

2025 BINGGRAE SUSTAINABILITY REPORT



**Delivering a
Bright Smile**

Binggrae

ABOUT THIS REPORT

Overview

Binggrae has disclosed the integrated performances and goals of its economic, social and environmental values, and communicates with stakeholders annually through its sustainability report. This report includes not only the corporate ESG strategies but also activities in connection with the UN Sustainable Development Goals (SDGs) based on the commitment and efforts of Binggrae to grow together with society as a sustainable company.

Reporting Period

This report deals with our financial and non-financial performances and achievements with qualitative and quantitative information from January 1, 2024 to December 31, 2024, including certain important current issues up to the end of June 2025 to deepen stakeholder's overall understanding. Our quantitative performances include three years of figures related to our environmental, social and governance activities.

Reporting Scope

In the reporting scope, the economic performance includes all domestic and overseas business sites of Binggrae. For social and environmental aspects, the report primarily focuses on domestic business sites, considering the scale, nature, and impact of these sites. However, the performances of main partners are partially included in this report.



Cover Story

Just as the sweetness of a bite of Melona brings small but great happiness, Binggrae will fulfill its role as a “messenger of bright smiles sharing health and happiness.” The cover expresses our commitment to becoming a global No. 1 company creating a world that is more warmhearted and happier based on sustainable value considering the people, environment, and future.

Reporting Standards

For its preparation, this report referred to the international sustainability management report standard of GRI (Global Reporting Initiative) Standards 2021, and the reporting standards and definitions of financial information comply with K-IFRS (Korean International Financial Reporting Standards).

Report Assurance

To secure the reliability of the data, this report was subjected to verification by “ESG Innovation Network,” an independent verification agency. The independent assurance statement can be checked through the confirmation page after reflecting the assurance statement.

Inquiries on this Report

This report can be downloaded from the Binggrae company website (<https://www.bing.co.kr>). For additional information, please send any inquiries to the contact information below.

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CONTENTS

INTRODUCTION

ABOUT THIS REPORT	2
CONTENTS	3
CEO'S MESSAGE	4
2024 HIGHLIGHTS	5
CORPORATE OVERVIEW	6
OUR BUSINESS	10
SUSTAINABLE MANAGEMENT VISION & SYSTEM	19
DOUBLE MATERIALITY ASSESSMENT	22

ENVIRONMENTAL

ENVIRONMENTAL MANAGEMENT	25
RESPONSE TO CLIMATE CHANGE	28
CIRCULAR ECONOMY	33
CREATION OF ECO-FRIENDLY VALUE	39

SOCIAL

EMPLOYEE	50
WORK-LIFE BALANCE	55
SAFETY & HEALTH MANAGEMENT	58
HUMAN RIGHTS MANAGEMENT	62
CUSTOMER SATISFACTION	68
SHARED GROWTH	77
CORPORATE SOCIAL RESPONSIBILITY	81

GOVERNANCE

TRANSPARENT GOVERNANCE	86
RISK MANAGEMENT	89
ETHICAL & COMPLIANCE MANAGEMENT	90

APPENDIX

FINANCIAL PERFORMANCE	96
GRI INDEX	98
UN SDGs INDEX	101
GHG & ENERGY ASSURANCE STATEMENT	102
INDEPENDENT ASSURANCE STATEMENT	103
STATUS OF PRODUCT AWARD ACHIEVEMENTS AND ASSOCIATION MEMBERSHIPS	105





CEO'S MESSAGE



Founded on the entrepreneurial spirit of contributing to the nation through business, Binggrae has continued its efforts for the health and happiness of the people for more than half a century. We will continue to fulfill our responsibility for a sustainable future and become a more reliable company.

Greetings! I am Kim Kwang-Soo, CEO of Binggrae.

Dear valued stakeholders—Binggrae disclosed its fourth sustainability report this year since the first report was published for third-party verification in 2022. We express our sincere gratitude to everyone for their continued interest in and support for Binggrae's journey toward a sustainable future. Despite various difficulties such as uncertainties in the global economy and supply chain crisis, Binggrae was able to continue moving toward a sustainable future without hesitation, thanks to your support.

Over the past year, mid- to long-term environmental management strategies were established such as greenhouse gas (GHG) reduction, reduction of water use and wastewater discharge, and achievement of zero landfill waste as part of our ESG management activities, and we focused efforts on sustainable product development as well. Especially, eco-friendly packaging was improved for the main products such as the Yoplait drink container, etc., which led to our winning the Chairperson's Prize on Korea Packaging Technology at the "Korea Star Awards." In addition, Binggrae carried out projects and campaigns on supporting the descendants of independence activists and men of national merit, contributing as well to spreading the culture of honoring patriots and veterans.

Based on these efforts, Binggrae received an integrated grade of "A" for 6 consecutive years in the ESG evaluation conducted by KCGS (Korea Institute of Corporate Governance & Sustainability) and the highest grade of "AA" in the ESG evaluation conducted by Sustainvest for the first half of 2024. It was also selected as one of the "100 Best Companies."

Banking on its achievements to date, Binggrae will continue to create a sustainable society and grow as a company together with all stakeholders.

First, a management system that responds quickly to changes will be established.

In the rapidly changing global economy, the volatility of exchange rates and tariffs is increasing due to the supply chain risks from climate change and trade conflicts. Binggrae will closely monitor these environmental changes and analyze the impact on the business to establish effective response strategies.

Second, efforts to ensure a sustainable environment will be further strengthened.

Binggrae is creating eco-friendly business sites by establishing a 7-year plan to expand the use of renewable energy and to switch to eco-friendly electric vehicles. In addition, the 3R (Recycle, Reduce, Redesign) strategy will be implemented to increase the recycling rate of containers and reduce the use of plastic to achieve the goal of greenhouse gas (GHG) reduction. Resource circulation campaigns will also be expanded to promote waste collection and recycling, and to take the initiative in spreading environmental awareness.

Third, eco-friendly partnership will be strengthened with our partners.

Binggrae is actively encouraging its partners to participate in ESG through ESG evaluation, rewarding of outstanding partners, implementation of the green purchase policy, etc. This year, the ESG management system for the supply chain including third-party assurance ESG evaluation, on-site inspection, and consulting support will be enhanced for the partners to build a sustainable value chain with them.

Dear valued stakeholders—Binggrae was founded on the entrepreneurial spirit of contributing to the nation through business, having continued its efforts for the health and happiness of the people for more than half a century. We will continue to fulfill our responsibility for a sustainable future and become a more reliable company. We ask for your continued interest and support throughout this journey.

Thank you.

CEO & Vice-Chairman **Kim Kwang-Soo**

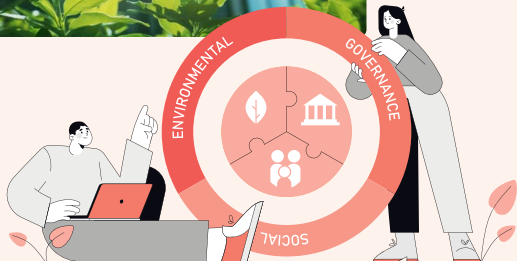


2024 HIGHLIGHTS

Grade “A” in KCGS ESG Evaluation for 6 Consecutive Years;

Grade “AA” in Sustainvest ESG Evaluation for 5 Consecutive Years

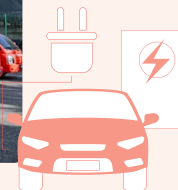
Binggrae has been continuously recognized for its excellence in ESG management by Sustainvest and KCGS (Korea Institute of Corporate Governance & Sustainability), a domestic ESG evaluation agency. Binggrae received an integrated grade of “A” in the KCGS evaluation for 6 consecutive years since 2019 and an “AA” grade for 5 consecutive years since 2020 in the Sustainvest evaluation. This shows that Binggrae has maintained consistent management performance and sincerity in sustainable management even in a situation of the ESG evaluation standards being upgraded. Binggrae will continue its ESG management sincerely and consistently considering the trust and support given by the stakeholders.



Binggrae’s 7-year project of converting commercial refrigerated trucks into electric vehicles



Binggrae is actively promoting the conversion of commercial refrigerated trucks into electric vehicles to take the initiative in protecting the environment and establishing eco-friendly business sites. Starting with 31 vehicles in 2024, all 242 vehicles will be converted into electric vehicles for operation by 2030. Converting the existing diesel vehicles into electric vehicles has the effect of reducing carbon emission by 3.2t annually per vehicle; once the conversion of all Binggrae vehicles is complete, carbon emissions are expected to be reduced by a total of 774.4t annually.



Self-diagnosis of ESG and consulting support for partners

Binggrae is operating the management system based on self-diagnosis for strengthening its partners' ESG capabilities and systematically managing the ESG risks in the supply chain. After registration as a partner, self-diagnosis is performed periodically, and training and consulting are provided based on the results. A total of 198 partners were evaluated in 2024 to provide incentives to outstanding partners and support other partners' improvement, and a pilot project was performed on ESG evaluation, on-site inspection, and consulting through the “Joint Project on ESG Management of Supply Chain in the Food Industry” initiative. In 2025, Binggrae is planning to expand the on-site inspection and improvement support projects centering on partners with high ESG risk.

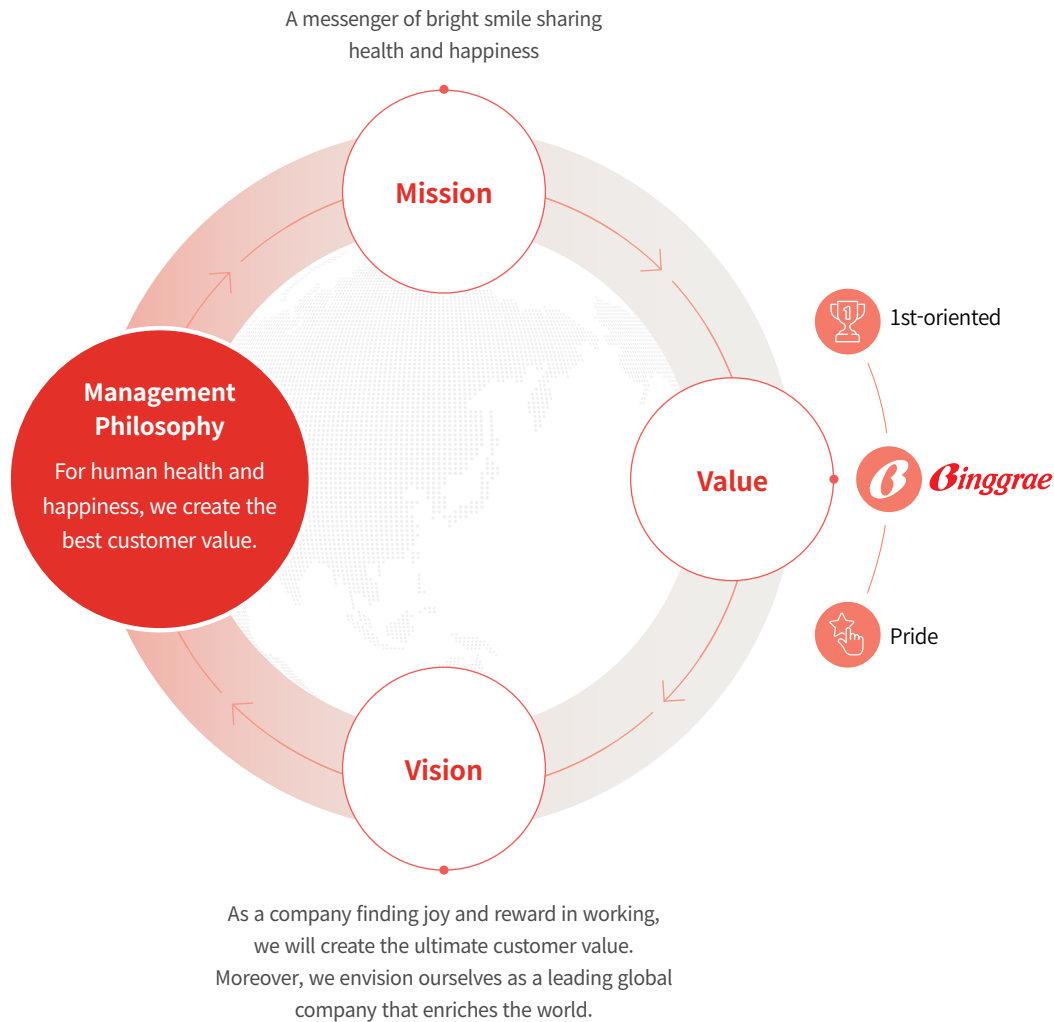
Independence movement campaign “Wearing Liberation for the First Time”

In 2024, Binggrae carried out the independence movement campaign “Wearing Liberation for the First Time” with the Ministry of Patriots & Veterans Affairs. This campaign sought to commemorate the 87 independence activists who died in prison—and whose last photos had them wearing prison uniforms—by having their prison photos restored through AI technology and reproduced as independence activists wearing traditional hanbok to remember them in the image of new heroes. Independence activists subject to restoration were selected among those with records of death in prison in the e-Archives of the Ministry of Patriots & Veterans Affairs and with prison photos remaining in the Japanese surveillance files. The colors and patterns of the actual hanbok created by hanbok expert Kim Hye-soon were then applied to the restored images. This campaign was an attempt to transform the past image into one of dignity and pride, and a meaningful project of inheriting the spirit of independence movement in a contemporary manner.





