural to have a working mom. I hope that the company continues to become a family-friendly company where my colleagues can work in a flexible and non-discriminating environment.

Samyang Corporation Management Support
PU (Performance Unit), Employee 000

Flexible Working Hours



Flexible working hours are a system that allows employees to work within set monthly working hours. I have been using it since I joined the company two years ago. I use flexible working hours by adjusting my working hours according to my own work schedule, working more during busy periods and leaving work earlier during quieter periods. In addition, colleagues who have children or are engaged in self-development, such as morning exercises, use their morning time more efficiently. Through this welfare program, I have found work-life balance and am enjoying a happy work life.

Ethics and Compliance Management

To achieve sustainable management, it is essential to engage in ethical and compliance management that not only meets economic objectives but also fulfills social and environmental responsibilities. As we expand our businesses and steadily grow, Samyang Corporation strives to practice the principles of ethical management, aiming to foster mutual trust with various stakeholders, including customers, stockholders, and business partners.



Completion rate of Samyang Ethics School
98.7%



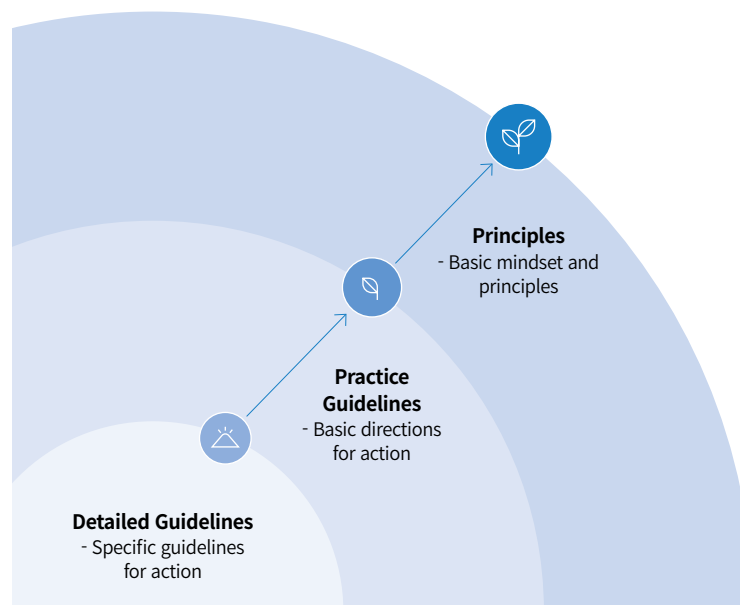
Number of sanctions received from the Korea Fair Trade Commission
None for three consecutive years

Ethical Management

Ethical Management System

Since its establishment in 1924, Samyang Corporation has upheld trust and integrity as the foundational values of its management practices for nearly a century. The company defines ethical management as a strategy that enhances competitive advantage by fulfilling economic, social, and environmental responsibilities, thereby supporting sustainable growth. In 2002, the Code of Ethics was subdivided and codified into basic principles, practice guidelines, and detailed guidelines. In 2006, Samyang Corporation strengthened the internal accounting system to practice ethical management at a global level. In May 2013, Samyang Corporation conducted an ethical management proclamation ceremony to further systematize ethical awareness and promote rational ethical management practices in response to the evolving corporate environment.

Ethical Management System



Ethical Management Principles and Practice Guidelines

Samyang Corporation aims to make positive contributions to society and fulfills its role as “a company that provides ingredients that add value to life.” To achieve this, Samyang Corporation has established ethical management principles which ensure compliance with laws and ethics and fulfill the corporate social responsibilities, which form the foundation for business judgments and behaviors. Ethical management practice guidelines and detailed guidelines are disclosed on the company’s website, and our employees and stakeholders can easily access and consult these resources at any time. All employees of Samyang Corporation are aware of and adhere to the five principles and detailed guidelines of ethical management in their daily work.

[Ethical Management Practice Guidelines](#)

Five Principles of Ethical Management

	Customers	<ul style="list-style-type: none"> • Providing the best products and services and differentiated value • Protecting customer information and respecting their right to know
	Stockholders	<ul style="list-style-type: none"> • Maximizing stockholders’ interests and corporate values • Increasing accounting transparency and disclosing corporate information
	Employees	<ul style="list-style-type: none"> • Encouraging employees to practice their responsibilities and obligations of employees • Promoting positive attitudes among employees • Performing duties fairly • Protecting the company’s properties • Creating a healthy and safe work environment
	Suppliers	<ul style="list-style-type: none"> • Pursuing fair transactions and win-win growth with suppliers • Prohibiting unethical behaviors such as receipt of valuables, entertainment, special treats, and bribery
	Nation and society	<ul style="list-style-type: none"> • Fulfilling corporate social responsibilities • Establishing a sound market order through fair competition • Protecting the environment and maintaining safety

Cultivating Ethical Awareness and Spreading Practice Culture

Cultivating Ethical Awareness Through Ethical Management Education

Samsung Corporation conducts regular ethics training for all employees to deeply embed an ethical corporate culture. The “Samsung Ethics School Plus” program includes education on sexual harassment, ethical management principles and guidelines, as well as compliance training covering embezzlement, malpractice, interference with public duties, the Improper Solicitation and Graft Act, and compliance with fair transaction regulations. Ethics training is compulsory for all employees, irrespective of their job group or position. Before the training, trainees must sign a pledge committing to ethical management. Through these trainings, Samsung Corporation is continuously striving to ensure that all employees recognize the importance of conducting business ethically and complying with regulations.



Ethical Management Pledge

Details of Ethical Management Education

Year	Details	Total Hours of Education
2021	Sexual harassment prevention, disability awareness, workplace bullying prevention, ethical management, and information security (5 courses)	4 hours
2022	Sexual harassment prevention, disability awareness, workplace bullying prevention, ethical management, and information security (5 courses)	5 hours
2023	Sexual harassment prevention, disability awareness, workplace bullying prevention, ethical management, and information security (5 courses)	5 hours

Ethical Audits

Samyang Corporation conducts internal audits, including regular audits, unscripted audits, themed audits, report audits, and ongoing monitoring. The Management Monitoring Team investigates and reports any violations of the Code of Ethics, which are then referred to the Personnel Committee if necessary. Samyang Corporation focuses on preventing issues ahead, rather than addressing them post-detection, to foster a corporate culture rooted in integrity. To achieve this, we aim to raise the ethical standards of all employees by incorporating the cultivation of ethical awareness into our key performance indicators (KPIs).

Regular audits	•Audits conducted biennially across all business sites, including those located overseas. Discovering and disseminating the best practices during audits.
Unscripted audits	•Audits conducted by management instructions and are performed four times a year on average
Themed audits	•Audits conducted across the entire group or designated business units focusing on specific themes •Audits to prevent violation of the Code of Ethics
Report audits	•Audits conducted in response to reports received online and offline
Ongoing monitoring	•Monthly monitoring of personnel, general, finance, accounting, sales, purchase, production, and environmental safety affairs and corporate credit card usage

Ethical Management Reporting Channels and Whistleblower Protection

Samyang Corporation offers a variety of channels for ethics counseling and reporting, including a group's website, dedicated phone lines, fax, email, and postal mail. These channels are designed to facilitate the counseling and reporting of ethical management issues by both internal and external stakeholders. Through these avenues, we receive reports of unethical behaviors that breach our Code of Ethics and practice guidelines. If requested, we provide feedback on the outcomes of these reports to the individuals who submitted them. All reports are handled with the utmost confidentiality. Once a case is resolved, the records are securely disposed of with the approval of the Management Monitoring Team Manager. Additionally, any records stored on computers are deleted to protect the confidentiality of the whistleblowers. To ensure that whistleblowers are not penalized or treated unfairly for making a report, we present detailed information on whistleblower protection measures on our website.

Subjects of reports

- Acts of accepting valuables, entertainment, and benefits from stakeholders such as suppliers
- Improper use of company assets and information or taking unfair advantage of them
- Violations of internal accounting management regulations (intentionally generating false accounting information, forcing the generation of false information, or concealing such acts)
- Unethical behaviors related to other stakeholders

Internal Whistleblowing Process



How to Report

Phone Call/Fax Report

Samyang Group Management Monitoring Team


Ethical Management Officer
Address: 31, Jongno 33-gil, Jongno-gu, Seoul,
Republic of Korea

Tel: +82-2-740-7072 or +82-2-740-7639

E-mail: ethics@samyang.com

Online Reports

The reports received will be processed confidentially.

Reporting Online 

Compliance Management

Compliance Management and Fair Transaction Education

The Compliance Office of Samyang Holdings, which is the holding company for Samyang Corporation, plays a pivotal role in managing these risks. We are dedicated to developing and improving the group's compliance system, monitoring compliance status at overseas affiliates, safeguarding intellectual property such as brands, and delivering compliance training to employees. This proactive strategy enables us to navigate the changing regulatory landscape with practice guidelines for compliance management. Compliance management education covers topics such as embezzlement, malpractice, interference in public duties, and the Improper Solicitation and Graft Act, and adherence to fair transaction regulations. Specifically, newly appointed executives receive annual training on corporate law and compliance oversight. Education on fair transactions intensively addresses the prohibition of collusion, the prevention of international cartels, strategies to prevent collusion, and the prohibition of unfair subcontracting practices. In 2023, seminars are conducted on a delivery payment adjustment system, revisions to the guidelines of the Korea Fair Trade Commission, and the analysis of fair transaction trends. Through these educational programs, Samyang Corporation consistently emphasizes the importance of voluntarily adhering to the compliance program and engaging in fair transactions.

Voluntary Compliance with Fair Transactions

Samyang Corporation strictly adheres to the subcontracting laws and regulations established and amended by the Korea Fair Trade Commission to ensure fair subcontract transactions. To achieve this, Samyang Corporation

has developed four practice guidelines derived from our Four Major Practices, which are rigorously enforced. Employees voluntarily work to improve their compliance. Furthermore, to uphold fair subcontract transactions, an Internal Deliberation Committee has been established, which convenes monthly to review pertinent issues.

Implementation of Fair Transactions with Suppliers

Samyang Corporation strictly prohibits employees from accepting or offering money, gifts, or entertainment to or from business partners or stakeholders. To foster a fair transaction environment, we review contracts in advance and seek legal counsel to pre-screen for potential violations of the Fair Transactions in Subcontracting Act. Additionally, we perform regular inspections during transaction execution to identify and address any violations of the Act. As a result of these efforts, from 2021 to 2023, no sanction had been issued to Samyang Corporation from the Korea Fair Trade Commission.

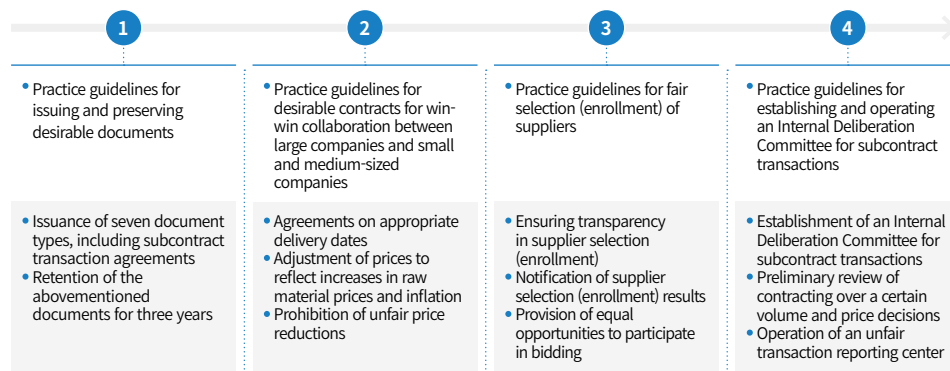
Number of Sanctions Received from the Korean Fair Trade Commission

None for three consecutive years

2021, 2022, and 2023



Four Practice Guidelines of Subcontract Transactions



• CASE STUDY •



Samyang Group Operates a Holiday Gift Return Center

Since 2015, Samyang Group has operated a holiday gift return center to manage valuables (gifts) received unwillingly over the past 10 years as part of its commitment to ethical management. Employees who receive such valuables must complete a gift receipt report and submit it to the Management Monitoring Team. This team then processes the submitted gifts in an ethical and socially responsible way, often by donating them to social welfare organizations. These procedures are vital for fostering a transparent and ethical corporate culture at Samyang Group, creating an environment where all employees can embrace and enact ethical values.

ESG Management System Advancement

Samyang is strengthening its ESG management system to comprehensively manage not only operational and financial risks but also non-financial risks, including environmental and safety concerns. Furthermore, we pursue management practices rooted in integrity and trust, supported by transparent and robust governance.



Attendance rate of board meetings of inside and outside directors

100%



Building an ESG governance system

by establishing the ESG Management Council and the ESG Working-level Council

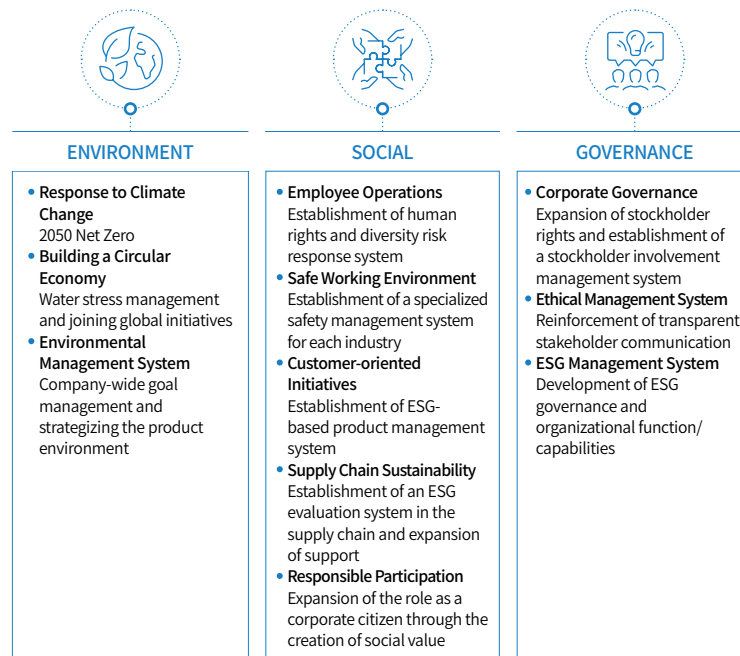
ESG Management System

Direction of the ESG Management System

We grow for a sustainable future for all.

Samyang Corporation has systematized ESG management by selecting goals and tasks that align with the prevailing trends and its core values of integrity and trust. To achieve this, we have established an ESG governance framework and support the implementation of sustainable management on a global level. Additionally, we have prioritized strengthening our ESG business portfolios and advancing the ESG management system as key objectives. Based on this analysis, we will develop short-, mid-, and long-term improvement plans and prioritize tasks for implementation accordingly.

ESG Management System Advancement



Establishing an ESG Governance Framework

Samyang Corporation has established the ESG Management Council and ESG Working-level Council under the ESG Committee to effectively implement ESG management and promote active participation and collaboration across all business units. Anchored by the ESG Team, the ESG Working-level Council includes various relevant departments such as personnel, planning, compliance, finance, safety, environment, and purchasing. This council develops working-level agenda items and initiatives pertaining to ESG management and addresses external disclosures. The ESG Management Council reviews and oversees the major agenda items and tasks carried out by the ESG Working-level Council and supports the ESG Committee.

ESG Governance Framework

Organization	Supervising Department	Role and Responsibility
ESG Committee	Finance Office (twice a year – May and November)	<ul style="list-style-type: none"> Approves major agenda items related to ESG
ESG Management Council (Group Head, CEO, staff executives)	Management Support PU (Performance Unit) (twice a year – April and October)	<ul style="list-style-type: none"> Deliberates major agenda items related to ESG management Reports ESG decisions (agenda items of the ESG Committee and management meetings) Sets and evaluates ESG management KPIs
ESG Working-level Council (13 Heads of ESG-related departments)	Management Support PU (Performance Unit)(once a quarter)	<ul style="list-style-type: none"> Discusses working-level agenda items related to ESG management Reports major agenda items to the ESG Management Council Sets standards of ESG disclosure data and collects data Manages greenwashing risks and inspects internal control mechanisms
Affiliates Overseas corporations	Working-level organizations	<ul style="list-style-type: none"> Entities that practice ESG management Report ESG data

Operation of the Board of Directors

Composition of the Board of Directors

Samyang Corporation strives to enhance corporate value and improve the rights and interests of stakeholders, guided by its management policy of maintaining integrity and trust. The Board of Directors is responsible for making decisions on issues mandated by laws or the articles of incorporation, as well as those delegated by the general meetings of stockholders. Additionally, the Board of Directors handles matters related to the fundamental management policies and significant business management issues of the company. The Board also supervises the management's performance of its duties. As of March 2024, the Board includes nine members: four inside directors and five outside directors. To ensure the independence and fairness of the nomination and appointment process, Samyang Corporation has established the Outside Director Candidate Recommendation Committee. This committee identifies individuals who meet legal qualifications, assesses their independence from the company and controlling stockholders, evaluates their expertise, and recommends candidates who align with the best interests of both stockholders and the company. In addition, to improve the diversity of the Board, a female outside director, Ok-Kyung Yang, was appointed at the general stockholders' meeting in 2023.

Composition of the Board of Directors

(As of the end of March 2024)

Classification	Name	Gender	Position	Appointment Date	Expected Completion of Term	Expertise	Career
Inside directors	Won Kim	Male	Chair of the Board of Directors	2018.03.21	2027.03.21	General corporate management	Vice Chairman of Korea Chamber of Commerce and Industry (Current) Vice Chairman of Samyang Corporation (Current)
	Ryang Kim	Male	Chair of the Outside Director Candidate Recommendation Committee	2018.03.21	2027.03.21	General corporate management	Vice Chairman of Samyang Corporation (Current)
	Ho-Sung Kang	Male	CEO, Chair of the ESG Committee	2021.03.25	2027.03.21	General corporate management (Chemical)	Chemical Group Head, Samyang Corporation (Current)
	Nag-Hyun Choi	Male	CEO	2022.03.25	2025.03.25	General corporate management (Food)	Food Group Head, Samyang Corporation (Current)
	Kwang Kim	Male	Chair of the Audit Committee ESG, ESG Committee member	2020.03.26	2026.03.23	Accounting and tax affairs (Tax accountant)	Director of Gwangju Regional Tax Office President of Sewang Metal Industries Co., Ltd. Representative Tax Accountant of Seyeon Tax Firm (Current)
Outside directors	Dae-Houn Lee	Male	Audit Committee member, ESG Committee member	2022.03.25	2025.03.25	General corporate management (Finance)	CEO of National Agricultural Cooperative Foundation Mutual Finance President of NH NongHyup Bank Non-executive Researcher at Korea Institute of Finance (Current)
	Ok-Kyung Yang	Female	Audit Committee member, ESG Committee member	2023.03.23	2026.03.23	Social welfare (Professor)	Professor, Department of Social Welfare, Ewha Womans University (Current) Director, Walk Together, Social Welfare Foundation (Current) Director, ChildFund Korea (Current)
	Min-Jae Ko	Male	Outside Director Candidate Recommendation Committee member, ESG Committee member	2022.03.25	2025.03.25	Chemical engineering (Professor)	Senior Researcher at Samsung Electronics Senior Researcher at Korea Institute of Science and Technology Professor, Department of Chemical Engineering, Hanyang University (Current)
	Jin-Byung Park	Male	Candidate Recommendation Committee member, ESG Committee member	2022.03.25	2025.03.25	Food engineering (Professor)	Researcher at Doosan Technology Institute Chair for Protein/Enzyme Engineering Committee at Korean Society for Biotechnology and Bioengineering (Current) Professor, Department of Food Science and Biotechnology, Ewha Womans University (Current)

Operation of the Board of Directors

Samyang Corporation is committed to the efficient and rational operation of its Board of Directors to safeguard the interests of both the company and its stockholders. In line with the articles of incorporation and board regulations, the company has established specific board operating regulations that clearly delineate the authority, responsibilities, and procedures of the Board of Directors. The Board of Directors convenes regular meetings at least once per quarter and holds interim meetings as needed to address emergent or significant issues. Regular meetings typically cover agenda items such as the approval of quarterly financial statements and the convening of general stockholders' meetings. Interim meetings are convened to tackle urgent issues and to make critical decisions. Samyang Corporation is dedicated to ethical management, maintaining an active and transparent Board of Directors.

Board of Directors Operations in 2023

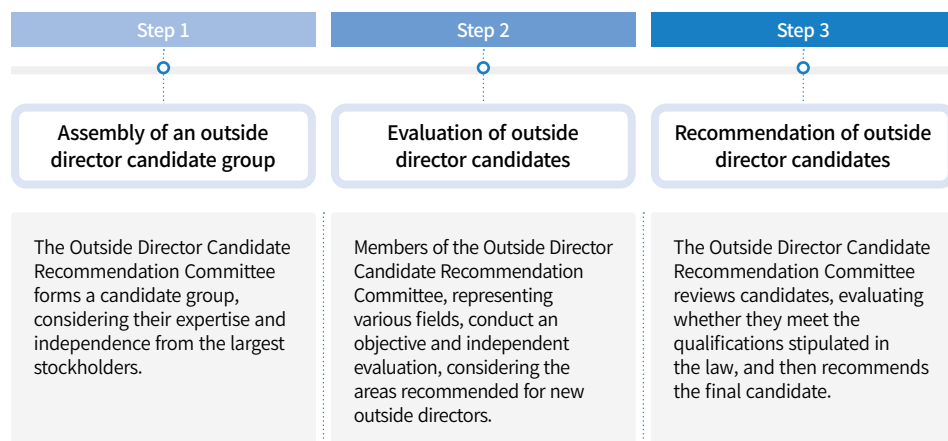
Session	Date Held	Participation Rate	Approval Status	Details of Agenda
1st	Feb. 7, 2023	100%	Approval	Approval of financial statements, consolidated financial statements, and sales reports for the 12th term
			Approval	Entrustment of authority to approve financial statements and consolidated financial statements for the 12th term at the general stockholders' meeting
			Approval	Resolution to convene the general stockholders' meeting at the 12th term
			Approval	Establishment of the ESG Committee and appointment of its chairperson and members
			Approval	Appointment of the chair of the general stockholders' meeting
			Approval	Amendment of the Board of Directors regulations
			Approval	Amendment of the Outside Director Candidate Recommendation Committee regulations
			Approval	Extension of the credit limit contract at financial institutions
			Approval	Extension of loan to Samyang F&B
			Approval	Approval of safety and health plans
2nd	Feb. 17, 2023	100%	Approval	Approval of large-scale internal transactions
			Approval	Recommendation of Audit Committee candidates
3rd	Mar. 14, 2023	100%	Report	Amendment of the meeting agenda for the 12th general stockholders' meeting (Report) Report on the operational status of the internal accounting control system by the Audit Committee
4th	Mar. 23, 2023	100%	Approval	Recommendation of Outside Director Candidate Recommendation Committee candidates
5th	Apr. 20, 2023	100%	Approval	Approval of business transfer (EMS photoresist business)
6th	May 9, 2023	100%	Approval	Change of branch name
			Approval	Approval of large-scale internal transactions
7th	Aug. 10, 2023	100%	Approval	Extension of the credit limit contract at financial institutions
			Approval	Extension of payment guarantee for borrowings of Samyang EP Hungary
			Approval	Approval of large-scale internal transactions
8th	Nov. 7, 2023	100%	Approval	Extension of the credit limit contract at financial institutions
			Approval	Approval of transactions between directors and the company
			Approval	Approval of large-scale internal transactions

Session	Date Held	Agenda
1st	Feb. 7, 2023	<ul style="list-style-type: none"> ① Deliberation on the agenda of the 12th general stockholders' meeting ② Evaluation of the operational status of the internal monitoring system in 2022
2nd	Mar. 14, 2023	<ul style="list-style-type: none"> ① Review of the adequacy of the operational status of the internal accounting management system ② Finalization of the Audit Committee's audit report
3rd	Mar. 23, 2023	<ul style="list-style-type: none"> ① Appointment of the Chair of the Audit Committee
4th	May 9, 2023	(Report) The first quarter review report (Report) Audit of the Board's resolutions
5th	Aug. 10, 2023	(Report) The semi-annual review report (Report) Audit of the Board's resolutions ① Approval of non-audit service contracts for external auditors in 2023
6th	Nov. 7, 2023	(Report) The third quarter review report (Report) Audit of the Board's resolutions (Report) Internal audit results in 2023 ① Deliberation on internal audit plans for 2024

Outside Director Candidate Recommendation Committee

The Outside Director Candidate Recommendation Committee takes an objective and fair approach to deliberating the company's management policies. It identifies and selects candidates for outside directors who are well-suited for overseeing and supporting management. The committee assembles a group of candidates, considering their independence from the largest stockholders and their expertise. After evaluation by the Board of Directors, the committee recommends a final candidate who can represent the interests of both the stockholders and the company. All appointed outside directors of Samyang Corporation are highly qualified individuals who fulfill the legal requirements.

Outside Director Candidate Recommendation Process



Activities of the Outside Director Candidate Recommendation Committee (As of the end of December 2023)

Session	Date Held	Agenda	Approval Status	Names and Attendance Rate of Directors		
				Inside Director	Outside Directors	
				Ryang Kim (100%)	Ick-Hyun Kwon (100%)	Kwang Kim (100%)
1st	Feb. 17, 2023	① Recommendation of outside director candidates	Approval	Approval	Approval	Approval

ESG Committee

Samyang Corporation operates the ESG Committee under the Board of Directors, which is the highest decision-making body, to ensure its sustainable growth. The ESG Committee enhances the company's sustainable growth by strategically and systematically implementing tasks related to environmental, social, and governance issues. It examines the company's ESG management strategy and direction by identifying various topics and issues within these areas, and continuously reviews and approves performance and improvement plans. At the first meeting of the ESG Committee, held on May 26, 2023, the ESG vision framework, the Roadmap to Net Zero Emissions by 2050, and the publication of the Sustainability Report were presented. Additionally, the results of the materiality assessment and six ESG management policies were approved. At the second meeting, held on November 1, 2023, the establishment of the ESG governance system was approved. Furthermore, we plan to introduce and review agenda items including responses to non-financial risks, improvement of non-financial indicators, and reports on responses to domestic and international evaluations. The ESG Committee holds regular meetings twice a year and convenes interim meetings as necessary.

ESG Committee's Major Agenda Items

- | | |
|--|---|
| <ul style="list-style-type: none"> • Establishment of ESG management strategies and plans | <ul style="list-style-type: none"> • Matters related to collaboration with external experts |
| <ul style="list-style-type: none"> • Evaluation of ESG performance and initiatives | <ul style="list-style-type: none"> • Matters concerning the establishment and amendment of the ESG Committee regulations |
| <ul style="list-style-type: none"> • Publication of the Sustainability Report | <ul style="list-style-type: none"> • Other matters delegated by the Board of Directors or recognized as necessary by the committee |

The 1st ESG Committee Report and Resolution (May 9, 2023)

1. Agenda Items for Reporting
 - 1.1 ESG vision framework
 - 1.2 2050 Net Zero Roadmap
 - 1.3 Publication of the 2022 Sustainability Report
2. Resolutions
 - 2.1 Item 1: Approval of 2022 ESG materiality assessment results
 - 2.2 Item 2: Enactment of ESG management policies
 - (1) Environmental management policy
 - (2) Safe and health management policy
 - (3) Biodiversity policy
 - (4) Green purchasing policy
 - (5) Supplier Code of Conduct
 - (6) Human rights management

The 2nd ESG Committee Report and Resolution (Nov. 1, 2023)

1. Agenda Items for Reporting
 - 1.1 Global ESG disclosure trends
 - 1.2 Response measures to ESG disclosure requirements
 - 1.3 Roadmap for ESG management initiatives
 - 1.4 2023 ESG evaluation results
2. Resolutions
 - 2.1 Item 1: Approval of establishing the ESG governance system

Independence, Diversity, and Expertise of the Board of Directors

Samyang Corporation has established a stable, efficient, and transparent corporate governance framework to ensure sustainable growth and protect the interests of stockholders and other stakeholders. This framework is built on the principles of oversight and balance among members, the expertise and diversity of the board, and the transparent disclosure of standard procedures and business outcomes. To maintain oversight and balance, Samyang Corporation has separated the decision-making process from business execution, assigning them to the Board of Directors and the management team, respectively. The management team regularly updates the Board of Directors on the status of business execution. The Board of Directors holds the authority to appoint and dismiss the CEO, which empowers it to oversee and monitor the management effectively.

Independence of Directors

The Board of Directors is the highest decision-making body, responsible for resolving significant management issues within the company. It is structured according to the articles of incorporation and plays a supervisory role in management. To ensure the Board's autonomy, the Chair of the Board of Directors is separate from the CEO. An inside director is appointed as the Chair to facilitate prompt and efficient decision-making and to improve corporate competitiveness. The majority of the Board members are outside directors, chosen to represent various stakeholders and to make independent decisions, free from the influence of controlling stockholders and management. This structure supports strong managerial oversight. The Chair is appointed following the board regulations, and outside directors are appointed based on criteria set by the Outside Director Candidate Recommendation Committee, which assesses each candidate's expertise, impartiality, and transparency. These directors do not have direct interests in the company and are assured a three-year term, during which they can perform their duties independently.

Principles for Director Independence

- The Chair of the Board of Directors is separate from the CEO
- Directors shall not become partners with unlimited liability or directors of other enterprises engaged in the same type of business without the consent of the Board of Directors
- The majority of the Board of Directors consists of outside directors
- Directors' voting rights are restricted for resolutions involving interests

Diversity of Directors

The Board of Directors of Samyang Corporation selects outside director candidates without restrictions on gender, age, nationality, cultural background, race, or ethnicity, ensuring that they do not represent any particular interest. As of March 2024, one of the five outside directors is a woman, comprising 20% of the total.

Expertise of Directors

Samyang Corporation appoints directors who have a thorough understanding of our business portfolio. We consider experts from each business sector, both internal and external, as potential candidates and select individuals with diverse backgrounds, expertise, and responsibilities. Currently, Samyang Corporation has enhanced the expertise of the Board of Directors by appointing directors proficient in various areas including management, food, chemistry, and finance. The expertise of each director is documented in the board skills matrix.

Board Skills Matrix (As of the end of March 2024)

Classification	Ryang Kim	Won Kim	Ho-Sung Kang	Nag-Hyun Choi	Kwang Kim	Dae-Houn Lee	Ok-Kyung Yang	Min-Jae Ko	Jin-Byun Park
Finance/Accounting	●	●			●	●			
Management/Finance/ Administration	●	●	●	●	●	●			
Law					●		●		
Food	●			●					●
Chemistry		●	●					●	
ESG			●			●	●	●	●

Training to Strengthen Expertise of Directors

Samyang Corporation offers professional training programs designed to enhance the qualifications and capabilities of its directors, thereby laying the groundwork for the company's long-term growth and development. We also improve the expertise of outside directors and Audit Committee members by providing training opportunities. These include seminars led by external experts, as well as training on the operations and regulations of the Board of Directors and audits of the internal accounting control system. Furthermore, board members convene in regular or ad hoc meetings to create synergies and complement each other's expertise, effectively tackling the challenges the company encounters.

Remuneration for Directors

Samsung Corporation ensures that the evaluation and remuneration of outside directors do not compromise their independence. The remuneration for directors is approved at the general meeting of stockholders. The amount for each director is determined by comprehensively considering the previous year's business performance, the value of the director's duties, and their contribution to the company. The remuneration for outside directors and Audit Committee members is paid within the limits approved at the general meeting of stockholders. This is in accordance with Article 388 of the Commercial Act, the articles of incorporation, and the board regulations. In 2023, the remuneration limit for directors set at the general meeting was KRW 8,000 million, with the total remuneration paid to directors amounting to approximately KRW 5,996 million. The individual remuneration of directors with a total remuneration of KRW 500 million or more is disclosed in the business report in accordance with relevant laws.

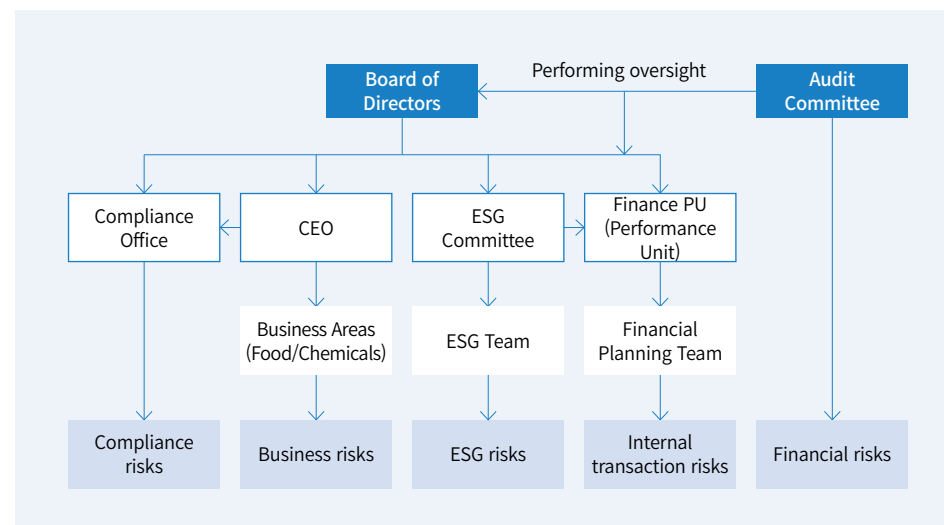
CEO Succession Process

The top management of Samyang Corporation selects CEO candidates at least three to four months in advance to ensure a stable management succession. The company employs an internal process known as “Star Session” to annually select and develop successors for all executive positions, a practice integral to its HR strategy. The pool of CEO candidates consists of individuals with extensive experience and expertise. The HR organization offers these candidates the chance to engage in a CEO course designed to highlight and enhance their core capabilities, experience, knowledge, and skills. Additionally, we partner with external experts to implement a 1:1 coaching program, creating a customized development system.

Risk Management System

Samyang Corporation's risk management policy identifies and analyzes the risks faced by the company, and then establishes appropriate risk limits and control measures. Additionally, each organization within the company has crisis response plans and reporting systems to ensure compliance with these limits. The risk management policy and system are regularly reviewed to reflect market conditions and changes in the company's activities. Samyang Corporation aims to establish an environment that facilitates systematic and rigorous risk management, ensuring that all employees clearly understand and adhere to their roles and responsibilities through training, management criteria, and procedures. The Audit Committee is responsible for overseeing the effective implementation of risk management policies and procedures by management, and for evaluating the functionality of the company's risk management system. The Internal Audit Team aids in this oversight by reviewing the controls and procedures associated with risk management and reporting their findings to the Audit Committee.

Risk Management Organizational Chart



Classification	Organization	Key Roles
Business risks	Board of Directors	<ul style="list-style-type: none"> • Monitors major issues that have a significant impact on business performance and operations • Approves transactions with affiliates and related parties approved by the Board of Directors in accordance with the Monopoly Regulation and Fair Trade Act and the Commercial Act • Approves safety and health plans
Compliance risks	Board of Directors	<ul style="list-style-type: none"> • Monitors ethics, legal compliance, and fair transactions • Tracks violations and establishes improvement plans
ESG risks	ESG Committee	<ul style="list-style-type: none"> • Establishes ESG strategies and sustainable growth plans • Identifies key issues related to ESG
Internal transaction risks	Finance PU (Performance Unit)	<ul style="list-style-type: none"> • Reviews transactions with affiliates and related parties in accordance with the Monopoly Regulation and Fair Trade Act and the Commercial Act • Reviews matters related to internal transactions
Financial risks	Audit Committee	<ul style="list-style-type: none"> • Conducts internal accounting audits • Performs duties regarding matters stipulated in relevant laws or the articles of incorporation and delegated by the Board of Directors

General Issue

Water Resource Management and Biodiversity Conservation	71
Strategies for Talent Recruitment	74
Employee Competency Development	76
ESG Risk Management and Support for Win-win Growth for Suppliers	80
Social Contributions and Local Community Outreach	86
Strengthening Information Security	88
Transparent Disclosure of Information	92
Expanding the Business Portfolio	94

Water Resource Management and Biodiversity Conservation

Samyang Corporation strives to conserve water resources, promote sustainable water consumption, and preserve biodiversity as part of its dedication to environmental protection and sustainable development. These initiatives align with our commitment to corporate social responsibility, contributing to the protection of the global environment and supporting sustainable development for future generations.



Reduction in water pollutant discharge

47 tons

Water Resource Management

Water Resource Risk Management

The global water shortage is intensifying, which is increasing public awareness of the challenges associated with water resources. Samyang Corporation recognizes the crucial role of water resource management within its operations and avoids sourcing water from regions that are severely water-stressed. We adhere to strict internal water management protocols that comply with legal standards. Through these efforts, we aim to mitigate the impacts and contribute to sustainable water management practices.

Wastewater and Water Pollution Management

Samyang Corporation has established and operates internal standards for the discharge of water pollutants to minimize pollution and comply with legal discharge limits. The company treats wastewater through physical, chemical, and biological methods to meet discharge standards, ensuring that contaminated effluent does not enter water systems. Through these efforts, there have been no incidents of hazardous substance leakage into soil or seawater.

Water consumption and using recycling water

Samyang Corporation is acutely aware of the significance of global water resource issues and is committed to reducing wastewater discharge and minimizing water consumption. The company purifies industrial water for reuse in production processes, repurposing the recycled water for various applications, including cooling tower replenishment, prevention facilities, and cleaning. Furthermore, Samyang Corporation ensures that only the necessary amount of treated water is used, aiming to reduce overall water consumption and minimize the energy required for water resource treatment.

Biodiversity Conservation

Environmental Cleanup Activities for Biodiversity Conservation

Samyang Corporation views biodiversity conservation as a cornerstone of its social responsibility. We acknowledge the impact of our operations on natural ecosystems and are dedicated to their preservation. To minimize negative effects, Samyang carefully evaluates the impact of its business activities on local biodiversity. Our conservation efforts include habitat protection initiatives, plogging events, and stream cleanups. In 2023, we carried out 14 such activities at seven of our operational sites.

Biodiversity Policy

- Samyang Corporation will investigate and take necessary measures to prevent and mitigate threats to biodiversity and related factors in all business sites and new projects.
- Samyang Corporation will prioritize protecting rare and endemic species that are at risk. We support local communities, national initiatives, and biodiversity conservation efforts. Additionally, we will provide relevant education to employees to raise their awareness regarding biodiversity conservation.
- Samyang Corporation will focus on minimizing environmental impact and ensure “No net loss” of biodiversity, aiming for a “Net positive impact”. We adhere to standards that exceed the requirements of environmental regulations in the management of air pollutants, wastewater discharge, and waste reduction. Additionally, we engage in on-site environmental campaigns, including the One-Company One-Stream initiative and plogging activities, to enhance these efforts.