CORPORATE OVERVIEW



Ideology

“Binggrae Ideology” Within Our Mission

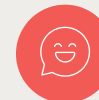
The mission declared in May 2002 was established based on our “smile of the people” spirit emphasized by Dosan Ahn Chang-ho.



Origin of the Company’s Name

The name Binggrae came from “the smile of Koreans,” the corporate spirit emphasized by Dosan Ahn Chang-ho. “Why is our society so cold? Let’s create a world where people smile Binggrae with loving hearts! A smile free from anxiety, sorrow, and corruption is a “Binggrae smile.” Dosan Ahn Chang-ho dreamed of a bright world filled with bright smiles. We aim to bring joy and smiles to everyone with excellent products that contribute to human happiness. We hope to share Dosan’s dream.

Principles



Customers

Provide the best value to customers.



Quality

Ensure the best quality.



Safety

Uphold the principle of safety first.



Profits

Promote profit-based growth.



Human resources

Foster professional personnel and excellent team workers.



Reward

Reward employees according to performance.



Social contribution

Promote mutual growth and sharing management.



Organization culture

Trust and respect each other and institutionalize innovation.



Company Introduction

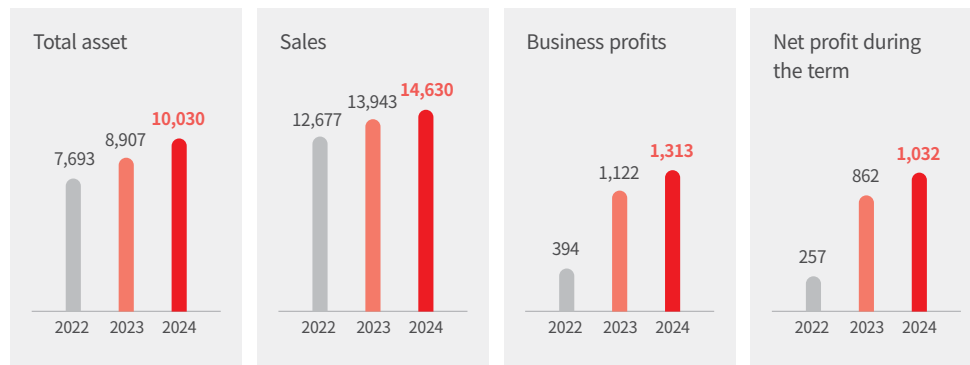
For the last 58 years, Binggrae has continued efforts for the development of the milk processing industry and innovative products for the better health of the people. Through this, Binggrae grew into a global company leading the food industry, contributing to the health and happiness of the people through continuous challenge and passion.

The business sector is composed of a single sector of milk processing, and the product lineup is divided by temperature into refrigerated product group and frozen product group as well as other product groups. Products include Korea's No. 1 processed milk, "Banana-Flavored Milk," Korea's first carton ice cream, "Together," the famous cup-type yogurt "Yoplait," and the premium refrigerated juice "T'aom," together with many hit items and brands such as Korea's first cone-type ice cream "Bravo Cone" through Binggrae's subsidiary HAITAI Ice Cream.

Corporate title	Binggrae Co., Ltd.	Location of head office	45 Dasansunhwan-ro, Namyangju-si, Gyeonggi-do, Republic of Korea
Foundation date	September 13, 1967	Major Business	Food manufacturing and sales business
CEO	Kim Kwang-Soo	No. of employees	1,829 (As of Dec. 31, 2024)
Subsidiaries	HAITAI Ice Cream Co., Ltd.; BC F&B USA Corp.; BC F&B Shanghai Co., Ltd. BC F&B Vietnam Co., Ltd.		

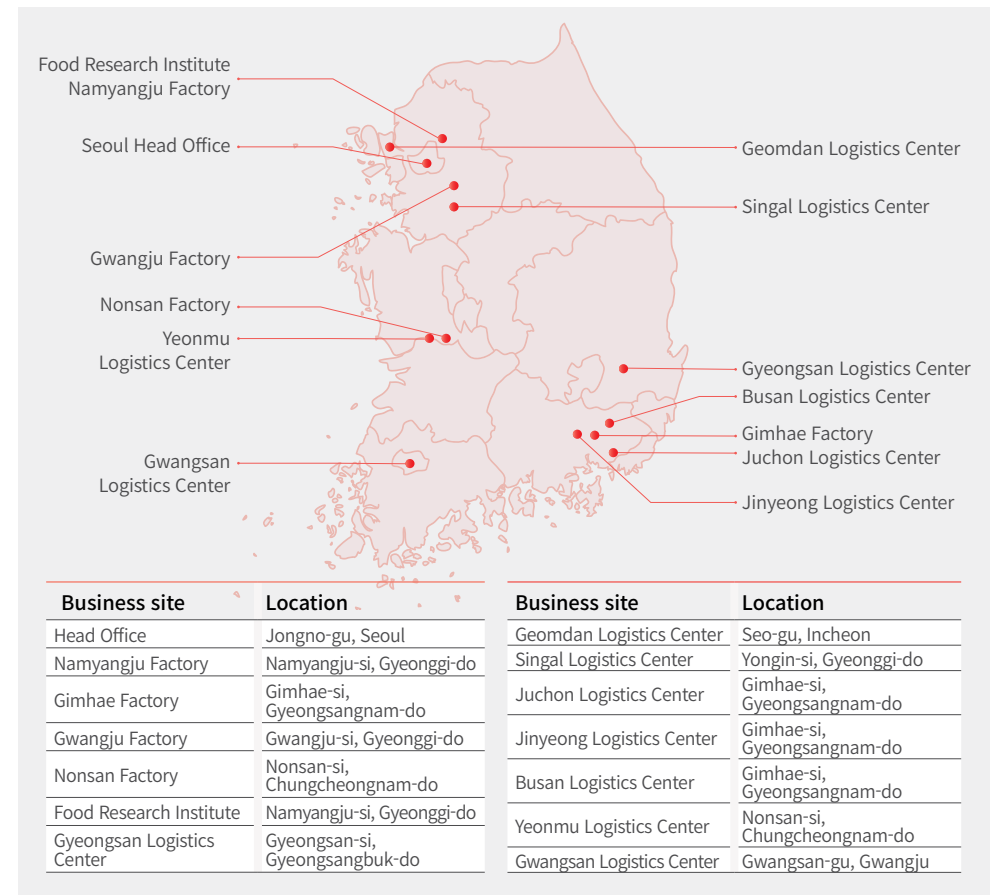
Key Financial Information (Consolidated)

(Unit: KRW 100 mil.)



Major Business Sites

We operate four factories located in Namyangju, Gimhae, Gwangju, and Nonsan and supply products to customers quickly via our national sales network. As of December 2024, there are 8 logistics centers, 27 branches, and 30 business offices.





Global Partnerships



Sales by Continent

(Unit: KRW 1 mil.)

America	East Asia	Southeast Asia	North & Central Asia	Oceania	Others	Total
94,222	56,668	32,377	4,720	6,192	2,899	197,077

*Sales by continent: Sales of products exported overseas.

Binggrae, a global leader and messenger with a bright smile that shares health and happiness with the world!

Binggrae began exporting to the US (LA) and Russia in 1993, expanding sales to the global market including North & South America, East Asia, Southeast Asia, Oceania Region, etc. to strengthen its stature as Global Binggrae. In the US and Canada, our brand Melona has been launched at local supermarket chains such as Costco and Walmart, etc. to delight people's taste buds globally. The globalization of K-ice cream has focused not only on Hong Kong and Singapore as Asia's regional hub markets but also on the Philippines, Vietnam, and Thailand.

In 2023, plant-based Melona that complies with the local regulations was developed to enter the European and Australian markets, which have high non-tariff barriers. This is the first case of a Korean ice cream company developing a product for a specific market to open the doors to export; products are currently sold through local supermarkets, showing rapid growth.

Moreover, Banana-Flavored Milk is exported in Tetra Pak form with extended expiration dates, and efforts such as development of various flavors according to local tastes and halal certifications are continuously made to capture the interest and affinity of global consumers in China, Taiwan,

Philippines, Malaysia, Indonesia, etc.

Based on its track record of success in export-led market entry, Binggrae supports its incorporated local sales affiliates in China (2014), USA (2016), and Vietnam (2019). In 2017, we started local production of "Melona" in the United States. By pursuing a strategy of localization and expansion to the global market, we are establishing a sustainable foundation for future growth.

We will become a leading corporation in the global food industry of the future and deliver our bright smile to the entire world.



MILESTONE

Binggrae

- Jan. 1981 Signed a technical partnership with SODIMA in France
- Feb. 1982 Changed corporate name from Daeil Dairies to Binggrae
- Mar. 1982 Built the Gimhae Plant in Gyeongsangnam-do
- May 1986 Built the Gwangju Plant in Gyeonggi-do
- Apr. 1987 Opened the Binggrae Food Research Institute
- Sep. 1988 Selected as the official supplier of ice cream for the 1988 Seoul Olympic Games

1980

- May 2002 Held the vision declaration ceremony for the new millennium
- Dec. 2004 Awarded the Grand Prize for value management at the Management Grand Awards by Korea Management Association Consulting (KMAC)
- Mar. 2008 Awarded the Grand Prize for corporate ethics management (by the Korea Academy of Business Ethics)
- Dec. 2008 Awarded a certificate as a corporation with excellent labor-management relations (by the Minister of Labor)
- Mar. 2009 Awarded the Grand Prize for social volunteer services by the Korea Academy of Business Ethics (Business Institute of New Industry)
- Nov. 2009 Awarded the Grand Prize for transparent business administration (by the Korea Accounting Information Association)

2000



1967-1979

- Sep. 1967 Founded Daeil-Dairies Co., Ltd.
- Apr. 1972 Established a technological partnership with Foremost McKesson, USA
- Jun. 1973 Built Donong Plant No. 1 in Namyangju-si
- Aug. 1978 Listed on the stock exchange
- Jun. 1979 Built Donong Plant No. 2 in Namyangju-si



1990

- Nov. 1995 Built the Nonsan Factory in Chungcheongnam-do
- Apr. 1997 Acquired ISO 9001 certification (from the Korea Productivity Center)
- May 1998 Acquired the HACCP certificate for milk beverages (from the Korea Food & Drug Administration)
- Nov. 1999 "Banana-Flavored Milk" selected as a product to "brighten Korea in the 20th century"



2010

- Mar. 2010 Awarded the Bronze Tower Order of Industrial Service Merit (on Taxpayers' Day)
- Mar. 2014 Awarded the Best Export Tower of Agricultural and Fishery Products in Gyeongsangnam-do
- Aug. 2014 Established BC F&B Shanghai Co., Ltd.
- Nov. 2015 Awarded the Grand Prize in food and milk products at the Korea Social Media Awards
- Feb. 2016 "Together" acquired "K-MILK" certification (which certifies the utilization of Korean milk)
- Jul. 2016 Established BC F&B USA Corp.
- Oct. 2016 Distributed the Korean font "Binggrae" free of charge
- Jun. 2017 Won the Excellent Taste Award for ice cream at the 2017 Superior Taste Awards

- Sep. 2018 Binggrae Banana-Flavored Milk's "My Straw Campaign" won the Gold Prize in the integrated campaign division at the Clio Awards (one of the world's three major advertising awards)
- May 2019 Implemented the scholarship program for the descendants of persons who rendered distinguished service to national independence
- Jun. 2019 Launched TFT for a health-oriented integrated brand
- Sep. 2019 Established BC F&B Vietnam Co., Ltd.
- Nov. 2019 Acquired Family-friendly certification

2020-2021

- Oct. 2020 Took over HAITAI Ice Cream Co., Ltd.
- Dec. 2020 Received a Presidential Citation at the Government Awards for promoting eco-friendly technology and consumption
- May 2021 Launched the protein brand "THE:Danbaek"
- Nov. 2021 "Hello, Danji," the YouTube channel of Banana-Flavored Milk, won in the best brand creator category at the YouTube Works Awards
- Dec. 2021 Acquired ISO 14001 certification (Environmental Management System) from KMR

2022-2023

- Apr. 2022 Yoplait ranked first in the "Cup-type Yogurt" category of the Korea Purchase Ease Index (KPEI) for the 6th consecutive year
- May 2022 Acquired the International Standard Certification for the compliance management system (KCCA)
- Oct. 2022 Ranked first in the ice cream category of KCSI (Korean Customer Satisfaction Index) for the 16th consecutive year
- Dec. 2022 Acquired Family-Friendly Certification
- Feb. 2023 Acquired ISO 45001 certification (Safety & Health Management System) from KMR



2024-2025

- Mar. 2024 "Yoplait" and "Banana-Flavored Milk" ranked first for the 18th and 17th consecutive year, respectively, in terms of K-BPI BrandPower in the Korean Industry
- Jul. 2024 Acquired a Grade "AA" in the ESG Evaluation for the 5th consecutive year (Sustinvest)
- Oct. 2024 Acquired a Grade "A" in the ESG Evaluation for the 6th consecutive year (KCGS)
- Nov. 2024 Binggrae received the Grand Prize for the best sustainability report in the 2024 Global Standard Management Awards (GSMA)
- Dec. 2024 Acquired Family-Friendly Certification
- Dec. 2024 Binggrae's "Secret Semester" campaign received the grand prize in the marketing/campaign promotion category at the Korea Digital Advertising Awards
- Feb. 2025 Binggrae's "Secret Semester" campaign received the grand prize in the digital advertising & campaign, food & beverage category at the A.N.D. Awards, Korea's largest digital awards



OUR BUSINESS

Having built production plants in Namyangju, Gimhae, Gwangju, and Nonsan, we continue to dominate the market with Banana-Flavored Milk.