Samyang Corporation Ulsan Plant 1, Plogging Event



Samyang Corporation Asan Plant, One-Company One-Stream Cleanup Campaign

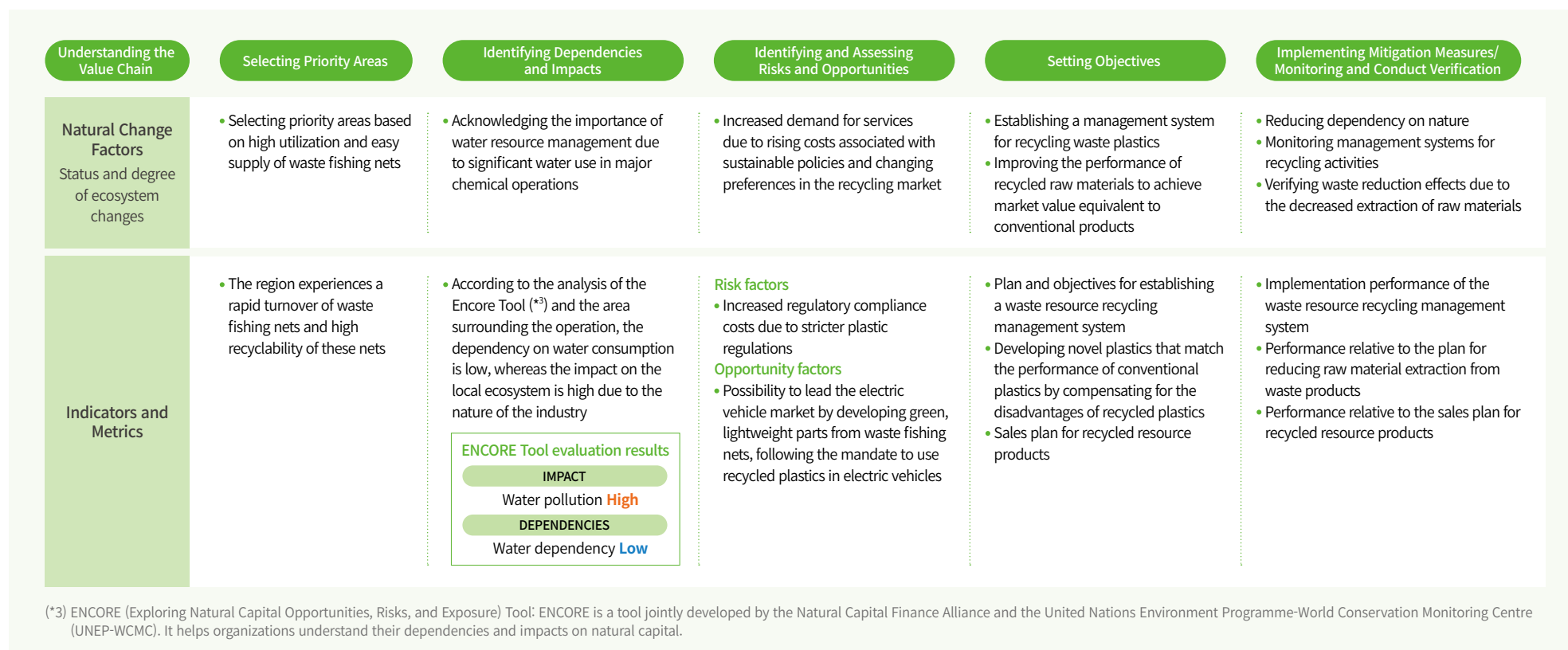
Biodiversity Response

Samyang Corporation's Biodiversity Analysis Results

Samyang Corporation acknowledges the significant ecological damage caused by marine debris as part of its diverse biodiversity initiatives. We recognize that activities promoting resource circulation, such as recycling within our value chain (including the utilization of raw materials), can mitigate this ecological damage. Therefore, an analysis was conducted based on the LEAP ^{(*)2} approach recommended by TNFD ^{(*)1}. The analysis revealed that in Ulsan Jeongja Port, the high occurrence of discarded fishing nets significantly impacts the marine ecosystem. Consequently, this area was prioritized for action. Utilizing collected and recycled fishing nets, Samyang Corporation has developed green and lightweight parts for electric vehicles. Moving forward, we aim to develop leading technology in the global electric vehicle market, where the use of recycled plastic components is mandatory. Simultaneously, we strive to reduce ecological damage and establish a sustainable resource circulation ecosystem.

(*)1 TNFD (Taskforce on Nature-related Financial Disclosures): A global initiative aimed at standardizing natural capital reporting that provides recommendations for companies and financial institutions to disclose their nature-related risks and responses.

(*)2 LEAP (Locate, Evaluate, Assess, Prepare): The TNFD evaluation process involves locating the operational sites, evaluating nature dependencies and impacts on nature, assessing risks and opportunities, and preparing for disclosures based on findings.



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Environmental Conservation Activities

One-Company One-Stream Volunteer Initiative

Samyang Corporation actively participates in various environmental protection activities, linking businesses with local communities through dedicated programs. As part of our commitment to enhancing environmental awareness among employees and contributing to the local community, we annually conduct the One-Company One-Stream volunteer initiative, which includes participation from both employees and suppliers. For example, on March 24, in observance of World Water Day, employees and suppliers from Samyang Corporation's Asan plant participated in the One-Company One-Stream cleanup initiative. Together, they worked to remove invasive plants and collect waste around Shinoncheon.



One-Company One-Stream Cleanup Event Joint Plogging Event

Local Community Cleanup Activities

Samyang Corporation's Incheon Plant 1 conducted local community cleanup activities around the plant's perimeter, including visits to the mineral spring in Seo-gu and E-um Forest in nearby Gajwa. Employees from Incheon Plant 1 engaged in these initiatives, cleaning the water facilities at the mineral spring and collecting litter in the surrounding areas and nearby parks. Through these efforts, they contributed to environmental protection activities within the local community.



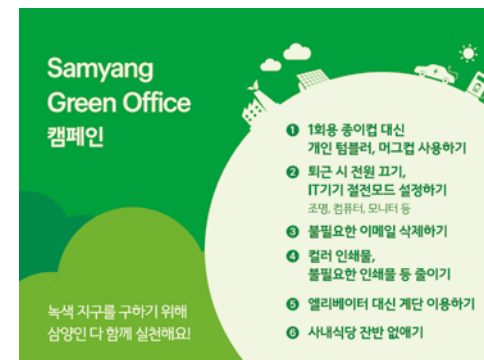
Community Cleanup Activities

Ulsan Plant 1 Joint Plogging Event

Samyang Corporation's Ulsan Plant 1 held a joint plogging event in collaboration with our suppliers, Miwon Chemicals and Foosung. Plogging, an eco-friendly activity that combines jogging with picking up litter, enabled Samyang Corporation and our suppliers to resume external environmental cleanup efforts that had been scaled back due to COVID-19. Furthermore, this event served to strengthen relationships with neighboring companies, which had previously been distant.



Ulsan Plant 1 Joint Plogging Event



Samyang Green Office Campaign Poster

Samyang Green Office Campaign

Samyang Group's Green Office Campaign, known as the Single-Use Items ZERO Challenge, is an employee-driven environmental initiative aimed at enhancing awareness of environmental protection. Employees support conservation efforts by meeting objectives that include saving energy, minimizing waste and plastic consumption, and reducing carbon emissions. Samyang Corporation is dedicated to improving the environment for future generations through these daily small actions.

Strategies for Talent Recruitment

Samyang Corporation actively seeks to attract exceptional talent and create an environment where our employees can thrive. We are dedicated to offering growth opportunities for all employees and enhancing organizational competencies through fair performance evaluations and a transparent reward system. Samyang Corporation consistently pursues continuous growth and development.



Three-year average female recruitment rate

44%



Samyang Group's Recruitment Poster

Talent Recruitment

Talent Acquisition Strategies

The most significant assets driving the future of Samyang Corporation are our members, who exhibit both competitiveness and passion. Samyang Corporation is committed to recruiting outstanding talent that aligns with the company's growth and the specific needs of each organization. To achieve this, we annually offer an industry-academic scholarship program for undergraduate and graduate students, aiming to attract individuals who will excel within our company. Additionally, we implement various initiatives, such as job shadowing and factory tours, to bridge the gap between universities and business sites, thereby helping us identify and secure top talent.

Talent Acquisition and Development

Samyang Corporation invests in its talent, guided by the company's talent philosophy and operational HR principles. The company encourages all employees to fully utilize their competencies, realize their potential, and contribute to the company's growth as well as to the sustainable development of society. Furthermore, we are dedicated to cultivating an open corporate culture that values and respects diversity and expertise.

Core Qualities of Samyang Employees in Driving Innovation

Although each person may be engaged in different tasks, Samyang employees move forward using these three qualities as a single common vision.



Diligence

Diligent individuals who clearly distinguish work and personal matters and immerse in the work and company



Flexibility

Flexible individuals who communicate with an open mind and positively embrace changes



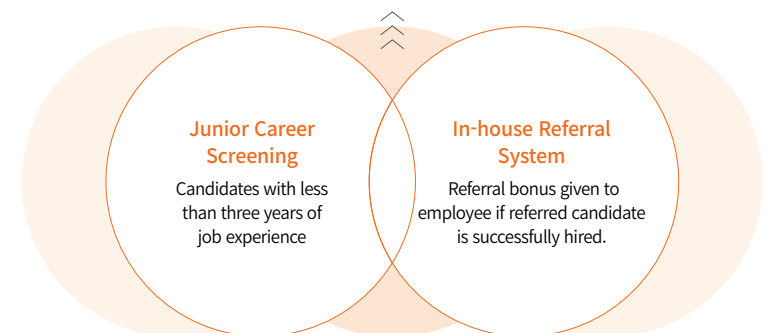
Growth

Growth-oriented individuals who do not remain stagnant, enjoy learning, and proactively pursue personal development

Talent Recruitment System

Samyang Corporation has transitioned from a bi-annual public recruitment approach to a continuous, year-round selection process to identify talent. Besides standard recruitment practices, we utilize multiple recruitment channels including direct search, enhanced online promotion, expanded referral recruitment, and the establishment of networks with leading universities. We ensure that all applicants receive equal opportunities throughout the recruitment process and are not subjected to unfair discrimination based on educational background, gender, religion, or any other factors.

Talent Acquisition System



Direct Search

- Continuous talent acquisition through the "Career" recruitment app

Online Promotional Activities

- Job postings on recruitment platforms
- Online recruitment presentations using the metaverse
- Expansion of social media channels

Offline Promotional Activities

- Recruitment presentations and consultations at various universities
- Job fairs for military personnel
- Tours of the Chemical R&D Center, the Food R&D Center, and the Biopharmaceutical R&D Center
- University partnership programs (business site visits and job shadowing)

Referral Recruitment

- Expanded to 14 universities and the Military Outplacement Training Institute

Key Talent Recruitment Activities

Talent Acquisition Through Online Channels

Samyang Corporation is actively leveraging a variety of online channels, including KakaoTalk and YouTube, to attract top talent. This digital-first strategy enables us to connect with a broader range of potential candidates. By leveraging social media and online platforms, we are creating more dynamic interactions between our company and applicants, which helps to streamline the recruitment process. These platforms are essential for sharing Samyang Corporation's vision, culture, and employment opportunities. Samyang Corporation offers diverse online content to highlight different aspects of our organization, aiming to attract individuals whose values align with ours. Our YouTube channel provides a glimpse into daily corporate life, features interviews with employees, and offers detailed introductions to various job roles. Additionally, we use KakaoTalk for real-time job postings and interactive Q&A sessions, enabling more direct and timely communication with prospective hires.



나에서 우리로, 2023년 삼양그룹 신입사원 연수 프로그램

Samyang Group YouTube Channel



Samyang Group Recruitment KakaoTalk Channel and QR Code

Talent Acquisition Through Offline Channels

Samyang Corporation offers a range of programs to help young talent deepen their understanding of the company and equip them with practical knowledge for their career paths. Among these initiatives, the job shadowing and site visiting program gives students a firsthand look at the company's work environment, encouraging them to reflect on their potential career trajectories. Additionally, the "Meet with a Senior" program enables experienced employees to share their stories and offer practical advice about work life, providing valuable support to prospective employees. These programs play a crucial role in helping young individuals gain meaningful insights into Samyang Corporation and formulate their future career plans more clearly. Through these activities, we actively support young individuals in broadening their understanding of career possibilities and envisioning their futures with greater clarity.

Job Posting

Samyang Corporation operates a job posting system. Job posting is a system designed to prioritize internal recruitment over external recruitment. The pilot program was initiated in December 2022 and has been implemented on a quarterly basis since 2023. The primary objectives of this system are to facilitate career development and job rotation for employees, enhance employee retention, and boost operational efficiency. By appointing employees who already have a thorough understanding of the company to fill vacant positions, the system promotes quicker staffing and improved job performance.



Samyang Group's MZ Yun's First Day at Work Vlog

Employee Competency Development

Samyang Corporation offers a range of educational programs designed to enhance leadership, general, and job-specific skills. In addition to offline training, we facilitate a self-directed learning environment via the Workday learning platform, which features e-learning and microlearning options. Samyang Corporation is dedicated to ongoing investment in the development of its employees' competencies.



Total employee Training hours in 2023

55,052 hours



Total employee educational expenses in 2023

KRW 1,239 million

Establishing a Competency and Expertise based Training System

Joining the Company 1 2 3 4

New Employee Onboarding Process

New Employee OJT

Samyang Corporation facilitates the adaptation of new employees into the organization through a comprehensive onboarding process that spans approximately one year. Upon their employment, new hires access the onboarding webpage via Workday. On the webpage, they view video lectures detailing the company's policies and systems, deepening their understanding of the organization. The onboarding webpage not only enables them to monitor their progress but also offers various tools and resources that are beneficial to their work.

New Employee Onboarding Process

Following the completion of these video lectures, new employees engage in an 8-week on-the-job training (OJT) period. During this period, they acquire practical experience and a deeper understanding of their roles and responsibilities, guided by the senior members of their team. Subsequently, new employees participate in an annual onboarding process that lasts two to three weeks at the Daejeon training center. This process includes programs designed to enhance peer networking.



New Employee Onboarding Process

New Employee Mentoring

Utilizing the metaverse for mentoring, new employees at Samyang Corporation create a career roadmap to establish specific directions and plans for their career growth within the organization. The company selects senior employees whose job roles align with those of the new hires to serve as mentors. Over a six-month period, we facilitate career development activities, including psychosocial activities, job training, and role model interviews, to foster a strong rapport between mentors and mentees. To enhance the effectiveness of these activities, Samyang Corporation offers monthly business trip opportunities and provides financial support. Additionally, we continuously develop and plan training programs designed to help new hires adapt and improve their competencies, and we are committed to strengthening the retention of new employees.

Developing Competencies 1 2 3 4

Job Competency Enhancement Program

Samyang Corporation has implemented a job training system that features video lecture content developed by our talented in-house instructors, utilizing the Workday learning module. Additionally, we intend to provide offline group training tailored to the needs of our employees. Through our degree support system, employees may pursue bachelor's, master's, and doctoral degrees, thereby increasing their expertise in their respective fields. This system concentrates on relevant majors and specializations, facilitating the acquisition of specialized knowledge that is directly applicable to their job functions.

Career Development Planning System

All employees at Samyang Corporation individually develop their career plans. Based on these plans, Samyang Corporation provides tailored training opportunities and supports career advancement through a job rotation system.

Career Development and Job Competency Enhancement Program

Program	Details
E-learning/ Microlearning	On-demand video training via the internal training platform
Job competency enhancement	Competency-based job specialization training (business/unit-specific)
- (1) Internal courses (on/offline)	In-house content development and internal case-based training
- (2) External courses (on/offline)	Support for completing specialized training program for professional development
Degree support system (Bachelor's/Master's/PhD)	Support for obtaining degrees from top universities related to job functions (selection-based)

Developing Competencies



Digital Competency Enhancement Program

Samyang Corporation offers a variety of training programs designed to enhance digital-based thinking skills. These programs focus on improving office automation (OA) skills with an emphasis on Microsoft 365, as well as enhancing proficiency in PowerPoint and Excel. Moreover, we offer introductory and basic courses in robotic process automation (RPA) that integrate theory and practice to improve productivity. Furthermore, we provide digital marketing training for employees in sales-related roles to boost customer engagement and increase sales.

Business Trend Live Seminars

Samyang Corporation conducts monthly business trend seminars on a variety of topics, ranging from future business-related subjects like green advanced materials to trends, self-development, and digital fields. Experts from each respective field are invited to speak, and the seminars are broadcast live on YouTube. This enables employees nationwide to participate in real time and acquire a broad range of insights.



Digital Competency Enhancement Program (Introduction to RPA)

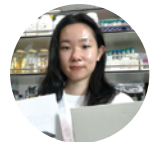
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Third RPA Performance Report Meeting

The third performance report meeting for the robotic process automation (RPA) training program, which began in 2020, took place successfully on November 10, 2023. This meeting represented the culmination of the training program, during which the top-rated trainees discussed their experiences and accomplishments, and showcased the RPA projects they had developed. Of the initial 82 participants, the final 15 were selected through a phased evaluation to complete an advanced training course and successfully automated their tasks. Notably, four of these individuals obtained an RPA Global Expert certification, demonstrating their exceptional capabilities as RPA professionals in their respective fields.

Interview with the Winner of the 3rd RPA Performance Report's Outstanding Projects



• Can you describe your role and the background for RPA initiatives?

Sensory evaluation fundamentally involves the scientific measurement and quantification of taste using human subjects. Conducting a one-hour sensory evaluation requires researchers to engage in three to four hours of preparatory and follow-up activities. Since my graduate studies, I have been involved in conducting sensory evaluation experiments and have considered ways to digitize and streamline the repetitive tasks associated with the pre- and post-experiment phases. It was during this period that I recognized RPA as a solution to this issue, prompting me to initiate this project.

Jin-shil Jung, Samyang Corporation's Food R&D Center Solution Center

sensory evaluations conducted daily from one to three. This increase highlights a growing workload dedicated to sensory testing. Automating these routine tasks can save up to 720 hours annually.

• How are you going to utilize this in the future?

I would like to progressively expand the scope of the RPA I implemented by testing it in actual sensory evaluations and integrating other evaluation methods.

• What was the impact of applying RPA?

First, it has become feasible to save approximately KRW 10 million annually in costs. This saving is comparable to the cost of an annual subscription for specialized sensory evaluation software, similar to the RPA I implemented, which also amounts to about KRW 10 million. Having utilized this software during my student days, I am confident that the RPA I developed provides more advanced user convenience. Second, by reducing the simple labor hours of skilled staff by 720 hours per year, we have significantly improved work efficiency. The Food Research Institute has recently increased the number of

• What are your thoughts and future goals?

I would like to express my gratitude to Director Woo-kyung Jung and Team Leader Hyun-sik Choi from the Food Research Institute for their unwavering support during the specialty application segment of the RPA training. Additionally, I appreciate the substantial assistance provided by Deputy Manager Hyun-chul Son, Ho-sung Kang, and Byung-don Lim throughout the RPA workshop. Through the digital transformation of sensory evaluation, I am committed to further enhancing the capabilities of the Solution Center.