In particular, ice cream products such as Together, Melona, and Samanco boast of the strongest brand power in not only Korea but also the world. Even as our healthy yet tasty snacks are loved by countless consumers, we are introducing a range of health functional food products that are showing solid growth.

Furthermore, all business sites are HACCP-certified to ensure the best possible quality.

Sales Amount per Item (Non-consolidated, 2024)

(Unit: KRW 1 mil.)

Category	Item	Main trademark	Sales amount (Ratio)
Refrigerated item group	Milk and other dairy beverages	Banana-Flavored Milk, Yoplait, etc.	615,459 (48.9%)
Frozen & other item group	Ice cream & others	Together, Bravo Cone, etc.	643,275 (51.1%)



ICE CREAM



MILK & CHEESE





COFFEE & BEVERAGE



FERMENTED MILK



PROTEIN PRODUCTS & HEALTH FUNCTIONAL FOOD



SNACK & DESSERT





MILK & CHEESE

Banana-Flavored Milk, Korea's No. 1 milk beverage brand.

Banana-Flavored Milk is designed after a “moon jar” reminiscent of hometowns back in the 1970s when many people moved to large cities during the industrialization era. Thanks to its sweet taste and unique shape, it was christened many nicknames including Chubby Banana and has been much loved by many customers. Separate recycling can be done appropriately by removing the lid to discard as regular waste and washing and drying the empty bottle and putting into the recycling bin.

Binggrae Banana-Flavored Milk

- No. 1 for 18 consecutive years (2008-2025) in the processed milk sector in the Brand Power of Korean Industry (K-BPI)
- Acquisition of EPD (Environmental Product Declaration) Certification



Proper separate recycling method

- ① The lid must be removed and discarded as regular waste!
- ② The empty bottle must be washed and dried!
- ③ The dry empty bottle must be thrown into the recycling bin!



Release date | Dec. 1974



Chocolate drink with the essence of Binggrae, a leader in dairy products

- It is a chocolate drink with an attractive sweet-salty taste that makes you want more once you try it.
- It has chocolate and caramel to give it a unique flavor.



Release date | Feb. 2025

Public's favorite Banana-Flavored Milk in mini size

- Organic ingredients and domestic raw milk are used for good taste and health.
- As the aseptic pack product using FSC-certified paper, customers can drink fresh milk even when it is stored at room temperature for a long period.



Release date | Dec. 2021

Cheese that is healthy, delicious, and full of flavor!

- Healthy “protein cheese” string / slice / cheese for grilling that can be enjoyed deliciously!
- Probiotics string cheese with 150% dietary fiber compared to apples, high in protein & high in calcium!



Release date | Apr. 2022



FERMENTED MILK

Healthier and tastier! Yoplait, Korea's No. 1 fermented milk brand.

Since its launch as Korea's first cup-type yogurt in 1983, "Yoplait Original" has been pioneering and leading the market as a major fermented milk brand, having been with consumers for 40 years with its high quality & nutrition and flavors loved by everyone.

- Contains 50 billion probiotics per cup.
- 80% fresh milk.
- Enjoy a healthier flavor with 100% real fruit ingredients!



Release date | Oct. 1983



Yoplait Dr. Capsule, even stronger with 28 years of double capsule science!

Lactobacillus has a thousand-fold higher survival rate in the stomach and protects against stomach acid and bile reflux compared to the Bifidus powdered form.



Release date | Apr. 1997

Boost your protein and probiotics in one go!

Yoplait Protein is Korea's first yogurt containing over 8% protein. This functional fermented milk product helps ingest proteins and probiotics at the same time.



Release date | Apr. 2020

The joy of thick texture, Yoplait Greek

The high-protein Greek yogurt Yoplait Greek can be enjoyed in small or large size, and as sweet plain and sugar-free plain according to preference. It is Greek yogurt with reduced sour taste to be enjoyed by anyone.



Release date | Mar. 2023





COFFEE & BEVERAGE

A Café La, rich, authentic coffee!

A Café La is a Ready-to-Drink coffee brand.

Customized extraction methods that highlight the characteristics of carefully selected beans, perfecting the natural taste and aroma of coffee!

Packaging considering the environment

- A Café La: “Excellent” grade for recycling
 재활용 최우수 등급의 패키지를 사용하여 분리배출이 가능합니다.
- Binggrae T'aom: “Outstanding” grade for recycling
 재활용 우수 등급의 패키지를 사용하여 분리배출이 가능합니다.

Release date | May 2008



T'aom, 100% natural fruit juice

T'aom is a premium fresh fruit juice brand with the natural taste of fresh fruit.

Release date | Oct. 2012



A Café La Size Up enjoyed comfortably according to taste

From latte with less sugar for a clean taste and decaffeinated Americano enjoyed without worrying about caffeine!

Release date | May 2008



Zero-calorie energy-boosting drink

- Replenish your water level through sufficient hydration with the customized ion balance containing electrolytes (ion)!
- Each bottle contains 100mg of vitamin C for a powerful boost that helps replenish your energy and enhance your concentration!

Release date | Jul. 2022





ICE CREAM

Together, Korea's most beloved ice cream!

As it is the first ice cream in Korea to use raw milk, you can taste the freshness and richness of 100% domestic milk.

- Original Vanilla Ice Cream, much loved by Koreans for a long time!
- Harmony of soft, rich fresh milk and Strawberry mix (Strawberry Milk)
- Harmony of soft, rich fresh milk and Chocolate mix (Chocolate Milk)

Binggrae Together

- Acquisition of EPD (Environmental Product Declaration) Certification



Release date | Jan. 1974



Melona, a living legend in the Korean ice cream industry!

Since its launch in 1992, Binggrae's Melona has remained a hugely popular bestseller for 30 years, becoming a living legend of the Korean ice cream industry.



Release date | Jan. 1992

Clédor, premium classic ice cream!

Clédor is Binggrae's richly flavored premium ice cream.



Release date | Apr. 2005

Korea's No. 1 ice cream with unique carp fish shape, Samanco!

With its fun carp fish shape and rich taste & texture from the combination of various ingredients, it has captured everyone's taste buds anytime, anywhere.



Release date | Nov. 1991



SNACK & DESSERT

The beloved national snack for over 30 years, Crab Chips!

Crab Chips took the market by storm upon release in September 1986, remaining very popular since then. With the cute crab shape, there is more fun in eating this snack by inserting the finger between the crab claws, with the chips baked in heated salt for a crunchiness, light taste.

Release date | Sep. 1986



Three colorful chips with fresh veggies and natural colors!

Snack cooked in pure vegetable oil, best when dipped in tomato ketchup.



Release date | Jul. 1989

11 kcal Konjac Jelly, a chewy snack filled with dietary fiber!

Binggrae's Konjac Jelly is loved for its chewy texture and fresh fruit taste.

It is a low-calorie food and a great choice for a meal replacement.



Release date | Nov. 2017

Binggrae's dessert brand, D.D.D.

As the dessert brand released by Binggrae, D.D.D introduces newly distinct and delicious bakery snacks.



Release date | Nov. 2022



PROTEIN PRODUCTS & HEALTH FUNCTIONAL FOOD

THE:Danbaek

THE:Danbaek, Binggrae's signature protein brand, is the latest result of the company's advanced product design system.

It delivers protein in diverse forms: drink, crunch bar, and pouch.



Release date | May 2021

VIVACITY

VIVACITY is a health functional food brand based on the dual core value of "Tasty & Healthy." Be healthy through delicious food in various forms including powder, jelly, liquid, etc.



Release date | Jun. 2019

Doctor Capsule Intestinal Health Gold

Micro-capsule that's strong against gastric acid to enable the lactobacillus to reach the stomach alive. Maintain your intestinal health with one capsule a day.



Release date | Aug. 2022

Immune Water

100% charging of daily immunity! Contains zinc gluconate with high absorption rate. Zero-sugar beverage-type health functional food.



Release date | Mar. 2024



EXPORT PRODUCT

Melona, a living legend of Korea's ice cream industry!

Since its launch in 1992, Melona has enjoyed huge popularity as one of the top-selling ice cream products in Korea. As a distinctive green rectangular ice cream bar, Melona is much loved by every generation, especially young people with the soft, rich taste of melon and soft, creamy texture with 6% fat. Melon's unique aroma and chewiness stimulate the palate, allowing you to enjoy the rich taste.

Release date | Jan. 1992



Banana-Flavored Milk that captured the hearts of people around the world!

Banana-Flavored Milk is loved by millions of consumers in Korea, China, and other countries around the world.



Release date | Dec. 1974

Samanco, vanilla ice cream with various fillings in fish-shaped waffle!

Samanco, Binggrae's major export product, is gaining popularity in various Southeast Asian countries including Vietnam.



Release date | Jan. 1991

Crab Chips, a light, crispy snack baked in heated salt

Crab Chips have long been a favorite snack in Russia.