Leadership Competency Enhancement



Leadership Competency Enhancement Program

Samyang Corporation operates a system designed to develop its leadership pipeline, focusing on the expansion of personalized training and the advancement of programs.

Leadership Development Goals for Each Level



Strengthening the ability to select, nurture, and coach the right people

Future Leaders: A Key Talent Development Program

Employees selected as Future Leaders of Samyang Corporation undergo a systematic training program designed to develop their potential as future executives. This program includes leadership skills development, facilitation training, digital competency enhancement, and managerial meetings. Additionally, outstanding individuals among the Future Leaders are supported in furthering their expertise through MBA programs.

Leadership Development Programs by Level

	Program	Details
Management/ Business Executives	External forum for executives	IMI advanced executive program, Korea Green Fund's ESG leadership training courses
	People/Biz. integrated program	Learning leadership for organization/business management
	One-to-one or one-to-many coaching program	Professional coaching and learning about comprehensive leadership
Team Managers	Introductory program for new executives	New executive's organizational scope and understanding of internal systems
	Goals and performance management program (3 times per year)	Setting goals for absolute evaluation, learning know-how about performance management
	Team manager competency enhancement program	Designing courses based on educational needs analysis (elective)
Team Manager Candidates	Introductory program for new team managers	Understanding internal systems, organization/performance management
	Leadership for middle managers Facilitation	Learning about the changing manager role, developing expertise in internal systems, training on coaching Basic/advanced courses

Retirement



Operating Support System for Retirees

Samyang Corporation operates an education program on designing one's future to assist mid- and senior-level retirees in preparing for a stable second life. It offers education on mindset change, life design, and re-employment, providing opportunities for life designing after retirement and support for job transitions. The program is available to employees who are 50 years or older in the year they are scheduled to leave the company for involuntary reasons, such as mandatory retirement or the need for a career change.

Program	Details
Designing one's future for employees (executives/staff)	Covers the necessary mindset to face changes, designing one's life, and understanding the re-employment process

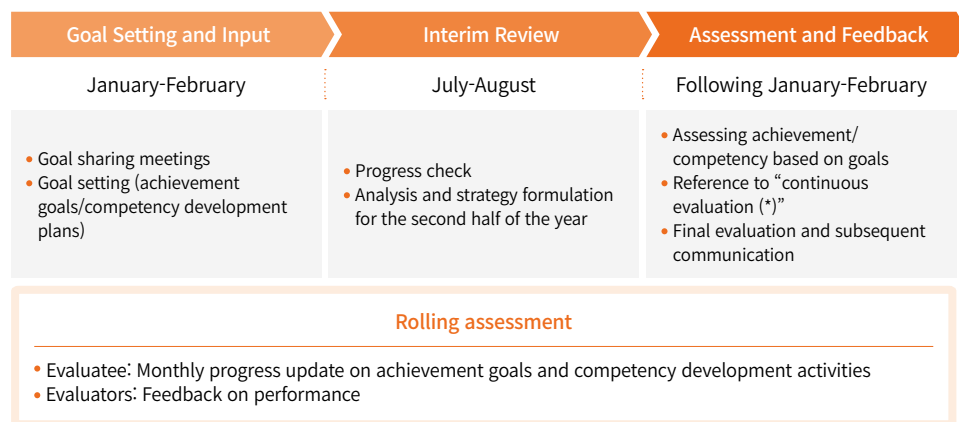
Fair Performance Evaluation, Reasonable Compensation, and Talent Management

Fair Performance Evaluation

Samyang Corporation does not operate a seniority-based personnel management system. Instead, we operate a performance-based personnel system that emphasizes the value and performance of those roles. Samyang Corporation's performance evaluation is divided into two categories: achievement evaluation and competency evaluation. Achievement evaluation measures job performance results based on roles, whereas competency evaluation assesses the individual knowledge, skills, and behaviors necessary for job performance.

Moving away from assessing relative positions within the organization since 2021, Samyang Group has implemented an absolute evaluation method to assess the individual goal achievement rate. To increase the objectivity and adequacy of these evaluations, Samyang Corporation assesses employees' interaction and collaboration skills through monthly evaluation, interim reviews, and comprehensive feedback from peers. This approach allows Samyang Corporation to support the achievement of individual performance goals by implementing an absolute evaluation system that emphasizes the unique value of each individual's job and performance, while also offering regular coaching opportunities.

Performance Evaluation Process



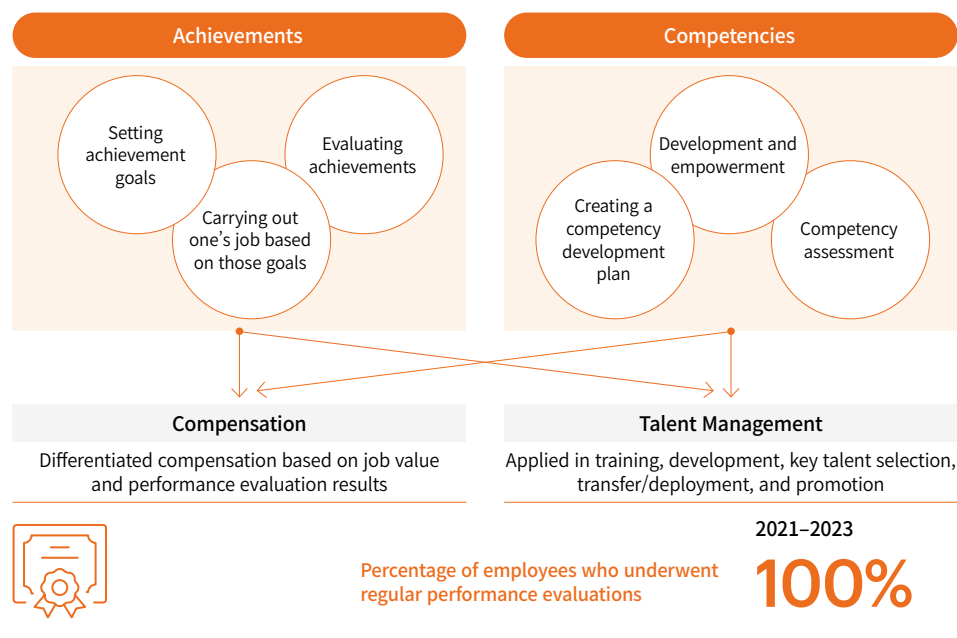
(*) Continuous evaluation: year-round rolling assessment, interim review, and multi-faceted peer feedback

Reasonable Compensation and Talent Management

Samyang Corporation operates an evaluation and compensation system that ensures fair employees compensation based on their performance. The outcomes of these evaluations directly influence annual salary adjustments and incentives, promoting a performance-based compensation structure. Furthermore, exceptional employees receive suitable incentives as a form of motivation. The results from performance evaluations also play a crucial role in talent management, influencing decisions related to training, development, selection of key talent, transfers, deployments, and promotions. Through this job and performance-focused HR system, Samyang Corporation ensures that employee compensation reflects the relative value of each individual's job and performance.

Evaluation, Compensation, and Talent Management

Samyang Corporation systematizes and manages employee performance through evaluations of performance and competency, offers reasonable compensation opportunities, and supports the growth of core talents.



ESG Risk Management and Support for Win-win Growth for Suppliers

Samyang Corporation is committed to ensuring that all our suppliers recognize the significance of ESG (Environmental, Social, and Governance) management, develop the skills to manage it effectively, and achieve win-win growth. To achieve this, Samyang Corporation actively collaborates with our suppliers and has established and operates various management systems to uphold social responsibilities across the entire supply chain.



Practice Guidelines



Fair transaction agreement
Achieved the highest rating

Supplier Selection and Management

Responsible Supply Chain Management

In an increasingly uncertain business environment, close collaboration with various suppliers is essential for a company's sustainable development. Samyang Corporation prioritizes trust and co-prosperity, creating a culture of fair transactions and reinforcing cooperative relationships to achieve win-win growth. By engaging in various exchange activities and implementing win-win cooperation systems, Samyang Corporation is dedicated to building long-term partnerships and consistently working toward win-win growth with its suppliers.

Sustainable Supply Chain Management Policy

Samyang Corporation has implemented a sustainable supply chain management policy to cultivate long-term partnerships and promote sustainable, mutually beneficial growth with our suppliers. This initiative aligns with our ethical management principle of “fostering co-development with suppliers through fair transaction practices.” The policy is designed to increase suppliers' awareness of ESG management and enhance their ability to effectively manage these practices, thereby supporting win-win growth. Furthermore, in our procurement activities, we are committed to fulfilling our social responsibilities by sourcing sustainable raw materials throughout the supply chain.

Implementing Supplier Code of Conduct

Samyang Corporation acknowledges that its purchasing decisions have environmental, social, and economic impacts. In response, we have developed a Code of Conduct for our suppliers. It is now our policy to conduct business exclusively with suppliers who comply with this code, which applies to all suppliers.

Human Rights Management

Safety and Health Management

Management System

Ethics Management

Environmental Management

Fair Supplier Selection

Samyang Corporation has implemented and adheres to practice guidelines for fair supplier selection. These guidelines enhance transparency and fairness in the supplier selection and management processes. These practices contribute to the establishment of equitable subcontracting practices. The guidelines encompass detailed provisions across four key areas of fair transactions, including supplier selection and management. The procurement team at Samyang Corporation is committed to conducting fair, honest, and transparent transactions to maximize value for all stakeholders. They utilize a variety of supplier selection methods, such as comprehensive evaluations, competitive bidding, designated contracts, and sole/exclusive supply agreements. Additionally, they employ pricing strategies including price comparison and cost analysis. The process for identifying and registering potential or new suppliers follows standardized procedures. It is strictly prohibited for individual staff members or departments to register suppliers outside of these established protocols.

Supplier ESG Risk Management Process

Samyang Corporation's chemical and food divisions manufacture products using intricate and varied supply chains. These chains encompass suppliers of raw materials, packaging, and production outsourcing, extending from initial procurement through factories and logistics centers to the end consumers. We are committed to preventing and mitigating ESG risks associated with these partnerships. Additionally, we support the inspection and enhancement of these risks through our supplier ESG risk management process.

1

Samyang Corporation requires all partners to adhere to our Code of Conduct. At the same time, we select key suppliers based on purchasing volume, strategic importance, and the strength of the partnership.

2

We conduct ESG risk self-assessments for key suppliers. These assessments are typically conducted once a year.

3

For partners identified as having high ESG risks based on the written assessment results, we conduct on-site assessments and consulting led by external experts.

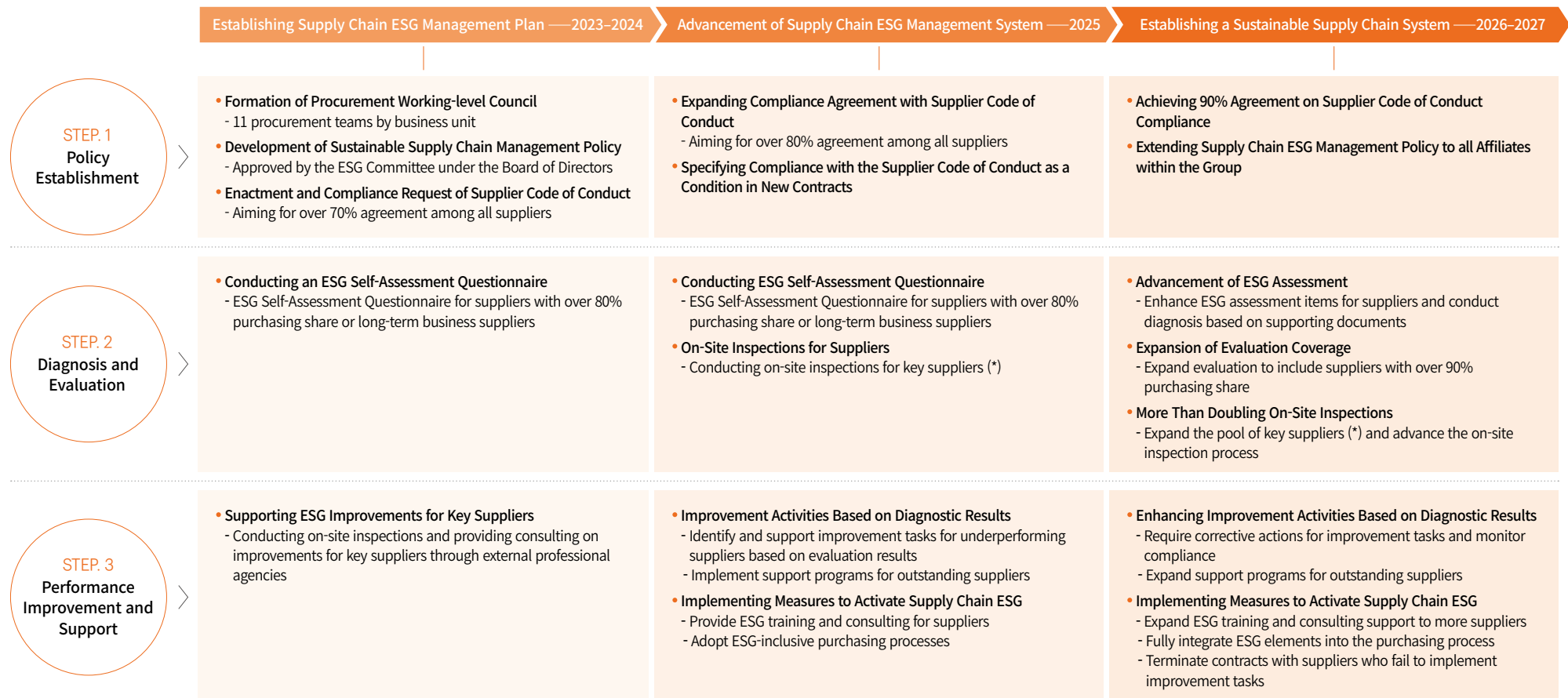
4

ESG risks identified from the assessments are requested to be improved and are monitored. Additionally, Samyang Corporation actively supports measures that are necessary for partners' improvement activities.

Three-Year Roadmap for Establishing a Supply Chain ESG Framework

Samyang Corporation is committed to building a sustainable supply chain that enhances both business sustainability and operational efficiency. We have adopted a systematic approach with a mid- to long-term perspective to achieve these goals. To further define our strategy, we have developed and are currently implementing a detailed three-year roadmap. Through the execution of this roadmap, our objective is to build sustainable relationships with suppliers and establish a basis for mutual cooperation and growth. Ultimately, we aim to positively influence not only Samyang Corporation but also the entire industry through these sustainable practices.

Supply Chain ESG Roadmap



(*) Key Suppliers: Selected based on ESG self-assessment results, transaction volume, and business relationships

Supplier Evaluation

Supplier ESG Self-Assessment Questionnaire

Samyang Corporation acknowledges the responsibility of building a sustainable supply chain and has implemented an ESG Self-Assessment Questionnaire to systematically identify and effectively manage various ESG-related risks faced by suppliers. Tailored to the suppliers' specific circumstances, this evaluation can be conducted either online or offline, and includes 65 questions across five critical areas: environment (18 items), human rights (15 items), safety and health (13 items), ethics (12 items), and management systems (7 items). The evaluation form adheres to the K-ESG guidelines and our Supplier Code of Conduct.

Samyang Corporation identified 48 key suppliers for evaluation from a total of 730 first-tier suppliers. The selection criteria included purchase volume, strategic importance, quality of partnership, and overall impact on business. These suppliers account for 80% of our total procurement value for this evaluation. To date, assessments for 27 of these key suppliers have been completed. Our evaluation identified areas for improvement in 4 companies, which we plan to address collaboratively. Importantly, we found no significant negative social or environmental impacts, and no partnerships were terminated as a result of this process.

Supplier ESG Self-Assessment Questionnaire Criteria



Interview with a Supplier That Underwent ESG Evaluation in 2023

Supplier Stakeholder J:

Our company has conducted targeted inspections and improvements, primarily in the area of food hygiene. However, we have not yet undertaken a comprehensive external ESG due diligence and consulting process. Through recent ESG consulting, we have come to understand that ESG management is essential not only for large corporations but also for small- and medium-sized enterprises (SMEs) to meet the expectations of stakeholders such as subcontractors, consumers, and employees, and to ensure sustainability. Additionally, our ESG training has helped us appreciate the widespread adoption of ESG practices and their impact on SMEs. Moving forward, based on the findings of our monitoring report, we plan to address deficiencies across the environmental, social, and governance dimensions, as well as in food safety.

ESG On-site Diagnostics and Consulting for Suppliers

Samyang Corporation has forged strategic partnerships with external experts to enhance ESG management practices among our suppliers and boost their ESG competitiveness. In 2023, we carried out detailed on-site ESG diagnostics for 8 key suppliers. These suppliers were chosen based on factors such as transaction volume and strategic importance, and quality of partnership. The assessments aim to strengthen the overall ESG competitiveness of Samyang Corporation's supply chain, with a focus on four main areas: labor rights, safety and health, environment, and corporate ethics. Following these assessments, consulting services are offered to pinpoint and address areas needing improvement based on the assessment results. Through this initiative, Samyang Corporation aims to broaden ESG management throughout the entire supply chain and continuously improve ESG competency within it.

A. Labor Rights

- Verifying potential employment cases that violate laws or regulations, such as the Labor Standards Act
- Identifying any infringements of workers' freedom and rights outside of laws and regulations

B. Safety and Health

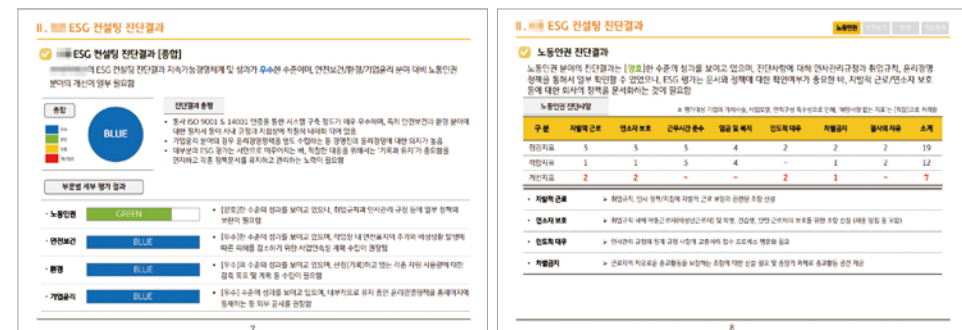
- Checking whether there are any facilities that violate laws and regulations, such as the Occupational Safety and Health Act
- Verifying that appropriate hygiene facilities are provided in relation to workers' health

C. Environment

- Ensuring that workplace facilities and equipment are operating within the legal scope of environmental permits and licenses
- Checking for the presence of a system to monitor and improve environmental performance beyond the minimum licensing requirements

D. Corporate Ethics

- Verifying the existence of procedures to prevent corrupt actions or conflicts of interest among workers
- Inspecting other involvement in business activities that could provoke social controversy



ESG Consulting Diagnostic Results

Win-win Growth with Suppliers

Supporting Win-win Growth Program

Samyang Corporation provides practical support to partner SMEs through various win-win growth programs, including financial and technical support, as well as assistance with quality and hygiene.