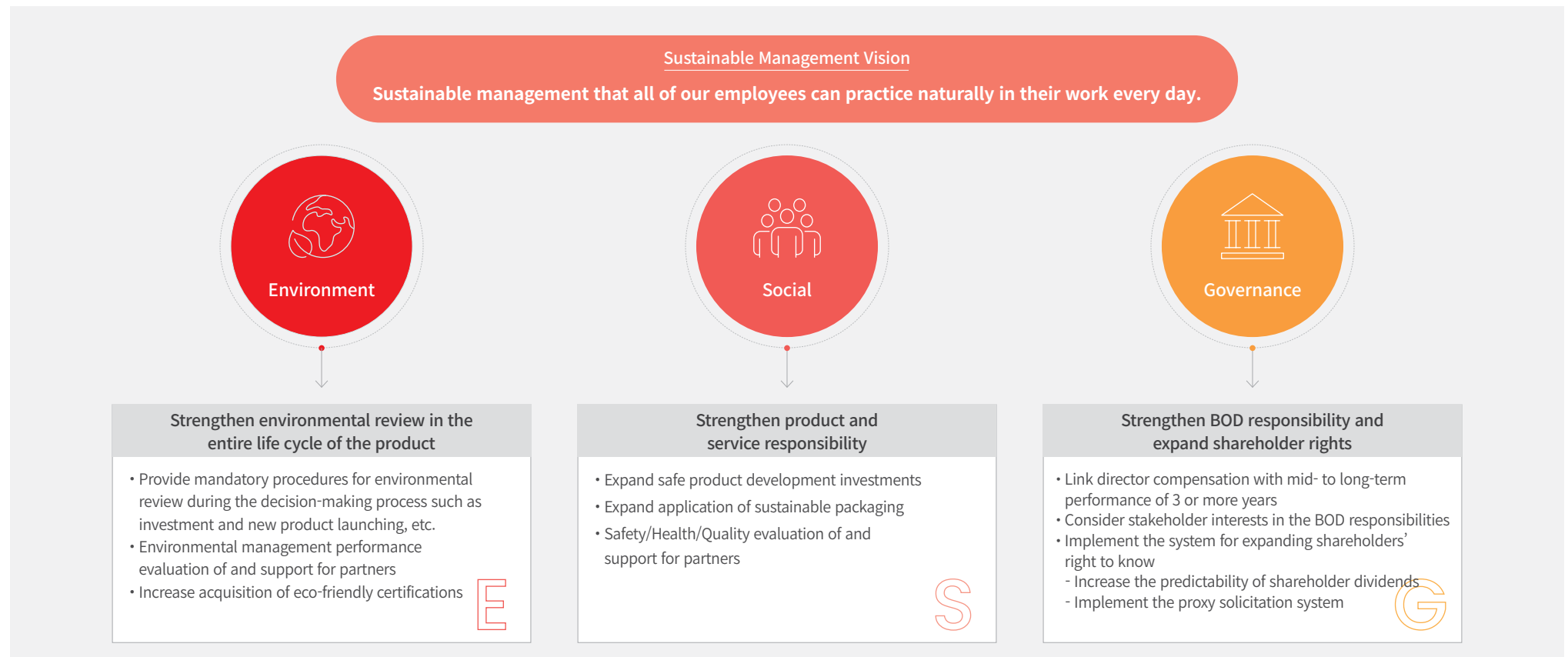
Release date | Sep. 1986



SUSTAINABLE MANAGEMENT VISION & SYSTEM

Binggrae ESG Vision House

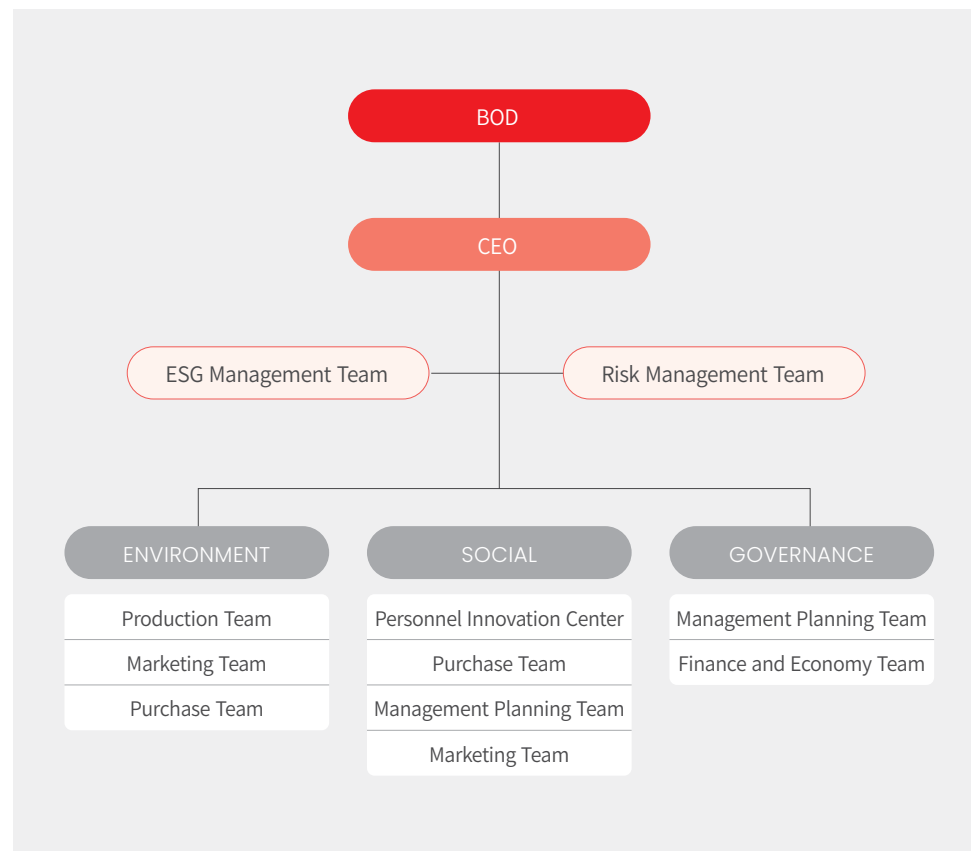
Binggrae's ESG management pursues both social responsibilities and sustainability through the key goals of preserving the global environment, creating social value, and realizing transparent governance. Leading the preservation of the global environment, Binggrae is focusing on the development of eco-friendly products and production method and on sustainable resource management. Binggrae is affirming its role as a socially responsible company by creating social value through donation and sharing. In addition, Binggrae is committed to realizing world-class transparent governance by emphasizing transparency and responsibility within the organization to establish trust with stakeholders.





ESG Management Organization

In the annual BOD (Board of Directors) meeting, Binggrae carries out the review and resolution of the non-financial risks, ESG management goal setting for the following year, and sustainability management strategy. In addition, activities in each area of ESG are improved, with ESG performances monitored continuously through the organizational system composed of the ESG department directly affiliated with the CEO and exclusive and cooperative departments for each ESG area.

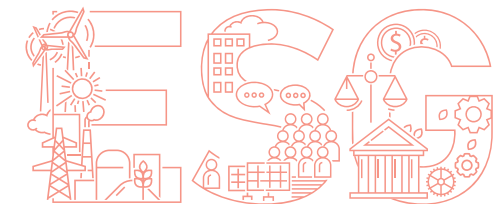


ESG Rating

Binggrae has been continuously recognized for its excellence in ESG management by Sustainvest and KCGS (Korea Institute of Corporate Governance & Sustainability), a domestic ESG evaluation agency. Binggrae received an integrated grade of “A” in the KCGS evaluation for 6 consecutive years since 2019 and an “AA” grade for 5 consecutive years since 2020 in the Sustainvest evaluation. This feat shows that Binggrae’s ESG management is maintaining consistent excellence even in a situation of the ESG evaluation standards being upgraded. Binggrae will continue its ESG management consistently and sincerely considering the trust and expectations of stakeholders.












ESG Evaluation Grade (2022-2024)

Evaluation agency	Classification	2022	2023	2024
KCGS	Integrated ESG grade	A	A	A
	Environment	A	A	A
	Social	A	A+	A+
	Governance	B+	B+	A
Sustainvest	Integrated ESG grade	AA	AA	AA





Stakeholder Communication

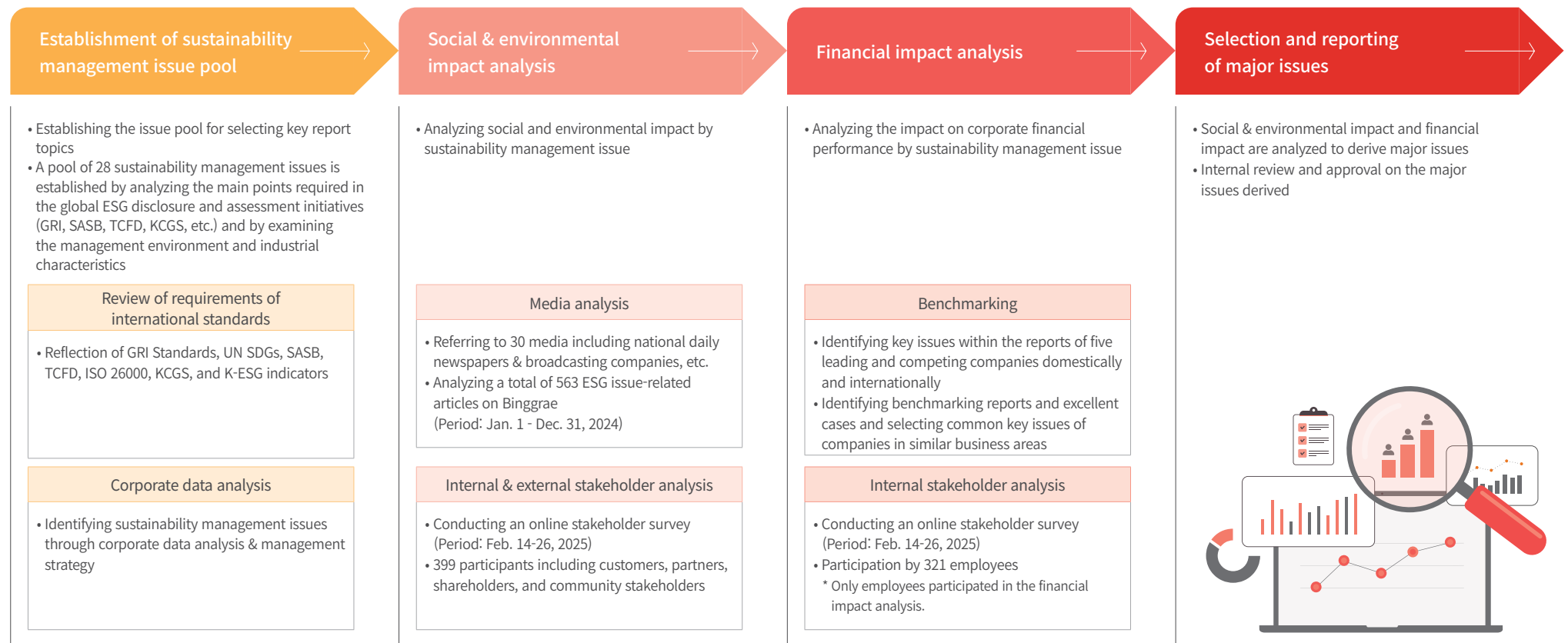
Group	Customers	Employees	Shareholders	Local communities	Partners
					
Main interest	<ul style="list-style-type: none"> • Quality of products and services • Development of safe and healthy products • Provision of precise, detailed product information • Protection of customer information • Transparent communication 	<ul style="list-style-type: none"> • Safe work environment • Equal opportunities and fair evaluation • Welfare benefits and work-life balance • Labor-management relations • Securing and fostering talents 	<ul style="list-style-type: none"> • Stable management performance • Transparent governance • Provision of sustainable management information 	<ul style="list-style-type: none"> • Revitalization of local economy and indirect economic effects • Environmental protection in local communities • CSR activities including donations and voluntary services 	<ul style="list-style-type: none"> • Reinforcement of communication • Fair trade and mutual growth • Selection and management of partners • Settlement of partners' grievances
Communication channel	Individual channel <ul style="list-style-type: none"> • Customer service center • Customer satisfaction survey • Campaigns 	<ul style="list-style-type: none"> • Labor-management committee • Counseling & report system • Binggrae company magazine • In-house meeting 	<ul style="list-style-type: none"> • IR meetings • General meeting of shareholders • Public announcement 	<ul style="list-style-type: none"> • Children's Drawing Contest • Kim Koo Foundation • Binggrae Public Welfare Foundation • Lee Bong-chang Memorial Association 	<ul style="list-style-type: none"> • Purchase portal system • Meeting with partners • Mutual Growth Concert
Common channel <div>  Website  YouTube  Instagram  Binggrae Newsroom  Blog  Sustainability Report </div>					



DOUBLE MATERIALITY ASSESSMENT

Double Materiality Assessment

Binggrae is performing double materiality assessment to identify sustainability management issues related to the annual business and to reflect the management strategy. This assessment is a method considering both social and environmental impact of issues involving Binggrae and financial impact within the company. In addition, we are developing priorities for sustainable management issues to reduce the risks that the organization can face in the future and to construct a sustainable management model. Through this, Binggrae identifies the challenges and opportunities in the social, environmental, and financial aspects and responds to them effectively.

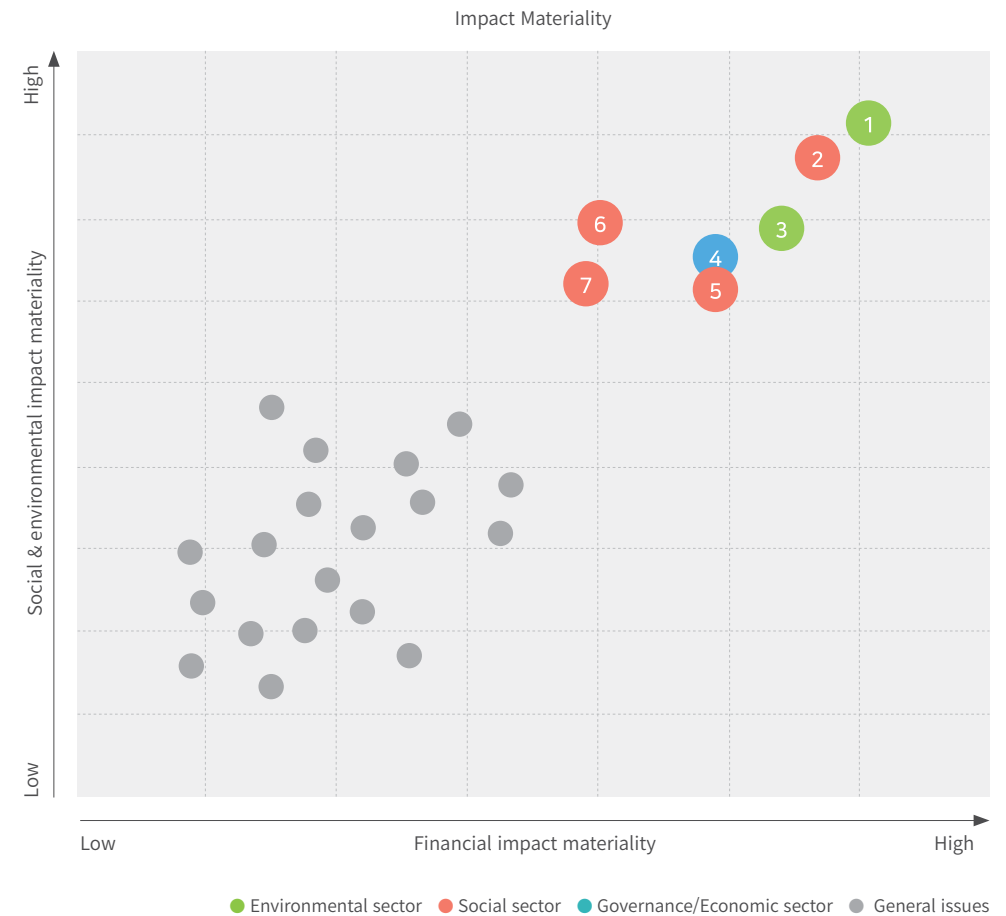




Double Materiality Assessment Result

Through double materiality assessment, financial impact and social-environmental impact on the company are considered to select 7 major issues. For the 7 major issues, financial impact and social-environmental impact are schematized and shown, and major activities are reported.

Rank	Category	Total issue pool	Financial impacts	Social & environmental impacts	Stakeholder interest	Page
1	Environment	Eco-friendly products and services	Higher	High	Higher	33-36
2	Social	Strengthening of health & safety management in the business sites	Higher	High	Higher	58-61
3	Environment	GHG emission management and reduction	High	High	High	28-32
4	Governance	Creation of sustainable economic value	High	Medium	High	96-97
5	Social	Health and safety of products and services	Medium	High	High	68-76
6	Social	Human Rights management	Medium	Medium	High	62-67
7	Social	Welfare benefits for employees	High	Medium	High	55-57



ENVIRONMENTAL

To achieve net zero, Binggrae is continuing efforts to reduce GHG emissions throughout the overall process from production to sales and disposal of products. In addition, an eco-friendly packaging solution was introduced actively to contribute to environmental protection, and a sustainable supply chain was constructed to promote the purchase and production of eco-friendly products. Going forward, Binggrae will continue to provide positive value to society through environmental protection and sustainable management, and enable sustainable growth as a company trusted and loved by consumers.

25 ENVIRONMENTAL MANAGEMENT

28 RESPONSE TO CLIMATE CHANGE

33 CIRCULAR ECONOMY

39 CREATION OF ECO-FRIENDLY VALUE



2024 KEY PERFORMANCES



KRW 32.17 billion
Practice of green purchasing

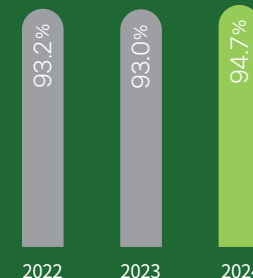


6,918 hours
Environmental training hours completed by employees

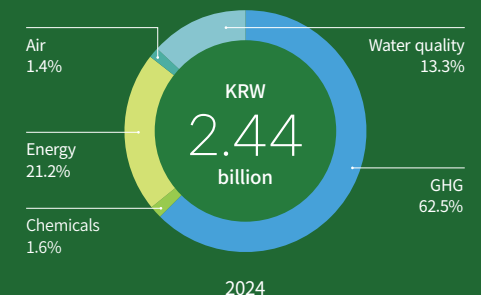


Conversion of refrigerated trucks into electric vehicles
242 vehicles by 2030

WASTE RECYCLING RATE



ECO-FRIENDLY INVESTMENT AMOUNT





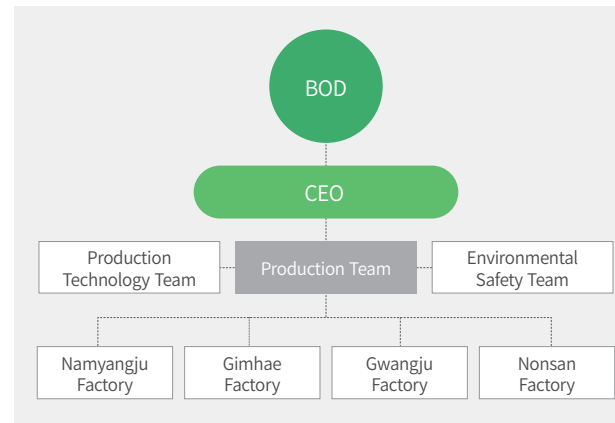
ENVIRONMENTAL MANAGEMENT

Environmental Management System

Binggrae is focusing company-wide efforts on becoming an eco-friendly company. A promotion organization is established for the systematic operation of environmental management, with mid-to long-term goals set to continue the environmental protection and sustainable eco-friendly management. By introducing environmental impact assessment and environmental performance evaluation system to promote continuous improvement, Binggrae will continue its efforts to protect the environment sincerely and to become a company trusted and loved by consumers.

Environmental Management Promotion Organization

Recognizing the importance of environmental management, Binggrae established the environmental management promotion organization with the CEO as the top decision maker. In addition, monitoring is performed actively through close communication between the management and personnel for the systematic implementation of strategic tasks and timely response to external environmental requirements.



BOD	<ul style="list-style-type: none"> Establishment of environmental management promotion strategy & policy Approval of environmental management operation plan Management of annual environmental management performance
KPI of Environmental Management by the COO (Chief Operating Officer)	As the key performance indicator, the result of improving power & fuel efficiency and water saving is included; discharges of wastewater, waste, and hazardous chemical substances are evaluated as secondary indicators every two years or according to the period of occurrence of issues.
Production HQ	<ul style="list-style-type: none"> Establishment of environmental management operation plan Promotion of strategic task related to environmental management and performance management Follow-up on change in environmental regulations Regular performance of various environmental campaigns and internal & external practice activities Responsible Departments: Environmental Safety Team, Production Technology Team

Environmental Management Policy

Binggrae is operating the environmental management system based on the international certification ISO 14001 to ensure clean and safe production sites, especially focusing efforts on activities of reducing wastewater and wastes in all stages of producing the products.



Environmental pollution is minimized through eco-friendly products and technical development.



Domestic environmental laws & regulations and international agreements are observed, and stakeholder opinions on environmental management are gathered and reflected to the management of the company for implementation.



Environmental goals and detailed plans are established and implemented for continuous improvement, with the implementation status checked regularly for the stable settlement of the environmental management system.

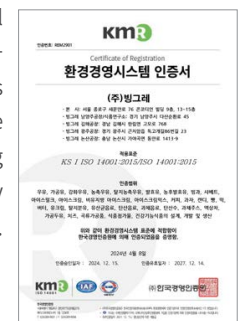


The prevention of environmental pollution is selected as the priority task in the overall process of performing the work to comply with the local, national, and international requirements, and the social responsibilities of the company are fulfilled.

Environmental Management System and EPD (Environmental Product Declaration) Certification







Binggrae acquired the “Environmental Management System (ISO 14001)” certification for operation in all business sites including the head office in fulfillment of the environmental responsibilities according to the environmental management policy and to minimize the environmental impact.

* Certification expiration date: Dec. 14, 2027



Mid- to Long-Term Goal & Strategy of Environmental Management

Binggrae established the mid- to long-term goal of achieving net zero by 2050 to lay the foundation for the Net-Zero business. As we move toward our goals, we have drawn up a blueprint for achieving the eco-friendly management goals by contributing to the supply chain and community. Environmental goals were classified into 6 topics—greenhouse gas (GHG), energy, water, wastewater and waste, hazardous chemicals, and biodiversity—with GHG/energy and water/wastewater grouped together to establish a total of 4 promotional strategies and implementation tasks along with other topics. Promotional strategies and implementation tasks were classified with the impacts arising between business operations and from the supply chain and community, and wastes were also included in the stage of producing the products.

2050 Vision	Establishment of Business Foundation for NET ZERO					
2030 Vision	Achievement of Environmental Goals through Contribution to the Supply Chain & Community [Eco - Friendly]					
2030 Goal	 GHG <ul style="list-style-type: none"> • 25% reduction in Greenhouse Gas (GHG) emission (compared to 2022) 	 Energy <ul style="list-style-type: none"> • Active review of introduction of renewable energy 	 Water <ul style="list-style-type: none"> • 10% reduction in water unit (compared to 2022) 	 Wastewater <ul style="list-style-type: none"> • 10% reduction in wastewater unit (compared to 2022) 	 Waste <ul style="list-style-type: none"> • Zero landfill waste • Reduction of food loss/disposal amount 	 Hazardous chemicals / Biodiversity <ul style="list-style-type: none"> • Minimization of environmental impact of all chemicals used • Contribution to the ecological restoration of forests/ivers in the community
2030 Promotion Strategies & Implementation Task	[Business site] <ul style="list-style-type: none"> • Improving energy efficiency by introducing high-efficiency equipment • Improving energy loss through facility investment in major energy loss points • Improving the energy use management-extended application of FEMS (Factory Energy Management System) [Supply chain / Distribution network] <ul style="list-style-type: none"> • Expanding the GHG management of key supply chain & distribution network * The GHG goal can be changed according to the national policy 		[Business site] <ul style="list-style-type: none"> • Developing the production process for the reduction of water use • Efficiency in using water resources by reviewing the use of recycled water/rainwater • Minimizing pollutant discharge by introducing an eco-friendly, sophisticated treatment system [Community] <ul style="list-style-type: none"> • Purification of the community environment through purification activities on water sources and surrounding rivers • Minimization of pollution from living and inconveniences by performing impact assessment of the surroundings 		[Business site] <ul style="list-style-type: none"> • Introducing a sludge reduction facility • Contributing to the virtuous cycle of waste through zero landfill processing [Production] <ul style="list-style-type: none"> • Selecting materials that can realize a virtuous cycle of raw & subsidiary materials/packaging materials [Community] <ul style="list-style-type: none"> • Increase in food donation to the community 	
					[Business site] <ul style="list-style-type: none"> • Performance of preliminary environmental impact assessment of new substances • Review of switching to eco-friendly substances • Investment in the systematization of daily records on substance use [Community] <ul style="list-style-type: none"> • Contribution to ecosystem restoration by donating trees to areas affected by forest fire (conducted annually since 2019) • Contribution to restoration of aquatic life in rivers of the community 	

Fair Environmental Performance Evaluation System

The status of progress for the tasks toward the achievement of goals is monitored, and detailed performance indicators are set and managed. In addition, priority KPI items are selected every year to check the achievement rate of the indicators and difficulties during performance, and indicators are improved continuously for management to enable fair evaluation. Moreover, priority control items are reflected to the evaluation of individual work performance to motivate the employees to participate actively in environmental management.

Detailed performance indicator management

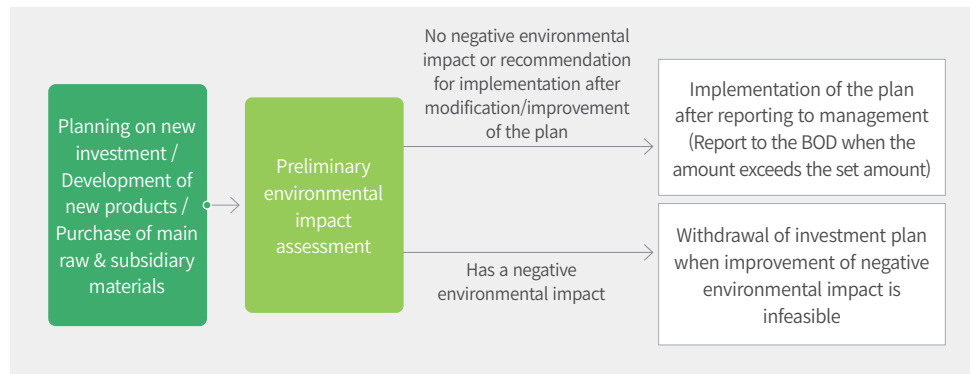
- Key KPI items are selected annually for the main factors (KPI items: GHG and energy, etc. per unit)
- Evaluation of the established KPI and internal audit are performed periodically to analyze the achievement rate and main reasons, etc. so that improvement can be carried out
- Sophistication is carried out continuously on the performance indicators

Reflection of work performance evaluation

- Climate change management performance is reflected to the department and individual performance evaluation
- The performance evaluation result is reflected to promotion and incentive setting
- Also connected to the evaluation items of each business site personnel for management

Implementation and Reflection of Environmental Impact Assessment

When planning new investments, new product development, purchase of major raw and subsidiary materials, etc., we perform environmental impact assessment to check the possibility of occurrence of negative environmental impact. In addition, any potential risks and possibility of improving the negative environmental impact are included in the key decision-making factors to promote sincere environmental management.



Environment Management Training

Periodic environmental training is provided to all employees to establish the proper values and strengthen their executive ability with regard to environmental management. Along with the general environmental training, professional training (internal & external face-to-face or video training) is also provided for each area such as noise, air, water quality, hazardous chemicals and waste discharge, etc. As of 2024, Binggrae has personnel who completed the online training course on hazardous chemical handling, and relevant personnel who completed the group training for managers.

Status of Environmental Management Training

Classification		Unit	2022	2023	2024
Environmental education	Total education hours	hours	7,146	5,074	6,918
	No. of trainees	persons	2,138	2,260	2,337
	Education hours per person	hours	3.3	2.2	3.0

Environmental Awards





RESPONSE TO CLIMATE CHANGE

Climate change is now at a level that is one risk higher, referred to as climate crisis. Extreme weather events and natural disasters are gradually occurring more frequently compared to before the industrialization, and governments and companies must take proactive responses. Binggrae will respond to domestic and international climate change requirements and promote net zero as a mid- to long-term goal, with management and business impact on climate change monitored continuously. GHG emission and energy use goals are established and managed, and climate & environmental responsibilities and business sustainability are strengthened through the project of improving energy efficiency, etc.

Governance in Response to Climate Change

Similar to environmental management governance, decisions necessary for reducing GHG emissions and responding to climate change are made mainly by the management, including the Board of Directors (BOD). Detailed goals related to climate change are set and managed with the performances centering on the Production Technology Team in the Production HQ, and discussions are made with the relevant departments to strengthen the response system related to the climate. In addition, activities such as using energy-saving equipment with the relevant departments and developing eco-friendly packaging through R&D, etc. are being promoted.