Support Programs for Suppliers Win-win Growth

Classification	Program	Description
Financial Support	Supporting win-win growth cooperation loans	We offer loan products to our suppliers at reduced rates through special interest discounts in accordance with the "Win-Win Growth Cooperation Agreement for Joint Support of Samyang Corporation's Suppliers" with IBK Industrial Bank.
Technical Support	Supporting the joint R&D efforts of suppliers	We operate a program that allows suppliers to engage in joint research and development for new product launches. Through this program, top food material research specialists employed at Samyang Corporation present novel ideas and support the entire process from product design to market release.
Hygienic Support	Technical guidance by visiting suppliers	We diagnose and guide the quality management levels of our partner companies and encourage them to improve their response capabilities during third-party audits.
	Supporting technologies for stabilizing OEM production	We provide on-site quality management support during the production of new products by OEM suppliers.
	Operating channels to share legal/regulatory information	We enhance preemptive response and prevention capabilities by sharing updates in real time on the enactment and revision of food hygiene-related laws and regulations, as well as hazard information.
	Supporting HACCP certification and training	We support our suppliers in obtaining and training on quality management system (HACCP) certification.

Samyang Corporation is supporting our suppliers in boosting their sales through a range of promotions and marketing campaigns that highlight confectionery recipes using various sourced and OEM products. In 2023, we also completed 80 visits to 31 suppliers, where we conducted surveys and inspections as part of our hygiene guidance initiative. We anticipate that these efforts will improve our suppliers' quality management capabilities and, in turn, increase their sales.

Evaluating the Win-win Index

The Win-Win Index is a metric designed to evaluate and quantify the level of win-win growth between conglomerates and mid-sized enterprises that hold significant social interest and impact, as defined by the win-win index evaluation criteria. This index is assessed and comparatively evaluated on an annual basis by the Korea Commission for Corporate Partnership, which also publicly announces the ratings for each company. Samyang Corporation received a satisfactory rating for the win-win index and an excellence rating for our fair-transaction agreement.

Communicating with Suppliers

Samyang Co-prosperity Council

Samyang Corporation operates the Samyang Co-Prosperity Council with 101 suppliers who have committed to fair transaction agreements, aiming to maintain equitable transaction relationships and strengthen partnerships further. The Council strives to foster long-term partnerships and win-win growth between Samyang and its member companies through diverse exchange activities and co-prosperity systems.

Operating Internal Deliberation Committee

Samyang Corporation has established a dedicated department to promote win-win growth and enhance supplier partnerships. This department is committed to improving collaboration processes, enhancing payment terms, establishing co-prosperity funds, facilitating technology transfers, and upgrading hygiene facilities. The Internal Deliberation Committee, which includes a chairperson, members, and a secretary, meets monthly to discuss transaction-related issues and develop mitigation strategies. In 2023, the committee convened a total of 12 meetings.

Preferential Payment Terms for Companies with Fair Transaction Agreements

Since 2023, Samyang Corporation has implemented a policy to promote fair transaction practices and mutual prosperity with our suppliers. According to this policy, suppliers who engage in fair transaction agreements are guaranteed full payment in cash within 10 days of delivery. Furthermore, Samyang Corporation has implemented an electronic monitoring system to oversee transactions and prevent any unfair practices.

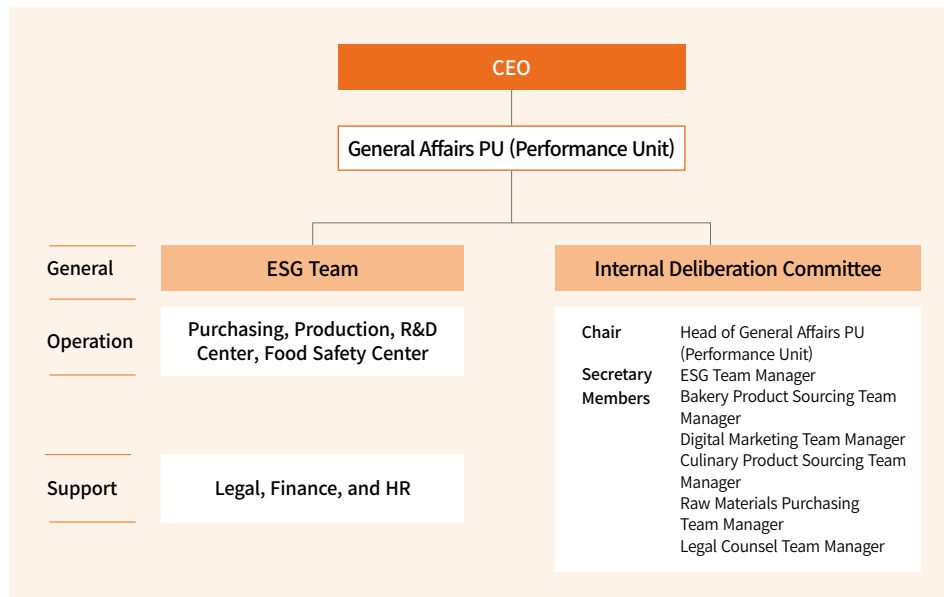
Samyang Corporation ServeQ: Supporting Small Businesses with Technical Seminars

ServeQ, the food service distribution brand of Samyang Corporation, consistently organizes recipe seminars to boost the competitiveness of small bakeries, independent confectioners, and local entrepreneurs facing challenges in product innovation and sales promotion. In 2023, Samyang Corporation reinstated these in-person seminars, which had been on hold since 2020 due to COVID-19. The seminars provided recipes for a variety of breads, desserts, frozen dough, and Western & Chinese cuisine. Held in eight cities across the country, the events drew a total of 674 participants.

Operating Samyang Corporation's Win-win Growth Portal

Under the vision of “Ingredients that Add Value to Life,” Samyang Corporation has established a win-win growth portal designed to foster win-win growth with our suppliers. This portal showcases Samyang Corporation’s philosophy of win-win growth, introduces the Samyang Co-Prosperity Council, and outlines support systems for mutual cooperation. Additionally, it includes a Voice of Customer (VOC) channel within its communication section. To lay the groundwork for future growth through qualitative advancement and to evolve into a global innovative company, we are committed to strengthening our global business foundation. This effort is centered on R&D and aims to achieve win-win growth with our suppliers. With robust execution, Samyang Corporation is dedicated to becoming a company that not only inspires employees with dreams and hope but also provides customers with distinctive products and services, and delivers higher value to stockholders.

Organizational Chart of Samyang Corporation Win-win Growth Operations



Operating Dispute Resolution Procedures

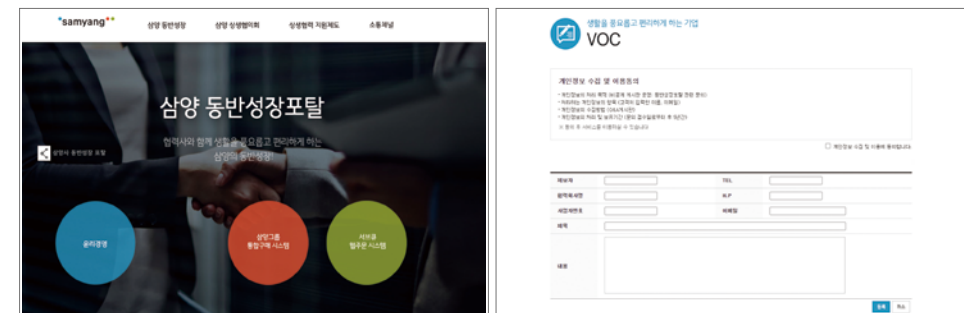
Samyang Corporation has implemented procedures to swiftly resolve disputes and enhance communication with our suppliers. Suppliers can directly submit their dispute resolutions and other feedback to the ESG team via the VOC system on the Samyang Co-Prosperity Portal, bypassing the Procurement Department. These submissions are then presented as dispute resolution proposals at that month’s Internal Deliberation Committee meeting. Dispute cases reviewed by the Internal Deliberation Committee are directly reported to the CEO to ensure timely management. We have updated our regulations to support this process and are dedicated to actively listening to our suppliers’ feedback.

Supplier Dispute Resolution Process



Number of VOC submissions through the win-win growth portal

None



Samyang Corporation Win-win Growth Portal Website

Social Contributions and Local Community Outreach

Samyang Corporation promotes win-win growth with local communities by practicing its corporate philosophy of enriching lives. This is achieved through social contribution activities that focus on talent development, environmental conservation, and health promotion. We emphasize sustainable growth and the enhancement of social value, working collaboratively with local communities to drive positive change for future generations.



Hours spent by employees in volunteer work

966 hours



Number of employees who participated in volunteer work

237 employees

Implementing Social Contribution Activities

Samyang Corporation's Social Contribution Activities

Samyang Corporation is committed to fostering a happy society for all through social contribution activities focused on talent development, environmental conservation, and health promotion. We aim to extend the impact of our efforts beyond the confines of our company, influencing society at large. Guided by the management philosophy of the founder, Chairman Sudang Yeon-Su Kim, which states that “a company should not merely seek profit but should have a sense of historical vocation to the nation and society and take on the responsibility of wealth,” Samyang Corporation has, since its inception, strived to fulfill its historical mission of contributing to national prosperity and societal well-being. To realize Samyang Group’s vision of “Ingredients that Add Value to Life,” Samyang Corporation fosters innovation even in challenging environments. We undertake a variety of initiatives that reflect this vision. By establishing and sponsoring a women’s cycling team, Samyang Corporation supports the development of athletic talent. The annual “Love Nature With Blue Mind : Drawing Festival” festival has evolved into a major environmental campaign, attracting participation from over 2,000 students and parents to raise ecological awareness. Additionally, Samyang Corporation employees engage actively in various volunteer programs to assist underprivileged members of the local community.

Establishing Mid- to Long-term Social Contribution Goals for Co-prosperity with Local Communities

Samyang Corporation is committed to promoting co-prosperity with local communities and building a sustainable future through diverse social contribution activities. By 2025, we aim to broaden the scope and scale of our efforts in social

contribution, with a focus on education, the environment, and local community welfare. Specifically, we are committed to bridging the educational gap and protecting the environment, which will provide greater opportunities for talent development and contribute to the establishment of a sustainable environment.

Social Contribution Achievements

Last year, Samyang Corporation supported nine athletes by managing a cycling team and also hosted a painting festival for kindergarten and elementary school students across the country. Additionally, we launched the “Unicorn Bridge” program, which provides infrastructure, funding, mentoring, and networking support to assist promising startups in their early stages and help them achieve successful launches.



Activity Strategies



Mid- to Long-term Goals of Local Community Engagement

Classification	Programs	Local Communities	2023(Results)	2024(Goal)	2025(Goal)	2026(Goal)
Talent Development	Future Science Camp	Elementary School students near the business sites (Daejeon, Sejong, Chungcheong Province, and others)	93 participants	100 participants	100 participants	100 participants
Environmental Preservation	Love Nature With Blue Mind: Drawing Festival	Elementary school students and kindergarteners near business sites (Jeonju, Gunsan, Wanju, Kimje, and others)	1,116 applicants	1,200 applicants	1,250 applicants	1,300 applicants

Status of Samyang Corporation's Social Contribution Activities

Talent Development



'Samyang Seeds' 7th Inauguration Ceremony

Samyang Group's University Student Supporters: 'Samyang Seeds'

Samyang Seeds are college student ambassadors who help their peers see, hear, experience, and understand the values and activities of Samyang Group's diverse businesses, including chemicals, food, packaging, and biopharmaceuticals. These businesses play a significant role in enhancing the convenience and richness of our lives. During the 7th Samyang Seeds recruitment process, over 600 college students nationwide applied. Following a rigorous selection process that included document screening and interviews, 32 students were chosen from this competitive pool, reflecting a selection ratio of 20 to 1. To bring these students' potential to the top and help them acquire valuable experiences for their future careers, we provide a range of support programs. These include tours of Samyang Group's facilities, mentoring sessions with employees, cooking classes, and lectures, all offered free of charge.

Hosting of the "2023 Future Science Camp with Samyang Group and Yangyoung Foundation"

The Samyang Group Future Science Camp is an annual education social contribution program hosted at the Samyang Corporation Learning Center in Daejeon. It is organized by Samyang Holdings, the holding company of the Samyang Group, in collaboration with the Yangyoung Foundation, a scholarship foundation. The camp offers young people, who are tomorrow's leaders, opportunities for science and technology education. The goal of this educational camp is to enhance their creativity, as well as their scientific and technological skills. Participants engage in lectures delivered by experts from various fields and participate in hands-on experiential programs. These activities help them develop problem-solving skills, understand the importance of science and technology, and enhance their creative abilities.

Samyang Corporation Women's Cycling Team

Samyang Corporation established its women's cycling team in 1986, a time when cycling was relatively unknown in Korea. The company has continued to sponsor and manage the team, significantly contributing to the growth of this overlooked sport. Since its establishment, the Samyang Corporation Women's Cycling Team has not only produced numerous national team members but also set new records in Korea, injecting new life into the once-dormant women's cycling scene. The team recently competed in the 2023 Changnyeong Tour National Road Cycling Competition, which took place in Changnyeong County, South Gyeongsang Province, from February 14 to 17, 2023. They took first place in the general classification. Over the years, the team has secured seven gold, five silver, and two bronze medals in this competition, establishing itself as a dominant force in Korean women's cycling.

Environmental Preservation

Samyang Group Donating KRW 250 Million for Areas Affected by Heavy Rains

In 2023, Samyang Group contributed KRW 200 million and donated medicines valued at KRW 50 million to the Korean Red Cross to aid recovery efforts in regions of central Korea impacted by severe rainfall. The contributions came from Samyang Group affiliates—Samyang Corporation and Samyang Packaging. Additionally, the Samyang Holdings Biopharm Group supported these efforts by donating the arthritis treatment, Rheumastop S Plaster Hot Patch. The Korean Red Cross utilized these funds and medical supplies for recovery initiatives, providing relief supplies and healthcare services to the most affected areas in the South Chungcheong, North Chungcheong, North Gyeongsang, and North Jeolla Provinces.

25th "Love Nature With Blue Mind : Drawing Festival"

Samyang Group and Huvis recently hosted the 25th festival, Love Nature With Blue Mind : Drawing Festival, a nationwide event for kindergarteners and elementary school students. This year, the festival returned to an in-person format for the first time in four years after being held online due to the COVID-19 pandemic. The event is jointly organized by the Sudang Foundation, the scholarship foundation of Samyang Group, along with its affiliates—Samyang Corporation, Samyang Kasei, and Huvis, which specializes in chemical fiber materials. Established in 1996, the festival has grown from a regional environmental event in North Jeolla Province to a major national environmental campaign, drawing over 2,000 students and parents from across the country.

Health Improvement



Samyang 99RUN Donation Ceremony

Samyang Group, Participating in the "99RUN" Donation Campaign to Commemorate its 99th Anniversary, Contributed KRW 40 Million

To commemorate its 99th anniversary, Samyang Group launched a donation campaign to support patients with Lou Gehrig's disease. The campaign, named "99RUN," involved a virtual run instead of a traditional offline event, allowing participants to run individually. Each of the 1,000 participants completed 9.9 kilometers at a location of their choosing and then verified their participation via an app. Samyang Group contributed a total of KRW 40 million to the Seung-il Hope Foundation, a non-profit organization. This amount included all registration fees and an additional KRW 10 million raised by the group itself.

Samyang Corporation's ServeQ, Launches Free Distribution of Christmas Season Cake Posters

ServeQ, a food distribution brand of Samyang Corporation, has extended support to small local bakeries struggling to develop fresh recipes for the Christmas season. The brand released 11 new Christmas cake recipes, meticulously crafted by its in-house pâtissier. To promote these recipes, ServeQ also provided promotional posters at no cost. This heartwarming tradition, initiated in 2013, represents a collaborative effort between ServeQ and the Korea Bakery Association to assist self-employed bakers in creating new menu items.



Strengthening Information Security

Samyang Corporation implements the latest security technologies and employs expert personnel to protect our information assets, analyze risks, and provide comprehensive security education and training. These efforts help create a secure information environment that enhances business sustainability and strengthens customer trust.



Information security incidents at Samyang Group

None



Information security training hours per capita

30 minutes

Information Security Organizational Structure

Information Protection Organization

Samyang Corporation operates a dedicated information protection organization to enhance information security, a critical component in today's information-driven society. This organization's tasks are to develop and enforce the information protection policy and adhere to relevant laws, including the Act on Promotion of Information and Communications Network Utilization and Information Protection, as well as the Personal Information Protection Act. The Information Protection Manager oversees the day-to-day management of information protection activities and reports to the Chief Information Security Officer (CISO). The CISO plays a crucial role in leading, coordinating, and supervising the company's information security initiatives and provides updates to the CEO on the effective implementation of the company's information security strategies and policies. Through this structured organization and clear role delineation, Samyang Corporation protects both company and customer information against internal and external information security threats.

Ky Information Protection Initiatives

The information protection organization carries out essential tasks related to information protection in line with the group's information security framework. These tasks encompass managerial, technical, and physical aspects.



Information Protection Policy

Samyang Corporation has established a comprehensive system to respond to information security threats, ensuring the systematic management of customer information and information assets. To this end, Samyang Corporation has introduced an information protection policy aimed at safeguarding systems from cyberattacks, including hacking and ransomware, thereby protecting users' personal information. This policy delineates the essential security principles that must be adhered to by all our employees, and it specifies methods applicable to various security domains. Building on our foundational information and privacy protection principles, Samyang Corporation has also established information protection regulations that encompass all facets of security management. These include technical, managerial, physical, and personal information security aspects. Through these initiatives, we strive to foster a secure environment where all information assets are comprehensively protected.

Samyang Group IT Security Policy

- Only authorized and approved information assets may be accessed
- External leakage of the company's important information through email, messenger, mobile phones, USBs is strictly prohibited
- All users must access information assets via identification and authentication procedures using unique individual IDs and passwords, and manage their IDs and passwords securely
- All users must promptly report any security incidents to the information protection officer/manager
- All users must meticulously manage document or data permissions and conduct regular audits
- All users must adhere to information protection guidelines, personal information handling procedures, and measures for preventing ransomware infection

Group Security: Three Key Principles of Conduct

- Properly dispose of important documents containing Samyang Corporation's business information**

 - Shred printed materials containing important information after use
 - Ensure that printed documents are not easily visible or accessible to others
- Regularly clean your email inbox at least every three months**

 - Immediately delete unnecessary emails
 - Emails older than three months will be automatically deleted
- Use official communication channels for sharing information**

 - Pay attention to the various Samyang Corporation news and messages released through official communication channels
 - Share meeting content clearly through meeting minutes rather than distributing information irregularly

Privacy Protection Structure

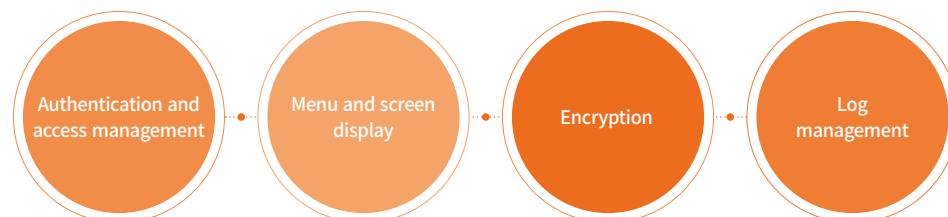
Privacy Protection Management Structure

The privacy protection structure within Samyang Corporation includes the general manager of the entire Group, designated officers and managers from each group company, and department heads and personnel responsible for handling personal information. They supervise and manage privacy protection process, ultimately ensuring strict compliance with the Privacy Protection Policy and guidelines. These efforts demonstrate that Samyang Corporation has established a systematic management framework for the protection and secure handling of personal information. The privacy protection organization has developed a Privacy Protection Policy and guidelines aimed at increasing the safety and reliability of both the organization's and customers' information. These measures are designed to maintain systematic and continuous information protection operations. Samyang Corporation distributes its information security policies, including the Privacy Protection Policy, to all employees for their reference.