Analysis of Climate Change Scenarios

Climate change data was analyzed centering on the SSP (Shared Socioeconomic Pathways) scenario by IPCC, the intergovernmental panel on climate change. Through scenario analysis, environmental, social, and financial impacts that can wield an influence on the overall business and management of the company were analyzed. In addition, actual and potential risks are analyzed along with opportunity factors to reflect them to the climate change response strategies and tasks.

Especially, analysis is performed in various fields with resilience as an important factor. We are focusing efforts on preventing the uncertainties in advance by predicting the price increase of key elements due to climate change such as raw materials (ex.: Crude oil) as the foundation of the business.

Binggrae will strengthen its comprehensive and systematic response to climate change by performing continuous monitoring and reflecting advanced scenario analysis techniques in the future.

Key Factors

Among various factors of climate change, temperature, precipitation, extreme weather, and season length were analyzed as factors having impact on the business. Through this, response strategies for the reduction of GHG emissions, energy saving, and management and expansion of the use of renewable energy were established by period, classified into short-term (annual), mid-term (2030), and long-term (2050).

Season Length

The date of the start of spring in Korea is expected to continually be earlier, and summer will be longer. Winter is gradually getting shorter as well.

* Summer is projected to be 64 days longer from 109 days in the 2020s to 173 days in the 2090s.

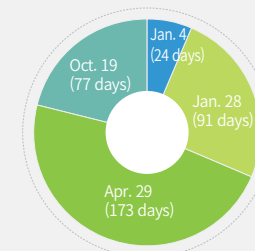
* Winter is projected to be 68 days shorter from 92 days in the 2020s to 24 days in the 2090s.



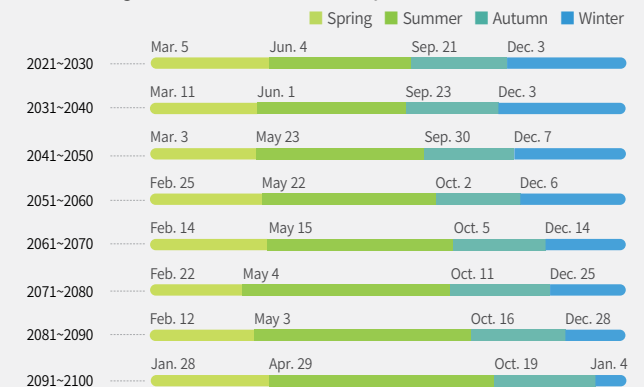
Season Length, SSP5-8.5, Nationwide, 10 years, 2021-2030



Season Length, SSP5-8.5, Nationwide, 10 years, 2091-2100



Season Length, SSP5-8.5, Nationwide, 10 years, Total



Climate Change Risk and Response Management

Transition risks and physical risks due to climate change were analyzed by type to identify the key factors, risks, and opportunities, including the financial impact. Moreover, response strategies are established and managed considering the urgency and materiality. As the key risks and opportunities, increase in GHG emission according to the increase in production, higher cost and failure of supply and demand for production, equipment restoration cost due to natural disasters, etc. were derived; reduction of energy cost according to equipment investment, improvement of image as an eco-friendly company, etc. were recognized as opportunity factors. In addition, with the introduction of the renewable energy generation system added as a response strategy, the introduction of new energy will also be reviewed actively.

Type		Factor	Risk	Opportunity	Financial impact	Response strategy
Transition risk factor	Policy	<ul style="list-style-type: none"> Domestic & foreign carbon & plastic regulations reinforced. 	<ul style="list-style-type: none"> Carbon emission increase linked to increase in production. Plastic use increase linked to increase in sales. Carbon emission tax imposed on overseas export. 	<ul style="list-style-type: none"> Response to regulations is used as the driving force for systematic & quick transition to an eco-friendly company. 	<ul style="list-style-type: none"> Increase in costs due to response to regulations (investment in carbon reduction equipment, etc.). 	<ul style="list-style-type: none"> Trial-and-error reduced through preemptive regulatory analysis and preparation, cost saved.
	Technology	<ul style="list-style-type: none"> Emission allowance for GHG is reduced. 	<ul style="list-style-type: none"> Increased input of resources (manpower, time, and cost) to reduce greenhouse gas emissions. 	<ul style="list-style-type: none"> Energy cost is saved through investment in system for GHG reduction. Production stability and operation safety are strengthened based on the replacement of obsolete equipment. 	<ul style="list-style-type: none"> Cost of investment in GHG reduction is increased. 	<ul style="list-style-type: none"> Government support projects on reducing GHG are utilized (reduction of investment cost by up to 50%).
	Legal	<ul style="list-style-type: none"> Litigation arising in relation to the environment, such as climate change, etc. 	<ul style="list-style-type: none"> Decline in reputation due to litigation. 	-	<ul style="list-style-type: none"> Incurring expenses to respond to litigation. 	<ul style="list-style-type: none"> Reviewing and establishing response methods through a pre-assessment of legal risks for major business lines.
	Market	<ul style="list-style-type: none"> Increase in cost of raw materials & energy. 	<ul style="list-style-type: none"> Increase in cost & delay in supply & demand for production. 	<ul style="list-style-type: none"> Cost reduction & increase in consumer satisfaction by discovering better substitute ingredient. 	<ul style="list-style-type: none"> Decrease in operating income due to increase in cost. 	<ul style="list-style-type: none"> Trend analysis on the raw material and energy market, introduction of high-efficiency equipment.
	Reputation	<ul style="list-style-type: none"> Expectations of stakeholders with regard to our role as an eco-friendly company. 	<ul style="list-style-type: none"> Impact on financial capability due to decrease in corporate reputation when expectations are not met. 	<ul style="list-style-type: none"> Enhanced image as an eco-friendly company & increased sales by meeting market expectations. 	<ul style="list-style-type: none"> Possibility of increasing or decreasing sales & operating income according to the change in corporate reputation. 	<ul style="list-style-type: none"> Active spread of eco-friendly capability by publishing the sustainability report.
Physical risk factor	Short-term	<ul style="list-style-type: none"> Eventuality of climate disasters such as typhoon, drought, forest fire, flood, etc. 	<ul style="list-style-type: none"> Increase in raw material prices & damage to production facilities, etc. 	<ul style="list-style-type: none"> Opportunity to discover new businesses related to climate disasters. 	<ul style="list-style-type: none"> Increase in raw material cost, production delays, recovery cost incurred from facility damage, etc. Increase in utility expenses. 	<ul style="list-style-type: none"> Preliminary preparation of scenarios related to climate disasters, provision of response training. Efficiency in utility use (e.g., use of high-efficiency equipment). Introduction of renewable energy generation facilities.
	Mid- to long-term	<ul style="list-style-type: none"> Long-term physical environmental changes such as global warming, etc. 	<ul style="list-style-type: none"> Delay in supply & demand of raw materials due to the rise in sea level and ground surface temperature, occurrence of finished product storage and quality risk, etc. 	<ul style="list-style-type: none"> Opportunity to discover new businesses related to long-term risk management. 	<ul style="list-style-type: none"> Increase in raw material cost logistics, storage, quality control costs, etc. 	<ul style="list-style-type: none"> Establishing a mid- to long-term environmental response policy.

Financial Impact Analysis of Risks and Opportunities from Climate Change

Binggrae performed quantitative analysis on the physical risk among the risks from climate change, based on the RCP2.6 and RCP8.5 scenarios. In the future, additional analysis will be performed on the implementation risks and environmental & social risks for upgrade. In addition, based on the result of financial impact analysis on the derived climate change risk, review is conducted when establishing the financial plan.

Type	Factor	Scope of impact			Risk factors	Financial impact assessment	Financial impact analysis
		Short-term	Mid-term	Long-term			
Physical risk factor	Drought	●	●		<ul style="list-style-type: none"> Increase in raw material price and damage to production facilities, etc. 	<ul style="list-style-type: none"> Daily capa. of production volume * Sales amount per production volume * Days of business suspension Difficulty of employees in performing the work and discontinuation of energy/resource supply due to facility damage Decrease in production capa. due to increase in occurrence frequency (i.e., decrease in sales) 	<ul style="list-style-type: none"> (Analysis assumption) In the case of suspension of manufacture due to extreme weather (forest fire, storm and flood, etc.), when another facility transferred for production does not have sufficient capacity for carrying out the alternative manufacture immediately, the order is anticipated to be delayed, resulting in 10% decrease of sales during the first quarter (based on a hypothetical example, however) (Analysis target) Analysis of potential annual sales losses when extreme weather occurs (Analysis result) Approximately KRW 2,191 million in losses
	Forest fire	●	●		<ul style="list-style-type: none"> Increase in raw material price and damage to production facilities, etc. 		
	Extreme weather and bad weather (typhoon, flood, etc.)	●	●		<ul style="list-style-type: none"> Damages in distribution channels and supply processes, etc. 	<ul style="list-style-type: none"> In the case of bad weather, problems occur on the supply and distribution channels, thereby increasing operating costs and decreasing production volume and sales. 	
	Global warming			●	<ul style="list-style-type: none"> Delay in raw materials supply & demand due to the increase in sea level and ground surface temperature, occurrence of finished product storage and quality risk, etc. 	<ul style="list-style-type: none"> Increase in power consumption (increase in operating cost) and decrease in asset value due to the rise in temperature and sea level 	<ul style="list-style-type: none"> (Analysis assumption) Upon a 6% increase in power consumption of air-conditioners for every 1°C increase in temperature and increase in temperature by 1, 2, 3, and 4 degrees Celsius, the sea level increases by 2.1, 4.7, 6.4, and 8.9 meters, respectively

GHG & Energy Target Management

Binggrae identifies the risks and opportunities according to the climate change to continue the efforts for achieving the GHG and energy management goals based on the management system established together with the response plan. For this, a GHG manager is designated, and the GHG emission and energy use are monitored periodically to promote active response for the goal of reducing GHG emission. Especially, the goal is to reduce GHG emission by 25% until 2030 compared to 2022, and an annual goal was established to implement investment and reduction activities actively.

Master Plan on GHG & Energy Target Management

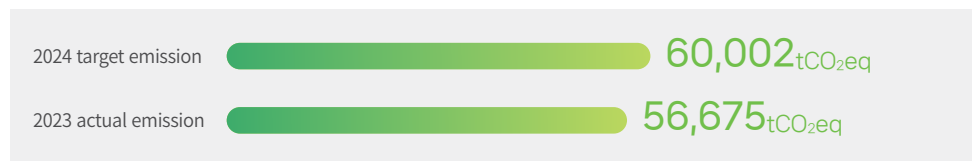
Classification	Implementation details
Establishment and submission of the 2024 implementation plan	<ul style="list-style-type: none"> Identify issues for the reduction implementation plan and prepare the basis for calculating the reduction implementation plan Input the information into the national GHG information system Submit the implementation plan
2024 reduction implementation check	<ul style="list-style-type: none"> Preparation of investigation sheet on implementing the reductions in the first semester, on-site inspection
Implementation of the 2024 GHG emission reduction plan	<ul style="list-style-type: none"> Execute the implementation plan Discover and execute additional themes
2025 reduction goal setting	<ul style="list-style-type: none"> Negotiate reduction targets (KOAT)
Participation in assistance training	<ul style="list-style-type: none"> GHG reduction research association (3 times a year)

GHG Emission

Classification	Unit	2022	2023	2024
Total amount of GHG emissions	tCO ₂ eq	59,514	57,280	59,696
Scope1 (direct emission)	tCO ₂ eq	17,232	16,254	16,989
Scope2 (indirect emission)		42,294	41,035	42,717
Intensity of GHG emissions	tCO ₂ eq/ton	0.214	0.213	0.215

* The total amount of GHG emissions is the sum of GHG emissions from all individual emission sources and may be slightly different from the actual emission amount.

* It is the Statement of GHG Emissions & Energy Use value.



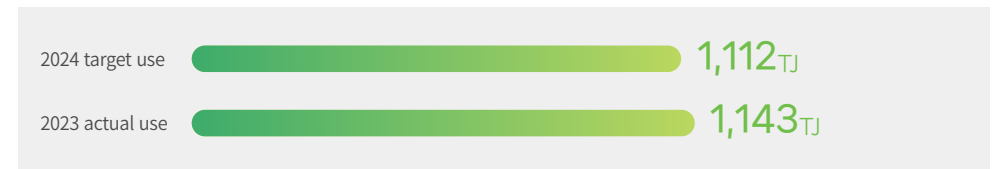
* Based on main business sites whose target emission has been set.

Energy Use

Classification	Unit	2022	2023	2024
Total amount of energy use	TJ	1,198	1,151	1,200
Use of electricity	TJ	884	857	893
Use of fuel		320	302	315
Intensity of energy use	TJ/ton	0.00431	0.00428	0.00433

* The total amount of energy use is the sum of the amount of energy reduction of all individual energy sources and may be slightly different from the actual amount used.

* It is the value in the Statement of GHG Emissions & Energy Use.



* Based on main business sites whose target emission has been set.

Renewable Energy Use



* The renewable energy presented above is the amount of renewable energy produced through the solar power facilities installed at Gimhae Factory and Nonsan Factory for consumption.



GHG & Energy Reduction Activity

Binggrae is performing the equipment investment and low-carbon process improvement project for GHG reduction and energy saving. As the main activity in 2024, cold storage freezer, hover, condensate recovery pipe, ice builder, hot water tank, and solar power generation facilities were improved to enhance efficiency.

Through the equipment investment activity, the Gimhae factory is expected to reduce greenhouse gases by 507 tCO₂eq and save energy by 10.4TJ. In addition, the Gwangju factory is expected to reduce greenhouse gases by 351 tCO₂eq and save energy by 7.4TJ.

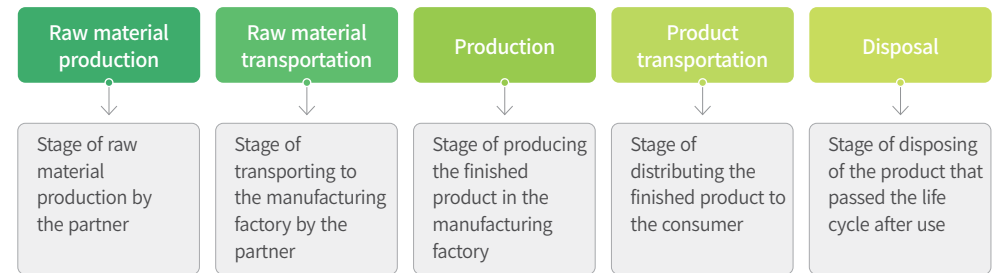
Investment in GHG & Energy Reduction

To reduce GHG emission and energy use, LED streetlights were installed in the Nonsan Factory area, solar-powered buildings were newly built additionally, and equipment in the Evacon and Supercon pneumatic line were improved. Moreover, improvement tasks for GHG and energy reduction are identified in the factories of each region to carry out investments in stages.

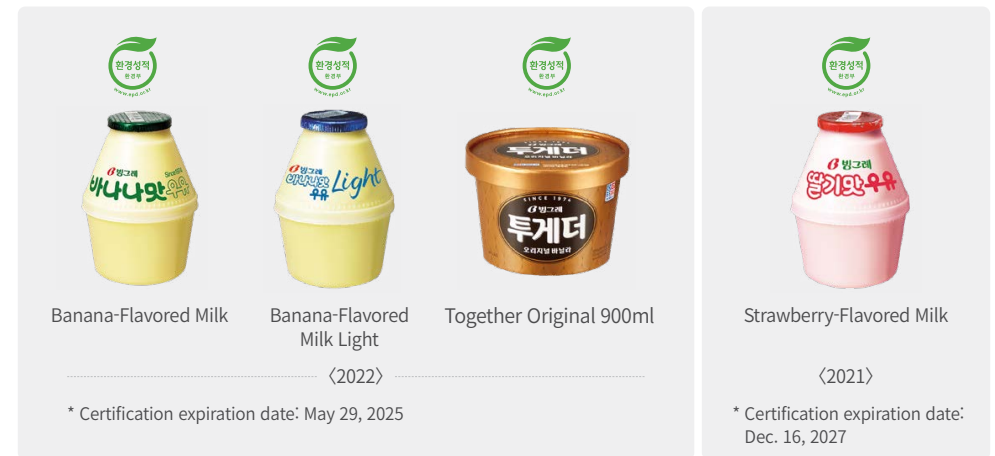


Carbon Footprint of the Products

The main products of Binggrae such as Banana-Flavored Milk, Banana-Flavored Milk Light, Together Original Vanilla, and Strawberry-Flavored Milk underwent LCA (Life Cycle Assessment) to analyze the impact on the environment throughout the overall process from raw materials to disposal of the products. These 4 products acquired “EPD (Environmental Product Declaration)” certification through objective information disclosure of the environmental impact occurring throughout the overall process.



Certification of Environmental Product Declaration (EPD)





Circular Economy System

Binggrae is actively promoting the 3R (Recycle, Reduce, Redesign) strategy, with the production and recycling of eco-friendly products and economic efficiency improved through resource circulation activities. In addition, wastes from the production process and disposal stage are handled efficiently to minimize the wastage of resources, with the negative impact on the environment reduced as much as possible. Especially, efforts focus on producing sustainable products through the development and application of eco-friendly packaging.



3R Strategy

Activities for reducing waste generation and GHG emission are promoted through resource circulation. Through the 3R (Recycle, Reduce, Redesign) strategy, the recyclability of the product packaging container is increased, and plastic use is decreased to reduce GHG emission.

Improvements are made for lightweight containers and packaging materials, including convenience of separate recycling through the development of eco-friendly packaging according to the characteristics by product. PIR (Post-Industrial Recycled) from the production process is also utilized to enhance the recyclability of the raw materials for plastic.

Moreover, more than 90% of the wastes generated are processed through a company specializing in recycling, and environmental impact is minimized through waste tracking management.

RECYCLE

Development of recyclable packaging

- Label less than 1 in weight is applied
- “Excellent” Grade for recycling is applied
- Easy way of separating the packaging from a product

REDUCE

Eco-friendly packaging design

- Container design for reducing plastic use
- Design in consideration of reducing the CO₂ emission

REDESIGN

Redesign for eco-friendly packaging

- Container design for reducing plastic
- Embossed/Engraved design for removing the label

Development of Eco-friendly Packaging

Binggrae is continuing efforts to reduce CO₂ and waste discharge by developing eco-friendly packaging. According to government policies such as waste allotment system, regulations on the use of excessive packaging and disposables, extended producer responsibility (EPR), and separate discharge labeling system, Binggrae is conducting activities of reducing carbon emission from the production of packaging materials to the disposal stage to reduce and suppress the generation of waste from the packaging materials and for convenience of reuse and recycling. In addition, Binggrae is actively participating in developing packaging materials optimized for resource circulation after the incineration or landfill of packaging materials.

By reducing the container weight of Banana-Flavored Milk as the main product, and through the method of processing and reusing the plastic remaining from the container production process, the effect of reducing CO₂ emission by approximately 4,000 tons was achieved.

Introduction of Main Products Applied with Eco-friendly Packaging

Binggrae has been continuously applying eco-friendly packaging to its products since 2021. Through eco-friendly packaging, products such as “A Café La Simply,” “T’aom,” etc. received the “Excellent” grade and “Outstanding” grade, respectively, for recycling (certified by the Korea Environment Corporation). In addition, Binggrae is continuing efforts to reduce the consumption of resources through lightweight packaging materials and to enable easy and efficient recycling by improving the recycling grade.

Reduction in GHG emissions through improvement of packaging in 2023


3.087 tCO₂eq






[Eco-friendly Packaging Applied in 2021-2022]


Highest-grade products for the recycling initiative



Label-free packaging



Clear Sky Balloon Flower Root Tea



Shrink label with specific gravity of less than 1


A Café La 240 ml

Highest-grade products for recycling initiative

Thermo-alkaline water separation-type adhesive used and compliance with standard on adhesive application




Improvement of recycling grade



REMOVAL

Remove calcium carbonate from the Yoplait Original sheet

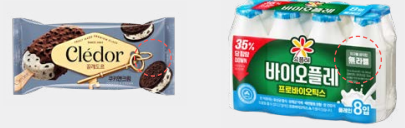


SEPARABLE TOP

Veggie (Tetra Top) SEPARABLE TOP* changed
*SEPARABLE TOP: Synthetic resin cap that enables detaching from the body of the paper pack

Lightweight packaging materials

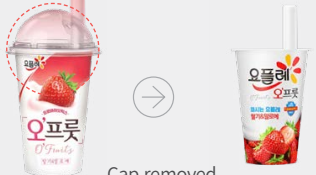
OPP/AL vinyl thickness reduced



OPP AL

- Ice cream film thickness reduced
- Yoplait Bioplait lead thickness reduced

Miscellaneous materials removed from the plastic




Cap removed


- Yoplait Original (180g) cap removed
- Yoplait O'Fruit cap removed

[Main Products Applied with Eco-friendly Packaging in 2023]


Lightweight plastic containers (weight reduced by 8.9~12.5% for each product)




T'aom(235ml)



A Café La Simply PET



Yoplait Protein Drink



Cledor Parfait



[Main Products Applied with Eco-friendly Packaging in 2023]

Lightweight ice cream film (50→40μm)



Samanco



Melona



B.B.BIG



Pangtoa



Yomamte Bar



Cookie & Cream Bar



Candy Bar

Tangerine-flavored
Ice Cream

Kakao Friends Ice Bar



Clédoor Bar



Cafe Au Lait

Removal of shrink film



Together



Gracia

Lightweight shrink label (thickness reduced by 10%)



A Café La Original

[Main Products Applied with Eco-friendly Packaging in 2024]

Application of SKC Eco-Label
(acquired “Outstanding” grade for recycling)



Super Boost

Lightweight plastic container



Snoopy Coffee (500ml)



Changbi Coffee (500ml)



Blending Ice Tea (500ml)

Label removal (changed to direct printing)



Bingrae Bingsu

Conversion into roll feeding (lead weight reduced)



Yoplait Original(180g)



Waste Management

To respond actively to waste policies and to minimize the environmental impact due to the generation of wastes, a waste treatment goal is established for handling wastes annually. These efforts are aimed at participating actively in the resource circulation; to increase the recycling rate as a fundamental solution to the waste issue, wastes are handled systematically through an outsourcing company.

Waste Disposal Status

Category		Unit	2022	2023	2024
Total amount of waste			9,757.9	9,832.8	8,681.3
Regular waste	Recycling	ton	9,037.2	9,069.7	8,170.4
	Incineration		650.3	680.2	454.0
	Landfill		5.2	5.5	3.3
	Subtotal		9,692.7	9,755.4	8,627.7
Designated waste	Recycling	ton	59.4	73.1	48.6
	Incineration		5.8	4.2	4.5
	Landfill		0	0.1	0.5
	Subtotal		65.1	77.4	53.6
Amount of recycled waste			9,096.6	9,142.8	8,219.0
Waste recycling rate		%	93.2	93.0	94.7

Performances Compared to the Waste Management Goals

2024 target emission

8,907_{ton}

2024 actual emission

8,681_{ton}

Environment-friendly Resource Circulation Campaigns

Various campaigns are carried out annually to promote eco-friendly resource circulation. Focus is placed on promoting waste collection and recycling and on spreading environmental awareness, with the method of directly participating in resource circulation adopted to carry out promotional activities for participation by many people.

2022

“Everyday Danbansa” Campaign



- Empty plastic bottles of Banana-Flavored Milk were collected from 51 elementary schools nationwide to enable the students to discharge directly and to participate in the eco-friendly activity.
- 29,060 people participated to achieve the collection amount of 846 kg, and the proper discharge method was informed to contribute to the formation of habit of eco-friendly activities.



2023

“Zero Waste” Campaign



- MOUs were signed with 11 agencies including the Ministry of Environment to spread the culture of practicing resource circulation.
- Campaigns for contributing to spreading the culture of practicing resource circulation in the university campus (Binggrae “Summer Crush” applied with eco-friendly packaging is given when separate recycling of wastes is done), installing the Zero-Waste Booth in Hangang Park, and promoting the use of tumblers in the company were held.



2024

Zero Station Operation



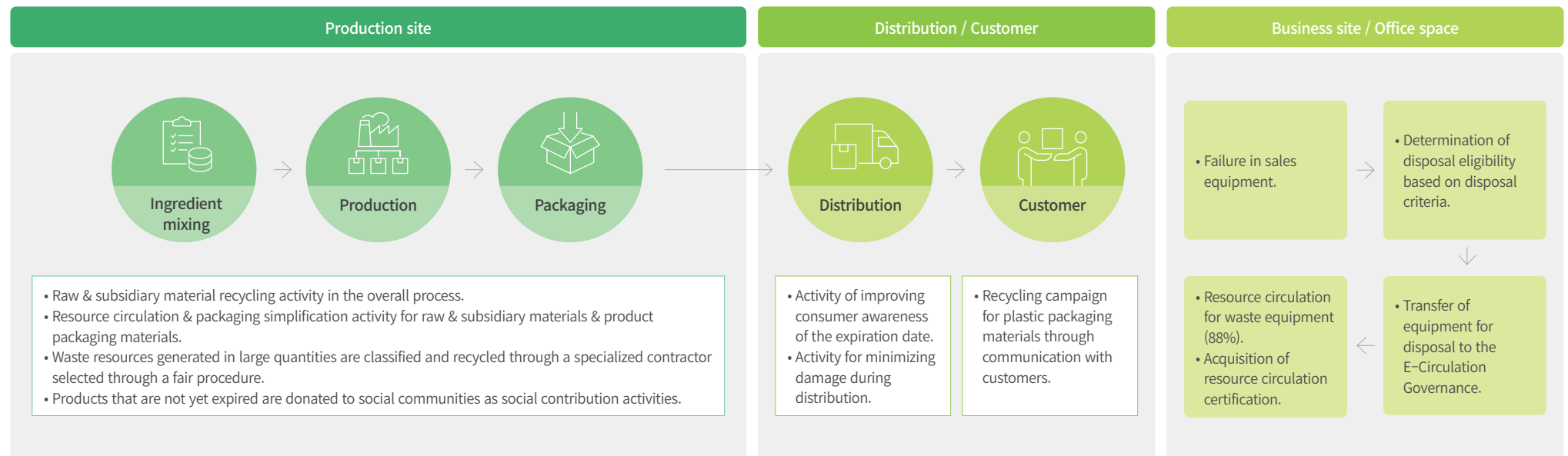
- Participation by encouraging the habit of proper waste (PET) separation and disposal in Yeouido Hangang Park.
- The main customers are runners and bikers, and super boost products are supported in Yeouido Hangang Park.
- Citizens' participation in waste separation and disposal is encouraged to improve the quality of recyclable wastes.