Samyang Corporation operates the Personal Information Protection Committee to oversee, discuss, and decide on issues pertaining to the protection of personal information. This committee is led by the head of the Group and comprises the leaders of each subsidiary. Its responsibilities include resolving problems and reviewing significant issues related to standards for protecting personal information. Additionally, Samyang Corporation has formed a Personal Information Protection Working-level Committee. This body discusses how to implement the resolutions of the main committee and facilitates coordination among departments concerned with the protection of personal information.

Personal Information Processing Systems

Samyang Corporation utilizes systematically structured database and application systems to securely process personal information. These systems provide protection through various measures, including authentication and access management, screen display controls, encryption, and log management. Annually, Samyang Corporation conducts a thorough review and management of a comprehensive inventory of systems, detailing the personal information each system processes, the system administrators, the responsible departments, and the status of the stored personal information.



Raising Awareness About Information Security

Identifying Information Security Risks

With the expansion of internet services, cyberattacks such as hacking and ransomware are becoming increasingly common, heightening the risk of both intentional and accidental leakage of internal emails is increasing. Concurrently, the escalation in crimes involving the misuse of personal information highlights the critical need for robust information security. In response, Samyang Corporation has been diligently identifying various internal and external risks and has developed and implemented proactive strategies to prevent the leakage of internal personal and business data.

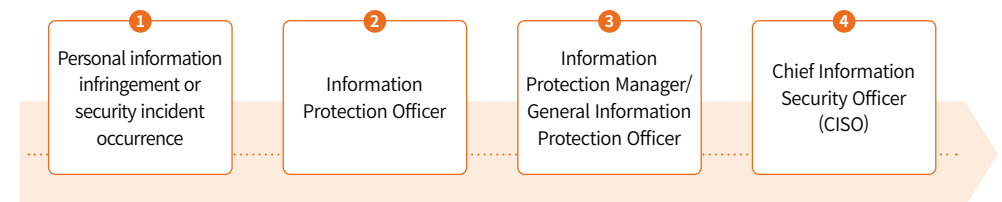
How to Address Information Security Risks

Samyang Corporation has implemented physical security solutions to mitigate both internal and external information security risks and conducts regular information security training to boost employee security awareness. Additionally, Samyang Corporation participates in the Cyber Threat Information Analysis Sharing (C-TAS) (*) program, hosted by the Korea Internet & Security Agency (KISA). This participation enables us to respond swiftly to security breaches and prevent the escalation of damage as cyber threats grow increasingly sophisticated.

In the event of a personal information breach or security incident, the Information Protection Officer at Samyang Corporation analyzes the reported incident to ascertain its circumstances and causes. The findings are then reported to the Information Protection Manager and the Chief Information Security Officer (CISO), followed by the implementation of appropriate response measures.

(*) Cyber Threat Information Analysis Sharing (C-TAS): A system operated since 2014 to respond to widespread infringement incidents across various industries in collaboration with domestic and international companies and organizations.

Security Incident Reporting Process



Information Security Activities

Samyang Corporation is actively engaged in information security activities to effectively protect both organizational and customer information from various security threats, both internal and external. To achieve this, we have established a systematic and continuous security management system by introducing the latest security technologies and deploying specialized personnel. Furthermore, we are committed to enhancing information security awareness through regular security training and real-time threat monitoring, as well as responding swiftly and effectively to potential security incidents.

Implementing a Security System

Samyang Corporation has implemented several security measures to protect internal personal information and business data from external threats. We have upgraded our integrated PC security, anti-distributed denial-of-service (Anti-DDOS) equipment, and intrusion prevention systems (IPS). Additionally, we have established a mailbox backup system, underscoring our ongoing commitment to information protection through strategic investments in cybersecurity infrastructure.

- **Document security system:** Ensures security for documents such as Word, Excel, and PPT files
- **Integrated PC management system:** Manages PCs, portable storage devices, and wireless networks, and monitors illegal software
- **Spam filtering system:** Blocks spam, malware, and virus-containing emails to reduce security threats and improve work efficiency
- **Advanced persistent threat (APT) response solution:** Provides solutions to counter advanced attacks such as ransomware, malware, DDOS, and network intrusions (hacking)
- **VPN:** Offers a secure network environment that allows remote access to the company's internal network for work purposes



Building a Security Information and Event Management System (SIEM)

To improve workplace security, Samyang Corporation initiated the construction of a Security Information and Event Management System (SIEM) in 2023 with its completion in 2024. This system facilitates the real-time collection and analysis of security equipment logs, enabling fast detection and response to cyber threats. As a result, it has enhanced integrated log management and security monitoring, creating a robust framework to effectively counter various internal and external breach attempts.

Building a Data Leakage Prevention (DLP) System

A Data Leakage Prevention (DLP) system is a technology used to monitor and control data leakage across various channels, including messengers, webmail, cloud-based file-sharing services, and USB devices. Samyang Corporation has implemented a DLP system to safeguard sensitive information on PCs and to adhere to the technical protection measures mandated by relevant laws, such as the Personal Information Protection Act, the Credit Information Use and Protection Act, and the Unfair Competition Prevention and Trade Secret Protection Act. Through these initiatives, we are maintaining the prevention of personal information leakage and implementing a more secure information environment.

Assessing Security Vulnerabilities

Samyang Corporation collaborated with a specialized external consulting firm to conduct a thorough analysis of the security environment and perform a vulnerability assessment. This comprehensive analysis identified security threats, which were then meticulously examined and removed based on the findings. As a result, Samyang Corporation is actively engaged in information security initiatives aimed at proactively preventing security incidents and strengthening overall security levels.

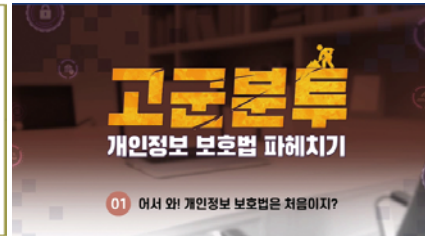


Information Security Training

Samyang Corporation has enhanced workplace security awareness through its comprehensive Samyang Ethics School program and specialized training for data protection staff. We have fortified internal system access controls and established robust policies for business data management, including emails and documents. Regular security notices (37 times in 2023) are disseminated through our internal portal to heighten vigilance against information leaks. These ongoing efforts not only strengthen our business performance and customer trust but also help raise information security and privacy protection standards across Korean industries.



Information Security Training Certificate



Personal Information Training Content

Information Security Training Program

	Details	Training Methods
 Samyang Ethics School	<ul style="list-style-type: none"> - Group IT security status - Importance of security awareness <ul style="list-style-type: none"> ※ Including the need for personal information protection and the scope of personal information - Group security regulations 	<ul style="list-style-type: none"> Online training enrollment <ul style="list-style-type: none"> - Complete externally sourced and in-house created content on the affiliated training provider's website - After completing the courses, sign the online security pledge and take a test to confirm learning outcomes
 Personal Information Protection Training	<ul style="list-style-type: none"> - Basic courses (understanding of the Personal Information Protection Act) - Practical courses (technical and administrative protection measures) - Specialized courses (personal information protection in business planning, implementation, and operations) 	<ul style="list-style-type: none"> Online training enrollment <ul style="list-style-type: none"> - Select and complete an online course provided on the Korea Internet & Security Agency's personal portal site (www.privacy.go.kr) - Submit the training completion certificate upon finishing the course

Simulated Training and Principles of Conduct

Samyang Corporation routinely carries out simulated email virus training to enhance information security awareness and improve employees' response capabilities to potential breaches. These simulations educate employees about the dangers of exposing sensitive information and the importance of cautiously handling emails from ambiguous senders. By emphasizing the risks associated with opening emails from unidentified sources, the training further bolsters their awareness of information security. Additionally, Samyang Corporation has implemented three principles of conduct for information security along with a security compliance pledge system. These initiatives ensure that employees fully understand and adhere to security-related guidelines, thus elevating the overall security awareness and response capabilities of the entire Group.

Participation in the Information Protection Disclosure System

Since 2022, Samyang Corporation has actively embraced the Information Protection Disclosure System, underscoring our commitment to safeguarding user privacy and ensuring transparency. This initiative respects the rights of internet users and also promotes the growth and visibility of the information protection sector. The primary goals of the system are to stimulate investment, increase awareness, and cultivate a security-centric corporate culture across various industries. By participating, Samyang Corporation aims to enhance stakeholder trust and strengthen our capacity to respond to cyber threats through transparent reporting of our investments in information protection, workforce allocation, relevant certifications, and ongoing security initiatives.

Number of Complaints Substantiating Violation of Customer Privacy Protection and Loss of Customer Information

From 2021 to 2023, Samyang Corporation did not experience any security incidents such as customer claims regarding privacy protection violations or loss of customer information. This record is attributable to the company's rigorous management and enhancement of our personal information processing systems. This demonstrates Samyang Corporation's commitment to prioritizing the protection of customer privacy and to preventing information security-related incidents through ongoing improvements to security systems and continuous employee training.

Information Security-related Data



Transparent Disclosure of Information

Samyang Corporation strives to enhance corporate value and stockholder rights through a transparent board composition and clear disclosures of performance evaluations. The company focuses on strengthening communication with stockholders by disclosing both financial and non-financial information. Looking ahead, Samyang Corporation will persist in building stakeholder trust and promote corporate growth by maintaining transparency in its information disclosure practices.



2023 contributions to stockholders,
government, employees, and local
communities (*)

Approximately KRW
247.7 billion

Status of Information Disclosure to Stockholders

Stock Issuance Status

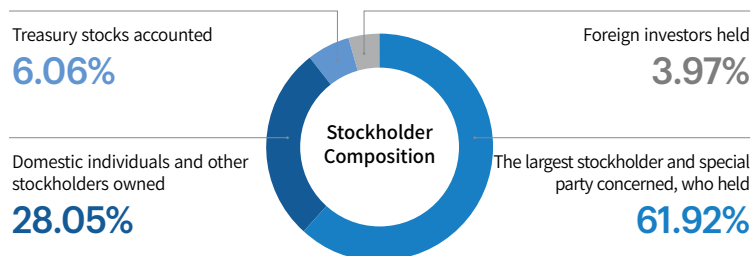
Samyang Corporation allocates voting rights fairly based on the type and number of stocks owned. Each common stock is entitled to one voting right; however, preferred stocks do not carry voting rights. As of December 2023, Samyang Corporation reported a total of 10,313,449 common stocks and 370,070 preferred stocks outstanding. Consequently, the stocks entitled to vote amounted to 9,666,350, representing 90.5% of the total outstanding stocks. The largest stockholder of Samyang Corporation is Samyang Holdings, which owns 61.83% of the stocks.

Classification	Type of Stock	Number of Stocks	Remarks
Total number of stocks issued	Common stocks	10,313,449	Treasury stocks
	Preferred stocks	370,070	
Number of stocks without voting rights	Common stocks	647,099	
	Preferred stocks	370,070	
Number of stocks with voting rights	Common stocks	9,666,350	

(*) As of the end of December 2023 Unit: Stocks

Stockholder Composition

As of the end of 2023, the stockholders of Samyang Corporation comprised the largest stockholder and special party concerned, who held 61.92% of the stocks. Domestic individuals and other stockholders owned 28.05%, treasury stocks accounted for 6.06%, and foreign investors held a 3.97% stake.




Stockholder Composition

Stockholder Return Policy

Samyang Corporation has continuously provided dividends to improve stockholder values. The dividends are determined so that stockholders can receive them stably by considering current net profits, dividend trends, internal and external economic circumstances, and the market environment. Samyang Corporation's basic stockholder return policy aims to maximize long-term stockholder values through stable cash dividends based on the company's performance and corporate value increases based on continuous growth. In February 2024, Samyang Packaging, a subsidiary of Samyang Corporation, entered into a trust agreement to repurchase its own stocks as part of its commitment to a stockholder-friendly policy aimed at boosting stockholder value. For the year 2024, Samyang Packaging set out to repurchase stocks totaling KRW 7.894 billion. By the end of April 2024, the company had already bought back stocks valued at KRW 1.804 billion, amounting to a total of 102,800 stocks. These repurchased stocks are slated to be completely canceled in 2025 to further enhance stockholder value. Furthermore, Samyang Corporation ensures transparency in its financial dealings by disclosing its dividend policy and a five-year dividend history on its website.

Business Year	Closing Month	Stock Type	Stock Dividends	Cash Dividends				
				Dividends per Stock	Total Dividends (KRW 100 million)	Dividend Yield	Dividend Payout Ratio	
							Consolidated Basis	Separated Basis
2023	December	Common stocks	-	1,750	169	3.9	16.45	19.30
		Class stocks	-	1,800	7	6.7		
2022	December	Common stocks	-	1,250	121	3.1	18.21	22.55
		Class stocks	-	1,300	5	4.3		
2021	December	Common stocks	-	1,250	121	2.0	30.53	43.47
		Class stocks	-	1,300	5	3.1		
2020	December	Common stocks	-	1,250	121	2.1	21.81	31.15
		Class stocks	-	1,300	5	2.8		
2019	December	Common stocks	-	1,000	96	2.0	29.66	58.65
		Class stocks	-	1,050	3	2.8		

Recent Five-year Dividend History and Status 

(*) Based on consolidated financial statements

Increasing Stockholder Value

Protecting Rights and Interests of Stockholders

Samyang Corporation ensures that stockholders receive sufficient information through the notice of convocation and the DART(Data Analysis, Retrieval and Transfer System) of the Financial Supervisory Service about the general meeting of stockholders at least 14 days prior to the event. To safeguard stockholders' rights, facilitate the exercise of voting rights, and enhance stockholder participation, Samyang Corporation has introduced an electronic voting system starting with the 8th General Meeting of Stockholders. This decision was made following a resolution by the Board of Directors on February 12, 2019, we provide comprehensive guidance on the general meeting of stockholders and have implemented an electronic proxy solicitation system managed by the Korea Securities Depository. We also offer a proxy voting system for stockholders who cannot attend in person, in compliance with Article 160-5 of the Enforcement Decree of the Financial Investment Services and Capital Markets Act.

Communicating With Stockholders

To ensure that all stockholders have equitable access to corporate information, Samyang Corporation makes such information available on the company's website (www.samyang.com/en) and through other disclosure systems like the Financial Supervisory Service's DART (dart.fss.or.kr), and the Korean Exchange's Corporate Value-up Program, KIND (kind.krx.co.kr). The "IR Information" section of our website provides essential facts, financial data, IR archives, disclosure details, and announcements. We are committed to enhancing stockholders' understanding and trust through regular updates. For our international investors, Samyang Corporation provides a website in both English and Chinese that includes non-financial information such as ESG-related content. Additionally, we have established an "IR Inquiry" section on our website to actively solicit and gather feedback from stockholders.

Samyang Corporation IR Inquiry



Stockholder Proposal System

Pursuant to Article 542-6 of the Commercial Act, stockholders of Samyang Corporation who have held at least 0.5% of the total voting stocks continuously for six months are entitled to propose agenda items for the general stockholders' meeting. These proposals must be submitted either in writing or electronically at least six weeks before the date of the previous year's regular general meeting. The Board of Directors is required to include these proposals in the meeting agenda as long as they are in compliance with the laws and the company's articles of incorporation, and do not fall under the rejection criteria specified in Article 12 of the Act's Enforcement Decree. If requested by the proposing stockholder, the meeting notice will include detailed information about the proposed items. Furthermore, the stockholder will have the opportunity to present their proposals during the general meeting.

Creating and Distributing Economic Values

Samyang Corporation is committed to promoting win-win growth by sharing the value created from its business activities both directly and indirectly with key stakeholders. The company's 2023 consolidated financial statements show sales totaling KRW 2,651.4 billion, which have been strategically allocated among stockholders, investors, employees, government bodies, and local communities. This strategy highlights Samyang Corporation's commitment to balancing profitability with social responsibility. Moving forward, the corporation is committed to continuing its focus on generating and fairly distributing economic value, further strengthening its role in fostering sustainable societal development.

Managing Tax Risk

Samyang Corporation strictly complies with the tax laws of each country of operation, faithfully fulfilling its tax filing and payment obligations. To achieve this, we continuously monitor domestic and international tax laws and the policies of tax authorities to proactively manage tax risks and respond effectively to tax policies. In Europe, China, and Vietnam, local entities report and pay taxes accurately through guidance and advice from local experts. Furthermore, Samyang Corporation and its overseas entities engage in transactions at arm's length prices, in accordance with the Adjustment of International Taxes Act.

Expanding the Business Portfolio

Active investment in new businesses is essential for sustainable growth. Samyang Corporation aims to increase the profitability of its existing businesses through global expansion. Additionally, the company seeks to achieve continuous growth by venturing into new specialty areas within the food and chemical sectors.



Number of intellectual property holdings in 2023

2,078



Number of patent applications in 2023

67

Future Growth Business Portfolio

For future growth, Samyang Corporation has identified “Health & Wellness” and “Advanced Materials” as key growth themes. In the Health & Wellness sector, we are concentrating on the theme of “Aging Well” to enhance the value of a healthy life for our customers. In the Advanced Materials sector, the theme “Connected Life” guides the development of various products aimed at providing a convenient and enriched lifestyle for customers.

Directions of the Portfolio for Future Growth

Growth Theme	Focus	Main Businesses	Key Products and Materials
Health & Wellness	Aging well	<ul style="list-style-type: none"> Sugar reduction Prebiotics 	<ul style="list-style-type: none"> Allulose Dietary fibers such as Resistant dextrin, and fructo-oligosaccharides
Advanced materials	Connected life	<ul style="list-style-type: none"> Water Solution Mobility (batteries/hydrogen) 	<ul style="list-style-type: none"> Uniform ion exchange resins for power generation/ultrapure water, RO, EDI Electrolyte solutions and solid electrolytes



Nexweet



Ion Exchange Resin

Specialty Business Strategy

Samyang Corporation is expanding into new business sectors by developing a range of high value-added specialty products. The company’s new business direction includes materials for the sugar reduction and prebiotics industries. In the food sector, this expansion encompasses products such as allulose, a sugar substitute, and various prebiotics. In the chemical sector, our objectives include fostering new growth drivers, particularly in personal care materials. Initially concentrated on polycarbonate and compound products, which involve mixing materials like resins, additives, and reinforcements, our business portfolio is now broadening. We are incorporating new materials such as water solutions and mobility-related components, including batteries and hydrogen, to maximize performance and encourage specialization.

CASE STUDY



Samyang Innovation R&D Fair (SIRF)

The Samyang Innovation R&D Fair (SIRF) has been held annually since 2012 and has marked its 12th anniversary this year. SIRF highlights and disseminates the research and development accomplishments of all Samyang Group R&D Centers from the previous year, fueling employees’ enthusiasm for R&D and promoting the exchange of knowledge. Samyang Group recognizes and awards outstanding R&D projects for their contributions to competitiveness, innovation, creativity, and other factors, thereby further promoting the R&D culture within Samyang Group.



Samyang Innovation R&D Fair (SIRF)

Appendix

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ESG Facts & Figures

The financial information is presented in accordance with the consolidated standards under the Korean version of International Financial Reporting Standards (K-IFRS). Environmental, Social, and Governance data have been prepared based on Samyang Corporation's separate standards. In instances where there are discrepancies in certain scopes, these have been explicitly indicated through annotations in the report.

Financial Information

Condensed Consolidated Statement of Financial Position

(Unit: KRW million)

Classifications	2021	2022	2023
Current assets	985,176	1,105,796	1,209,397
Non-current assets	1,816,871	1,843,853	1,995,604
Total assets	2,802,047	2,949,649	3,205,001
Current liabilities	749,249	503,591	824,776
Non-current liabilities	626,861	915,068	668,130
Total liabilities	1,376,110	1,418,659	1,492,907
Capital stock	53,417	53,417	53,417
Capital surplus	861,739	863,997	863,997
Other equity items	84,608	73,385	152,848
Retained earnings	312,967	382,651	475,371
Other equity items	(49,105)	(49,473)	(49,510)
Non-controlling interests	162,311	207,013	215,972
Total equity	1,425,937	1,530,990	1,712,095
Total liabilities and equity	2,802,047	2,949,649	3,205,001

Condensed Consolidated Income Statement

(Unit: KRW million)

Classifications	2021	2022	2023
Sales	2,384,454	2,652,439	2,651,439
Cost of sales	1,997,165	2,238,555	2,187,134
Gross profit	387,289	413,884	464,305
Selling and administrative expenses	304,736	331,868	351,105
Operating profit	82,553	82,016	113,200
Other income	27,105	81,419	64,545
Other expenses	36,164	76,841	43,492
Financial income	24,922	54,447	65,341
Financial expenses	23,562	44,807	51,787
Gain or loss on associates using equity method	1,297	1,047	2,001
Income before income tax expense	76,151	97,281	149,808
Income tax expense	19,758	15,034	27,811
Current net profit	56,393	82,247	121,997
Other comprehensive income (loss)	67,667	3,631	77,797
Total comprehensive income (loss)	124,060	85,878	199,794

ESG Facts & Figures

Environmental

Samyang Corporation Consolidated-based Greenhouse Gas Emissions (Scopes 1 & 2)

Classification	Unit	2021	2022	2023
Samyang Corporation	tCO ₂ eq	292,151	270,112	260,575
Samyang Packaging	tCO ₂ eq	149,011	149,468	135,941
KCI	tCO ₂ eq	5,432	5,545	5,297
Samyang EcoTech (*)	tCO ₂ eq	-	-	4,434
Samyang Engineering Plastics (Shanghai) Co., Ltd. (*)	tCO ₂ eq	-	5,905	6,551
Samyang EP Hungary (*)	tCO ₂ eq	-	1,314	1,116
Samyang EP Vietnam (*)	tCO ₂ eq	-	2,265	2,874
Total emissions	tCO ₂ eq	442,160	430,175	416,788

(*) The emissions of overseas business sites and Samyang EcoTech are calculated and verified from 2022 and 2023, respectively.

Chemical Usage and Emissions

Classification	Unit	2021	2022	2023
Chemical emissions	Ton	4.464	5.095	4.465
Chemical usage	Ton	15,525	11,388	11,130

(*) Based on five business sites, excluding two sites exempt from chemical emissions surveys

The data on environmental performance covers seven business sites in Korea unless otherwise noted (Ulsan Plant 1 and 2, Incheon Plants 1 and 2, Asan Plant, Jeonju EP Plant, and Sejong Plant).

Waste Generation

Classification		Unit	2021 (*1)	2022	2023
Designated waste	Recycling	Tons	384	867	292
	Incineration	Tons	230	192	196
	Landfill	Tons	0	0	0
	Others	Tons	1	0	0
	Subtotal	Tons	615	1,059	488
General waste	Recycling	Tons	30,119	25,792	28,092
	Incineration	Tons	1,072	843	840
	Landfill	Tons	723	230	274
	Others	Tons	36	31	0
	Subtotal	Tons	31,950	26,896	29,206
Recycled waste		Tons	30,503	26,659	28,383
Waste recycling rate		%	94	95	96
Total generated waste		Tons	32,565	27,955	29,693

(*1) Sejong Plant data is not aggregated, and the data has been changed due to an error in the subtotal data of general waste

► Target Discharge in 2023

27,181 tons

Violations of Environmental Laws and Regulations

Classification	Unit	2021	2022(*1)	2023(*2)
Number of violations	Cases	0	2	1

(*1) Data is revised due to unidentified cases in 2022.

(*2) Failure to conduct soil contamination inspection was detected after reporting the installation of a facility subject to the control of soil contamination (Article 13 of the Soil Environment Conservation Act). However, the inspection and survey were completed, and the case was closed as no abnormality.

221 tons

ESG Facts & Figures

Social

Ensuring Product Quality and Safety

Classification	Unit	2021	2022	2023
Number of violations related to the safety and health impact of products and services	Cases	0	0	0
Number of violations related to the information and labeling of products and services	Cases	0	0	0

Marketing Communication

Classification	Unit	2021	2022	2023
Violations related to marketing communication	Cases	0	0	0
Cases with penalties or fines due to violations	Cases	0	0	0
Cases with warnings issued due to violations	Cases	0	0	0
Internal guideline violations	Cases	0	0	0

Number of Customer Complaints Received and Handled

Classification	Unit	2021	2022	2023
Customer complaints received	Cases	294	287	336
Completed cases	Cases	294	287	336
Handling rate	%	100	100	100

(*) Data for 2021 and 2022 was recalculated by aggregating the number of customer complaints received by the Chemical Business Unit.

Percentage of Hazardous Substances in the Product

Classification	Unit	2021	2022	2023
Percentage of REACH-restricted substances (Annex 17)	%	0	0	0
Percentage of REACH SVHC substances	%	0	0	0

Employees

Classification		Unit	2021	2022	2023
Total employees (*1)	Male	Persons	1,037	1,007	995
	Female	Persons	289	317	311
	Total	Persons	1,326	1,324	1,306
	Male percentage	%	78.2	76.1	76.2
	Female percentage	%	21.8	23.9	23.8
Total full-time employees	Male	Persons	1,010	973	962
	Female	Persons	249	265	266
	Total (Korea)	Persons	1,259	1,238	1,228
	Male percentage	%	80.2	78.6	78.3
	Female percentage	%	19.8	21.4	21.7
Total contract-based employees (*2)	Male	Persons	27	34	33
	Female	Persons	40	52	45
	Total (Korea)	Persons	67	86	78
	Male percentage	%	40.3	39.5	42.3
	Female percentage	%	59.7	60.5	57.7
Total temporary employees (*3)	Male	Persons	8	5	4
	Female	Persons	0	0	1
Employees by region	Korea	Persons	1,326	1,324	1,306
	Overseas	Persons	0	0	0
Total executives	Male	Persons	26	29	30
	Female	Persons	2	2	2
	Total	Persons	28	31	32
	Female executive percentage	%	7.1	6.5	6.3
Workers who are not employees (*4)	Male	Persons	539	540	528
	Female	Persons	186	187	190
	Total	Persons	725	727	718

(*1) The sum of full-time and contract-based employees.

(*2) Contract-based employees include both registered and non-registered personnel.

(*3) Temporary employees refer to outside directors and do not include part-time workers.

(*4) Workers performing tasks such as production and facility management (security, cleaning, packaging, and delivering) at business sites

ESG Facts & Figures

Social

Recruitment and Turnover

Classification	Unit	2021	2022	2023
New recruitment	Contract-based recruitment	Persons	39	72
	Entry-level recruitment	Persons	61	129
	Experienced professional recruitment	Persons	10	19
	Total	Persons	110	220
Age	<30	Persons	85	181
	30-50	Persons	20	32
	>50	Persons	5	7
Gender	Male	Persons	61	118
	Female	Persons	49	102
Job position	Employees	Persons	108	217
	Executives	Persons	2	3
Turnover	Dismissal	Persons	2	1
	Voluntary turnovers	Persons	63	112
	Voluntary turnover rate (*) (number of voluntary turnovers/total number of employees)	%	81.8	80.6
	Mandatory retirement	Persons	12	26
	Total	Persons	77	139
	Total	Persons	77	139
Turnover by age	<30	Persons	27	41
	30-50	Persons	31	67
	>50	Persons	19	31
Turnover by gender	Male	Persons	64	109
	Female	Persons	13	30

(*) Data for 2021 and 2022 are recalculated due to the changes in criteria of voluntary turnover rate.

Employee Diversity

Classification	Unit	2021	2022	2023
Percentage of socially disadvantaged individuals among employees	%	2.6	2.0	1.9
People with disabilities (*)	Persons	11	7	6.1
Veterans (*)	Persons	25	19	19
Men in managerial positions	Persons	634	581	565
Percentage of men in managerial positions	%	84.2	79.6	79.1
Women in managerial positions	Persons	119	149	149
Percentage of women in managerial positions	%	15.8	20.4	20.9
Employees aged under 30	Persons	214	256	219
Percentage of employees aged under 30	%	16.1	19.3	16.8
Employees aged 30 to 50	Persons	864	809	817
Percentage of employees aged 30 to 50	%	65.2	61.1	62.5
Employees aged over 50	Persons	248	259	270
Percentage of employees aged over 50	%	18.7	19.6	20.7

(*) Average monthly hires

Years of Service

Classification	Unit	2021	2022	2023
Average years of Service	Year	13	14	14

ESG Facts & Figures

Social

Employees by Job Category and Position

Classification	Executives or Higher		Managers or Higher		Assistant Manager or Lower	
	Male	Female	Male	Female	Male	Female
Unit	Persons	Persons	Persons	Persons	Persons	Persons
Supervising position	26	1	72	7	0	0
Other positions	4	1	330	72	534	186

Fair Performance Evaluation and Compensation

Classification	Unit	2021	2022	2023
Percentage of employees who received regular performance evaluation (male)	%	100	100	100
Percentage of employees who received regular performance evaluation (female)	%	100	100	100
Percentage of employees who received regular performance evaluation (full-time)	%	100	100	100
Total salary amount	KRW million	100,654	100,867	97,716
Average salary per capita	KRW million	76	78	75

Classification	Unit	General Positions			Research Positions		
		Rank	Title		Rank	Title	
Percentage of the starting salary of new employees relative to the minimum wage at business sites (male)	%	P4 : 116	P4 : 116	P4 : 116	M	Team manager	
	%	P3 : 186	P3 : 177	P3 : 172	P1	General manager	
	%	R : 202	R : 193	R : 191	P2	Deputy manager	
Percentage of the starting salary of new employees relative to the minimum wage at business sites (female)	%	P4 : 116	P4 : 116	P4 : 116	P3	Section manager	
	%	P3 : 186	P3 : 177	P3 : 172	P4	Assistant manager	
	%	R : 202	R : 193	R : 191		Employee	

(*) A rank-based salary system is operated in accordance with the job rank system on the right.

Employee Education

	Classification	Unit	2021	2022	2023
Training hours	Total training hours	Hours	55,279	52,843	54,839
	Training hours per capita	Hours	62.3	65.8	59.1
	Training hours for male capita	Hours	66.6	66.5	62.5
	Training hours for female capita	Hours	45.7	63.5	50.1
Educational expenses	Total educational expenses	KRW million	822	1,059	1,239
	Educational expenses per capita	KRW million/person	0.65	0.86	1.01

(*) Data for training hours and educational expenses have been recalculated due to the changes in calculation criteria.

Retirement Pension Operation Based on Separate Financial Statements

	Classification	Unit	2021	2022	2023
Defined benefit (DB)	Number of holders	Persons	1,163	1,039	1,086
	Reserve	KRW million	79,019	84,018	84,755
	Reserve ratio	%	91.5	119.8	109.9
Defined contribution (DC)	Number of holders	Persons	118	146	147
	Guarantee rate	%	100	100	100

Grievances Handling and Number of Cases of Employee Discrimination

Classification	Unit	2021	2022	2023
Sexual harassment	Cases	0	0	0
Workplace bullying	Cases	2	1	1
Disabilities and racial discrimination	Cases	0	0	0
Handling rate	%	100	100	100

ESG Facts & Figures

Social

Parental Leave (*1)

Classification		Unit	2021	2022	2023
Employees who used parental leave (*2)	Male	Persons	3	5	8
	Female	Persons	17	14	15
Employees who returned after parental leave (*3)	Male	Persons	3	5	4
	Female	Persons	16	15	17
Employees who have worked for at least 12 months after returning from parental leave	Male	Persons	3	1	4
	Female	Persons	16	7	16
Rate of return to work after parental leave(*4)	Male	%	100	100	100
	Female	%	94	100	100

(*1) In accordance with the Equal Employment Opportunity and Work-family Balance Assistance Act, all employees with dependents of 8 years old or younger earn eligibility in applying for parental leave. The number of employees eligible for parental leave is not separately counted.

(*2) Those who took parental leave during the year

(*3) Those who returned to work during the year

(*4) Those who returned to work early from parental leave are considered to have returned to work during the year

Support for Suppliers

Classification	Unit	2021	2022	2023
Annual average balance of win-win growth fund	KRW 100 million	103	108	122
Limit of win-win growth fund	KRW 100 million	162.5	162.5	162.5
Number of companies supported for win-win growth	EA	20	20	28
Number of companies subject to win-win growth	EA	55	98	101

Social Contribution Performance

Classification	Unit	2021	2022	2023
Donations	KRW million	652	135	393
Scholarship foundation(*)	KRW million	1,613	1,833	2,463
Cycling Team	KRW million	995	1,184	1,209
Volunteer activities	KRW million	35	37	37
Total	KRW million	2,895	2,789	3,702

(*) The scholarship foundation consists of scholarship of Yangyoung-Sudang Foundation, research funding, and the Sudang Prize fund. Data values in 2021 and 2022 are revised due to the addition of the Sudang Prize fund in the current report.

Labor Union and Collective Bargaining

Classification	Unit	2021	2022	2023
Employees who joined the union(*1)	Persons	388	392	394
Union membership rate(*2)	%	29	30	30
Minimum notification period regarding operational changes	Day	7	7	7

(*1) All employees who join the labor union are covered by collective bargaining. Other employees are covered by Employee handbook.

(*2) Percentage based on employees who are eligible to join

Status of Labor Unions

Business Site	Higher Organization	Name
Ulsan 1	Federation of Korean Chemical Worker's Union	Samyang Corporation Ulsan Plant Labor Union
Ulsan 2-1	Korean Chemistry & Textile Federation of Unions	Samyang Corporation Office
Ulsan 2-2	Federation of Korean Chemical Worker's Union	Samyang Corporation Ulsan Plant 2 Labor Union
Ulsan 2-3	Federation of Korean Chemical Worker's Union	Samyang Corporation Ulsan Plant Labor Union Chapter
Incheon 1	Federation of Korean Chemical Worker's Union	Samyang Corporation Incheon Plant 1 Labor Union
Incheon 2-1	Federation of Korean Chemical Worker's Union	Samyang Corporation Incheon Plant Labor Union
Incheon 2-2	-	Samyang Corporation Incheon Plant 2 Labor Union
Asan	Federation of Korean Chemical Worker's Union	Samyang Corporation Asan Plant Labor Union
Jeonju EP	Federation of Korean Chemical Worker's Union	Samyang Corporation Jeonju Plant Labor Union
Sejong	Federation of Korean Chemical Worker's Union	Samyang Corporation Sejong Plant Labor Union
Office Manager (Chemical)	Korean Chemistry & Textile Federation of Unions	Samyang Corporation Office Manager Office
Office Manager (Food)	Korea Federation of Food Industry Worker's Union	Korea Food Industry Service Labor Union Samyang Corporation Chapter

ESG Facts & Figures

Governance

Creation and Distribution of Economic Values

Classification	Unit	2021	2022	2023
Business areas	EA	2	2	2
Business sites in Korea	EA	21	21	21
Overseas business sites	EA	7	7	7
Sales of business sites in Korea (*)	KRW million	2,257,872	2,515,726	2,538,253
Sales of overseas business sites (*)	KRW million	211,194	194,680	171,659
Sales-related expenses (cost of sales, selling, and administrative expenses)	KRW million	2,301,901	2,570,426	2,403,301
Employee wages	KRW million	168,086	166,482	178,430
Interest expenses for creditors and lenders	KRW million	20,199	25,563	33,485
Income tax expenses	KRW million	19,758	15,034	27,811
Income tax paid	KRW million	27,251	11,773	14,534
Income tax burdened	KRW million	15,264	11,782	27,376
Donations	KRW million	865	237	646
Total dividends	KRW million	12,564	12,564	17,582

(*) A sum of individual sales of subsidiaries

Trainees and Completion Rate of Ethical Management Education

Classification	Unit	2021	2022	2023
Trainees (*)	Persons	1,235	1,189	1,287
Completed trainees	Persons	1,226	1,171	1,270
Completion rate	%	99.27	98.49	98.68

(*) Excluding part-time workers, overseas dispatchers, and outside directors during the year

Ethical Risk Assessments for Business Sites

Classification	Unit	2021	2022	2023
Business sites that performed ESG risk assessments (regular audits), including assessments of corruption risk (*)	EA	4	6	6
Percentage of business sites that performed ethical risk assessments	%	100	100	100

(*) All risk assessments are conducted biannually for all business sites. No significant corruption risks were identified.

Violations of the Code of Ethics

Classification	Unit	2021	2022	2023
Reports received	Cases	7	6	11
Corruption confirmed	Cases	6	5	5
Handling rate	%	100	100	100
Disciplinary actions	Cases	3	4	5

(*) No cases in which contracts with suppliers were terminated or contract renewals were canceled due to corruption during the reporting period and lawsuits were filed against the organization or its employees in relation to corruption.

Types of Violations of the Code of Ethics

Classification	Unit	2021	2022	2023
Corruption	Cases	3	1	1
Suppliers	Cases	0	0	0
Theft	Cases	0	1	0
Others	Cases	0	2	4
Total	Cases	3	4	5

ESG Facts & Figures

Governance

Remuneration for Executives

Classification	Unit	2021	2022	2023
Pay of the employee with the highest salary	KRW million	1,827	2,517	2,433
Total remuneration of registered employees	KRW million	4,892	6,226	5,997
Average pay of employees (excluding CEO)	KRW million	76	78	76
Pay of highest salary/average pay of employees	Times	24.04	32.27	32.02
Rate of increase in annual total remuneration(*)	%	29.0	27.3	-3.68

(*) Rate of increase in total remuneration of registered executives compared to the previous term

Stock Ownership of Executives

Classification	Unit	2021	2022	2023
Number of stocks owned by CEO (common stocks)	Stocks	0	0	0
Number of stocks owned by directors (common stocks)	Stocks	5,553	5,553	5,553

Operations of the Board of Directors

Classification	Unit	2021	2022	2023
Total Board meetings held	Sessions	8	7	8
Agenda discussed	Items	24	22	23
Attendance rate of inside directors	%	100	97	100
Attendance rate of outside directors	%	79	97	100
Approval rate of outside directors	%	100	100	100

(*) As of the end of December 2023

Remuneration for Directors

(Unit: Persons, KRW million)

Classification	Number	Total Remuneration	Average Per Capita
Registered directors (excluding outside directors and Audit Committee members)	4	5,724	1,431
Outside directors (excluding outside directors and Audit Committee members)	2	122	61
Audit Committee members	3	150	50

(*) As of the end of December 2023

Tax Payment of Major Entities

Entity Name	Unit	Sales	Earnings before Tax	Tax Payment (Refund)
Samyang Corporation	KRW million	1,998,767	111,471	8,773
Samyang Packaging	KRW million	413,415	29,337	967
KCI	KRW million	109,946	13,342	4,658

(*) Based on the separate consolidated financial statements in 2023

R&D Investments

Classification	Unit	2021	2022	2023
R&D expenses	KRW million	18,230	18,371	21,019
Number of patent applications	Cases	91	43	67

GRI Index

Samyang Corporation has published its Sustainability Report, detailing the management activities and performance from January 1 to December 31, 2022. This report adheres to the GRI Standard 2021. Additionally, Samyang Corporation meets all nine requirements outlined in GRI 1 (2021). As there are no specific standards for the chemicals and food and beverages sectors, no separate standards have been applied. The material issues for Samyang Corporation during the 2023 reporting period are detailed in the “Materiality Assessment” section of this report.



General Disclosures

Index	Page(s)	Remarks
The organization and its reporting practices		
2-1 Organizational details	5, 7	
2-2 Entities included in the organization's sustainability reporting	2	
2-3 Reporting period, frequency and contact point	2	
2-4 Restatements of information	31, 52, 60, 98~103	
2-5 External assurance	112~113	
Activities and workers		
2-6 Activities, value chain and other business relationships	5~9, 80	
2-7 Employees	100	
2-8 Workers who are not employees	100	
Governance		
2-9 Governance structure and composition	65~66	
2-10 Nomination and selection of the highest governance body	67~68	
2-11 Chair of the highest governance body	65, 68	
2-12 Role of the highest governance body in overseeing the management of impacts	64, 67	
2-13 Delegation of responsibility for managing impacts	64, 66, 67	
2-14 Role of the highest governance body in sustainability reporting	13, 64, 66, 67	
2-15 Conflicts of interest	65, 67, 68	Refer to the 2023 corporate governance report (p.13-14 and p.28-29)
2-16 Communication of critical concerns	64, 67	
2-17 Collective knowledge of the highest governance body	68	
2-18 Evaluation of the performance of the highest governance body	N/A	Insufficient information (performance evaluation has not been conducted)
2-19 Remuneration policies	69	Refer to the 2023 business report (p.505-506)
2-20 Process to determine remuneration	69	Refer to the 2023 business report (p.31-33)
2-21 Annual total compensation ratio	N/A	No information disclosure

Index	Page(s)	Remarks
Strategy, policies and practices		
2-22 Statement on sustainable development strategy	4	
2-23 Policy commitments	20 (Environmental Management Policy), 25 (Green Purchasing Policy), 45 (Safety and Health Management Policy), 53 (Human Rights Management Policy), 71 (Biodiversity Policy), 80 (Sustainable Supply Chain Management Policy), 64, 67	
	20 (Environmental Management Policy), 25 (Green Purchasing Policy), 45 (Safety and Health Management Policy), 53 (Human Rights Management Policy), 71 (Biodiversity Policy), 80 (Sustainable Supply Chain Management Policy), 24, 35, 50, 53, 62, 63, 64, 67	
2-24 Embedding policy commitments	13, 53, 62, 63, 83, 85, 86, 102	
2-25 Processes to remediate negative impacts	62	
2-26 Mechanisms for seeking advice and raising concerns	63, 100, 104	Refer to the 2023 business report (p.515-516)
2-27 Compliance with laws and regulations	111	
2-28 Membership associations	12	
Stakeholder engagement		
2-29 Approach to stakeholder engagement	53, 103	
2-30 Collective bargaining agreements		

GRI Index

● Material Topics

Index	Page(s)	Remarks
GRI 3: Disclosures on material topics		
3-1	Process to determine material topics	13~15
3-2	List of material topics	

Material Issues

Index	Page(s)	Remarks
Environmental Management and Climate Change Response		
3-3	Management of material topics	13~15, 17
GRI 301: Materials		
301-2	Recycled input materials used	25~27 Refer to the 2023 business report (p.204)
GRI 302 : Energy		
302-1	Energy consumption within the organization	31
302-3	Energy intensity	31
302-4	Reduction of energy consumption	30, 31
GRI 305 : Emissions		
305-1	Direct (Scope 1) GHG emissions	31, 98
305-2	Energy indirect (Scope 2) GHG emissions	31, 98
305-3	Other indirect (Scope 3) GHG emissions	32
305-4	GHG emissions intensity	31
305-5	Reduction of GHG emissions	28
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	28
Waste and Hazardous Chemical Management		
3-3	Management of material topics	13~15, 33
GRI 306 : Waste		
306-3	Waste generated	98
306-4	Waste diverted from disposal	98
306-5	Waste directed to disposal	98

Index	Page(s)	Remarks
Enhancing Customer Health and Nutrition / Enhancing Product Safety and Quality		
3-3	Management of material topics	13~15, 36
GRI 416 : Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	109
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	100
GRI 417 : Marketing and Labeling		
417-2	Incidents of non-compliance concerning product and service information and labeling	100
417-3	Incidents of non-compliance concerning marketing communications	100
Strengthening Safety and Health Prevention Activities		
3-3	Management of material topics	13~15, 45
GRI 403 : Occupational Health and Safety		
403-1	Occupational health and safety management system	45~52
403-2	Hazard identification, risk assessment, and incident investigation	45, 50
403-3	Occupational health services	59
403-4	Worker participation, consultation, and communication on occupational health and safety	45
403-5	Worker training on occupational health and safety	50
403-6	Promotion of worker health	59
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	45~52, 59
403-8	Workers covered by an occupational health and safety management system	45~52, 59
403-9	Work-related injuries	52
403-10	Work-related ill health	52

GRI Index

Material Issues

Index	Page(s)	Remarks
Flexible Organizational Culture and Work-life Balance		
3-3 Management of material topics	13~15, 53	
GRI 402 : Labor/Management Relations		
402-1 Minimum notice periods regarding operational changes	103	
GRI 405 : Diversity and Equal Opportunity		
405-1 Diversity of governance bodies and employees	66, 100~101	Refer to the 2023 business report (p.500-503)
GRI 406 : Non-discrimination		
406-1 Incidents of discrimination and corrective actions taken	102	
GRI 407 : Freedom of Association and Collective Bargaining		
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	53, 103	
Ethics and Compliance Management		
3-3 Management of material topics	13~15, 61	
GRI 205 : Anti-corruption		
205-1 Operations assessed for risks related to corruption	104	
205-2 Communication and training about anti-corruption policies and procedures	62~63, 104	
205-3 Confirmed incidents of corruption and actions taken	104	
GRI 206 : Anti-competitive Behavior		
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	104	Refer to the 2023 business report (p.515-516)

Non - Material Issues

Index	Page(s)	Remarks
GRI 201 : Economic Performance		
201-1 Direct economic value generated and distributed	92~93, 104	
201-3 Defined benefit plan obligations and other retirement plans	78, 102	
GRI 202 : Market Presence		
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	102	
202-2 Proportion of senior management hired from the local community	100	

Index	Page(s)	Remarks
GRI 203 : Indirect Economic Impacts		
203-1 Infrastructure investments and services supported	86~87	
GRI 303 : Water and Effluents		
303-1 Interactions with water as a shared resource	71~72	
303-2 Management of water discharge-related impacts	71~72, 99	
303-3 Water withdrawal	99	
303-4 Water discharge	99	
303-5 Water consumption	99	
GRI 308 : Supplier Environmental Assessment		
308-2 Negative environmental impacts in the supply chain and actions taken	82	
GRI 401 : Employment		
401-1 New employee hires and employee turnover	101	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	59~60	
401-3 Parental leave	103	
GRI 404 : Training and Education		
404-1 Average hours of training per year per employee	102	
404-2 Programs for upgrading employee skills and transition assistance programs	75~78	
404-3 Percentage of employees receiving regular performance and career development reviews	102	
GRI 414 : Supplier Social Assessment		
414-2 Negative social impacts in the supply chain and actions taken	82	
GRI 418 : Customer Privacy		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	91	

SASB

The Sustainability Accounting Standards Board (SASB) standards are sustainability accounting guidelines tailored to each industry, introduced by the SASB in the United States in 2011. These standards highlight sustainability risk topics closely related to each industry and recommend that companies regularly report on these topics and engage with investors and stakeholders. The SASB Index for Samyang Corporation has been prepared in line with the standards applicable to the chemical and processed food industries, which are closely linked to our core businesses.



Topic	Accounting Metric	Code	Page(s) and Responses
Greenhouse gas emissions	(1) Gross global Scope 1 emissions	RT-CH-110a.1	(1) 31, 98
	(2) Percentage of Scope 1 emissions covered under emissions-limiting regulations (e.g., K-ETS)		(2) Not an internal management indicator
	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	RT-CH-110a.2	31
Air pollutant emissions	(1) NOx emissions, (2) SOx emissions, (3) VOC emissions, (4) HAP emissions	RT-CH-120a.1	(1) 28 (2) 28 (3) Not an internal management indicator (4) Not an internal management indicator
Energy management	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable, (4) Total self-generated energy	RT-CH-130a.1	(1) 31 (2) Electricity consumption, an internal management indicator, is presented on p. 31 (3) 31 (4) 31
Water management	(1) Total water withdrawn	RT-CH-140a.1	(1) 99
	(2) Percentage of each in regions with High or Extremely High Baseline Water Stress		(2) 71
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	RT-CH-140a.2	71, 98
Hazardous waste management	Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CH-140a.3	71
	Amount of hazardous waste generated and percentage recycled	RT-CH-150a.1	98
Community relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	The major business sites of Samyang Corporation are closely associated with local communities. Each business site manages the risks and opportunities associated with community interests by operating various communication channels, such as councils with community stakeholders.
Workforce health and safety	(1) Total Recordable Incident Rate (TRIR)	RT-CH-320a.1	52 (Presented as the number of incidents, which is a management indicator)
	(2) Fatality rate for direct employees and contract employees		
Product design for use-phase efficiency	(1) Efforts to assess, (2) monitor, and (3) reduce exposure to long-term/chronic health risks	RT-CH-320a.2	(1) 52 (2) 52 (3) 45-52
	Revenue from products designed for use-phase resource efficiency	RT-CH-410a.1	26
Safety and environmental stewardship of chemicals	(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	RT-CH-410b.1	1. Jeonju EP Plant (1) 5.9% (150 codes corresponding to Categories 1 and 2 among 2,546 total product codes of Jeonju Plant in 2023) - Category 1: Specific target organ toxicity (repeated exposure) (3 codes) - Category 1A: Skin hypersensitivity (1 code) - Category 1B: Carcinogenicity, germ cell mutagenicity, skin hypersensitivity (7 codes) - Category 2: Skin corrosivity/irritation, serious eye damage/eye irritation, carcinogenicity, specific target organ toxicity (repeated exposure), acute toxicity (inhalation) (139 codes) (2) Not performed on products but on corresponding substances (raw materials). Conducted for 9 out of 9 cases (100%)
	(2) Percentage of such products that have undergone a hazard assessment		2. Sejong Plant (1) Percentage of products that contain substances corresponding to GHS Categories 1 and 2 - 12 substances out of 113 materials, 10.6% (2) percentages of products for which risk assessments were conducted: - Not performed on products but on corresponding substances. - Completed the risk assessments in 2023 (12 products) - in progress for 2024

SASB

Topic	Accounting Metric	Code	Page(s) and Responses
Safety and environmental stewardship of chemicals	(1) Strategy to manage chemicals of concern	RT- CH- 410b.2	40
	(2) Development of alternatives with reduced human and environmental impact		26
Genetically modified organisms (GMO)	Percentage of products by revenue that contain GMOs	RT- CH- 410c.1	Not applicable
Management of the legal and regulatory environment	Discussion of corporate positions related to government regulations and policy proposals that address environmental and social factors affecting the industry	RT- CH- 530a.1	4, 13~15
Operational safety, emergency preparedness, and response	(1) Process Safety Incident Count (PSIC)	RT- CH- 540a.1	52
	(2) Process Safety Total Incident Rate (PSTIR)		52
	(3) Process Safety Incident Severity Rate (PSISR)		52
	Number of transport incidents	RT- CH- 540a.2	Not an internal management indicator
Energy management	(1) Total energy consumed	FB- PF- 130a.1	31
	(2) Percentage of grid electricity		
	(3) Percentage of renewable energy		
Water management	(1) Total water withdrawn	FB- PF- 140a.1	99
	(2) Total water consumed		
	Percentage of regions with high or extremely high baseline water stress	FB- PF- 140a.2	98
	Number of incidents of non-compliance with water quantity and quality permits, standards, and regulations		
Food safety	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB- PF- 140a.3	71
	Global Food Safety Initiative (GFSI) audit (1) Non-conformance rate (2) Associated corrective action rate for major and minor non-conformances	FB- PF- 250a.1	Not applicable
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI)	FB- PF- 250a.2	Not an internal management indicator
	Food safety violation (1) Number of notices received (2) Percentage corrected	FB- PF- 250a.3	(1) None (2) Not applicable
	(1) Number of recalls issued (2) Total amount of food products recalled	FB- PF- 250a.4	(1) None (2) None
Health and nutrition	Revenue from products labeled and marketed to promote health and nutrition attributes	FB- PF- 260a.1	KRW 68.5 billion (sales from starch sugar specialty ingredients in 2023)
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns	FB- PF- 260a.2	36~39
Packaging lifecycle management	(1) Total weight of packaging (2) Percentage made from recycled and renewable materials	FB- PF- 410a.1	(1), (2) Not an internal management indicator
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB- PF- 410a.2	26
Environmental and social impacts of ingredient supply chain	Percentage of food ingredients sourced that are certified to third-party environmental and social standards, and percentage by standard	FB- PF- 430a.1	23
	Suppliers' social and environmental responsibility audit (1) Non-conformance rate (2) Associated corrective action rate for major and minor non-conformances	FB- PF- 430a.2	Not applicable
Ingredient sourcing	Percentage of food ingredients sourced from regions with high or extremely high baseline water stress	FB- PF- 440a.1	0%
	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	FB- PF- 440a.2	25

Awards and Associations

Awards

Date	Business Sites	Details
May 2023	Samyang Corporation, Incheon Plant 2	Received a citation from the Ministry of Food and Drug Safety
Jul. 2023	Samyang Corporation, Incheon Plant 1	Won the Chairperson's Award of Incheon Metropolitan Council
Oct. 2023	Samyang Corporation, Chemical R&D Center	Received a citation from the Minister of Trade, Industry and Energy for "Specialty Ion Exchange Resin for Korean and International Semiconductors and Displays"
Nov. 2023	Samyang Corporation, Incheon Plant 2	Received a citation from the Chairperson of Environmental Corporation of Incheon for contributions to environmental conservation and environmental technology development
Dec. 2023	Samyang Corporation, Asan Plant	Won the Environmental Merit Award from the Governor of Chungnam Province

Associations

Federation of Korean Industries	Korea Enterprises Federation
Seoul Chamber of Commerce and Industry	Korea Listed Companies Association
Korea Environmental Preservation Association	Korea Environmental Engineers Association
National Quality Master Association	Korea Energy Engineers Association
Korea Fire Safety Institute	Korea Industrial Technology Association
Korea Industrial Safety Association	Korea Standards Association
Korea International Trade Association	Korea Management Association



May

Samyang Corporation, Incheon Plant 2

Received a citation from the Ministry of Food and Drug Safety



July

Samyang Corporation, Incheon Plant 1

Won the Chairperson's Award of Incheon Metropolitan Council



October

Samyang Corporation, Chemical R&D Center

Received a citation from the Minister of Trade, Industry and Energy for "Specialty Ion Exchange Resin for Korean and International Semiconductors and Displays"



November

Samyang Corporation, Incheon Plant 2

Received a citation from the Chairperson of Environmental Corporation of Incheon for contribution to environmental conservation and environmental technology development



December

Samyang Corporation, Asan Plant

Won the Environmental Merit Award from the Governor of Chungnam Province

Dear Management and Stakeholders of Samyang Corporation

Third-party Assurance Statement

Introduction

Korean Standards Association (“KSA”) was commissioned by Samyang Corporation(“the Company”) to perform a third-party Assurance Engagement of ‘Samyang Corporation 2023 Sustainability Report’(“the Report”). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. The Company has sole responsibility for the content and performance contained in this Report.

Independence

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

Assurance Standards: AA1000AS v3

Assurance Level and Type: Moderate, Type2

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

Assurance Scope

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

- in adherence with the four principles of AA1000AP(AccountAbility Principles) 2018
- in accordance with GRI Standards 2021

(Topic Standards)

201-1, 203-1, 205-1~3, 206-1, 301-2, 302-1, 302-3~4, 303-1~5, 305-1~5, 305-7, 306-3~5, 308-2, 401-1~3, 402-1, 403-1~10, 404-1~3, 405-1, 406-1, 407-1, 414-2, 416-1~2, 417-2~3, 418-1

※ Samyang Packaging, KCI, Samyang Ecotech, Samyang Engineering Plastics (Shanghai) (EP), Samyang EP Hungary, Samyang EP Vietnam
305-1~2

Assurance Methodology

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

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

Assurance limitations

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

Third-party Assurance Statement

Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. KSA were not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, KSA present our opinions of the ‘Samyang Corporation 2023 Sustainability Report’ as follows.

Four principles of AA1000AP(AccountAbility Principles) 2018

Inclusivity

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

KSA believes the Company is aware of the importance of stakeholder participation and is making an all-out effort to establish a process that will increase their participation. The Company has selected stakeholders including stockholders and investors, suppliers, employees, customers, non-profit organizations and associations and has communication channels for each group to receive diverse feedbacks and opinions.

Materiality

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

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

Responsiveness

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

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

Impact

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

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

Reliability and quality of specified performance

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

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

June 2024

Myung Soo Kang KSA Chairman & CEO



AA1000
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The Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider that distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS certification and ISO certification. The KSA is committed to the sustainable development of Korean society as an ISO 26000 national secretary, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, and as an assurance provider of the Korean government’s greenhouse gas energy target management system.

Report Production

General management of the report	Kyoungil Kim
Planning of the report	Jaehoon Lim
Assistance in reviewing and creating the report	Seungyoung Lee
Environment and safety	Sueyoun Kim, Seungyeop Baek
Safety and health	Seonggweon Cheong, Sangjin Lee
Chemical businesses	Sukyung Choi
Food businesses	Donghyun Han
Food safety	Yongjin Lee
HR systems	Jinwoo Kim, Channyeon Won
Human resources and recruitment	Junhwan Lim, Nari Park
Competency development	Haeil Park, Sebomi Chang
Labor-management	Chanho Lee, Jinwook Seo
Compensation and welfare	Heejung Hyun, Jihye Park
Supply chain and suppliers	Seungkwon Chung, Gyeonga Bark
Social contribution	Sangsoo Lee, Hongjo Lim
Information security	Jaeseung Lee
IP strategy	Jongung Byeon, Kyuok Lee
Governance, Board of Directors, and disclosures	Seoungwon Yoon
Ethics and Compliance Management	Sungpil Jung, Woongsik Lim
Business portfolios and strategy	Yuri Choi

SAMYANG
CORPORATION