Resource Circulation Performance Management Process

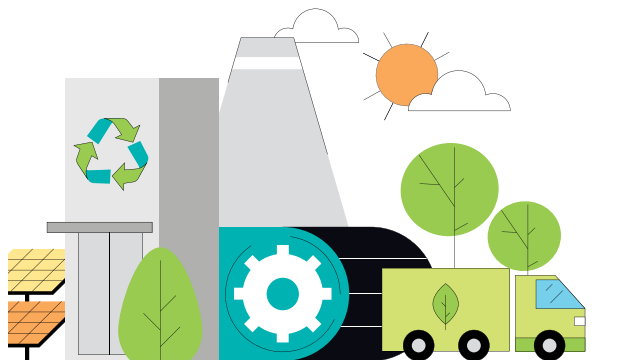
The overall processes of products and services were divided for classification, and efficient input and recycling of resources were analyzed for the analysis of environmental performance. In the overall processes, stages directly related to Bingrae were analyzed by classifying into ingredient mixing, product manufacture and packaging stage in the production site, and distribution and packaging material use stage in the distribution center and disposal stage in the business sites and office spaces for customers. Response measures for implementation are established for the relevant issues for each stage; especially in the production stage, recycling and eco-friendly technologies are actively introduced for the raw & subsidiary materials. Annual resource circulation goals are checked and reset, with the achievement of goals and outstanding performances reflected to the KPIs of employees in an effort to promote active participation and continuous performance improvement.





CREATION OF ECO-FRIENDLY VALUE

Binggrae is focusing various efforts on eco-friendly management such as establishment of environmental goals according to the enterprise-wide environmental management system, improvement activities, environmental protection and prevention of accidents, compliance with environmental laws and regulations, etc. By performing daily inspections and monitoring for managing air/water pollutants and wastes, etc., environmental pollution is minimized, and equipment investment is made to improve the environmental infrastructure.



Eco-friendly Investment

Binggrae is investing according to the environmental impact assessment by business site to prevent environmental pollution and protect the environment. Various investment activities are carried out including equipment improvement and maintenance, as well as the introduction of new equipment for energy efficiency and GHG reduction.

In particular, in 2024, partial reconstruction and renovation of the wastewater treatment building were carried out at Namyangju Factory 1, along with the implementation of an HMI (Human-Machine Interface) system to enhance equipment data management and analysis capabilities, thereby strengthening real-time monitoring of abnormal conditions. Meanwhile, to reduce water pollutants, Namyangju Factory partially replaced and expanded its MBR (Membrane Bioreactor) filtration system, and Gimhae Factory introduced UV sterilization equipment for chlorine-free disinfection of effluent, minimizing ecological toxicity caused by disinfection by-products.

Eco-friendly Investment Amount

(Unit: KRW 1 mil.)

Classification	2022	2023	2024
Reduction of air pollutants	35.0	26.0	34.0
Reduction of water pollution	529.7	371.6	325.6
Management of hazardous chemicals	100.6	71.6	38.8
Reduction of GHG emissions	124.0	848.0	1,527.1
Improvement of energy efficiency	328.0	292.0	519.3
Total	1,117.3	1,609.2	2,444.8

Green Purchase Policy

First

Binggrae will comply with environmental protection and environmental laws together with business partners to fulfill its social responsibilities.

Second

Binggrae will share and implement its environmental policy with business partners to establish a shared growth relationship.

Third

Binggrae strives to secure the best partner companies for win-win growth through the development of eco-friendly products, continuous quality improvements, and rational cost calculation.

Use of Raw & Subsidiary Materials

Raw milk is used as the raw material of dairy products and ice cream, which account for the largest share of Binggrae products. In addition, plastic film and containers, etc. are used as packaging materials whose resource use is minimized through eco-friendly packaging design, replacement with eco-friendly materials, weight reduction, etc.

Use of Major Raw Materials*

Classification	Unit	2022	2023	2024
Raw milk	ton	145,125	139,557	138,747
Intensity of use**	ton/KRW 100 mil.	11.4	10.0	9.5

* Consolidated

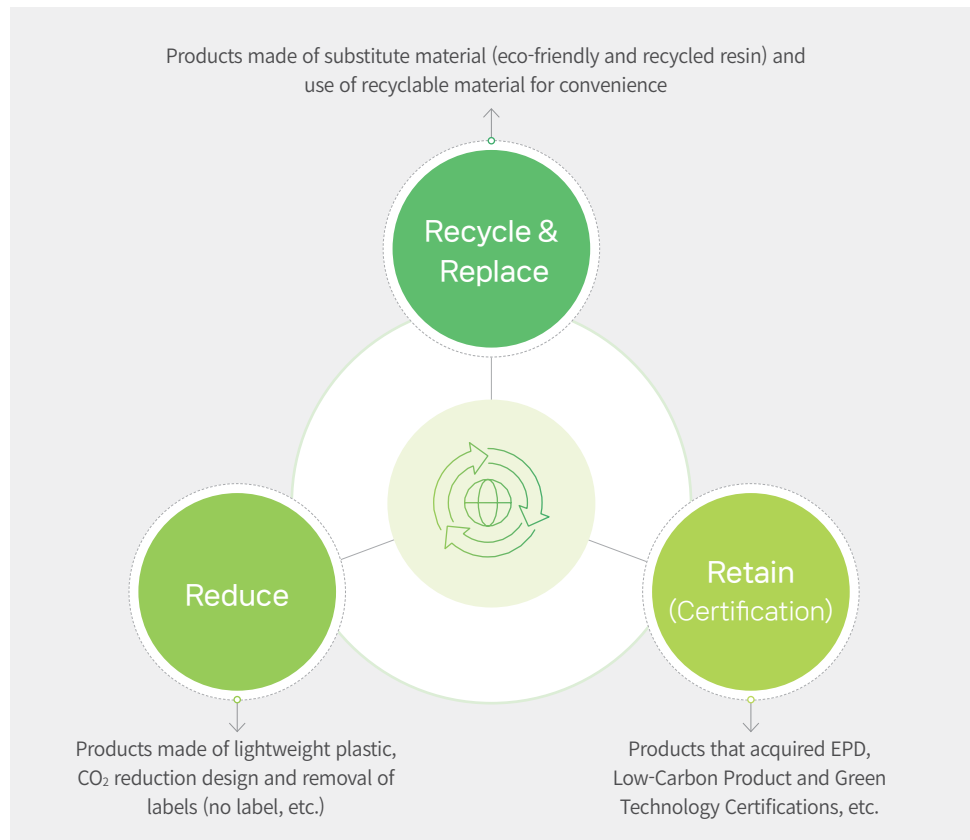
** Intensity of use : Based on sales amount

Eco-friendly Purchase & Sales

Alternative materials, recycled products, and eco-friendly products with enhanced convenience of recycling are purchased, including products designed to reduce CO₂ and no-label products, etc. Especially, Binggrae is making efforts to prioritize the purchase of products that acquired EPD or low-carbon products, or products with green technology certification.

Eco-friendly purchases and sales have increased continuously over the last 3 years, and Binggrae will comply with internal regulations on eco-friendly products and continue to expand eco-friendly purchases.

Standard for Eco-Friendly Purchase & Sales



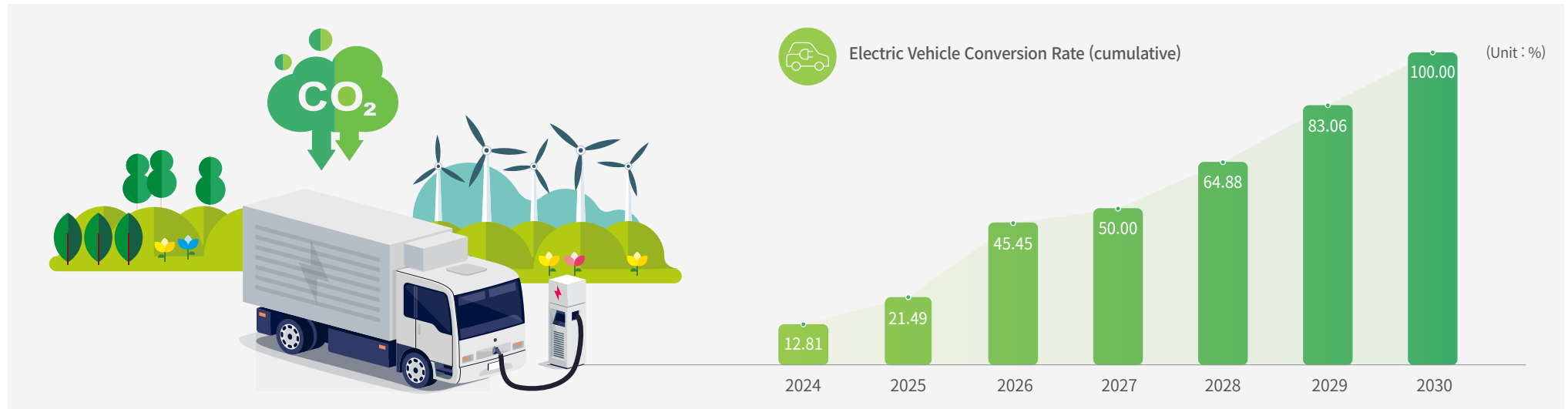
Eco-friendly Product Purchase & Sales Amount



Binggrae's 7-year Project of Converting Commercial Refrigerated Trucks into Electric Vehicles

Binggrae is actively promoting the conversion of commercial refrigerated trucks into electric vehicles to take the initiative in protecting the environment and establish eco-friendly business sites. Starting with 31 vehicles in 2024, all 242 vehicles will be converted into electric vehicles for operation by 2030. Converting the existing diesel vehicles into electric vehicles has the effect of reducing carbon emission by 3.2t annually per vehicle. Once the conversion of all Binggrae vehicles is complete, carbon emissions are expected to be reduced by a total of 774.4t annually.

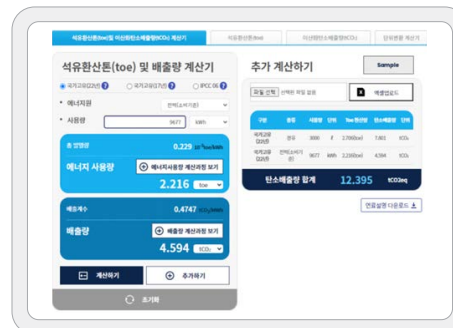
To calculate the effect of reducing carbon emission, the calorific value of energy pursuant to Article 5 (Energy Equivalent Conversion Factors) of the Enforcement Rules of the Energy Act and GHG emission factor as per Article 36 of the Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis and Article 39 (Establishment and Management of the Comprehensive GHG Information Management System) of its Enforcement Decree were used.



Classification	Diesel	Electricity	Difference
Fuel Efficiency	10km/L	3.1km/kWh	-
Fuel Use Amount	3,000L	9,677kWh	30,000 km driven per year
Carbon Emissions	7.801t	4.597t	-

* Conversion into electric vehicles will reduce carbon emission by 3.2t annually per vehicle.

** In the EG-TIPS (Energy GHG Total Information Platform Service) platform, TOE (Ton of Oil Equivalent) and CO2 emission calculator are utilized (<https://tips.energy.or.kr/popup/toe.do>).



Binggrae Introduces Tumbler Cleaners

Binggrae introduced tumbler cleaners to reduce GHG emissions through less use of disposable paper and plastic cups. In calculating the GHG reduction result, research results (life cycle assessment result on paper cups and plastic cups) provided by ICCA (Institute of Climate Change Action) were applied to set based on the GHG emission of 52g for plastic cups and 28g for paper cups. In 2024, tumbler cleaners were used for a total of 23,456 times, resulting in total GHG reduction of 938kg. We will continue to focus efforts on internalizing and expanding eco-friendly activities of reducing GHG in daily life.

Classification	No. of uses (times)	No. of disposable items reduced (EA)	GHG reduction (kg)	Effect of planting pine trees (per tree)	Cost reduction for cup purchase (KRW 1,000)
Cleaner 1	1,380	1,380	55	8	76
Cleaner 2	10,654	10,654	426	65	586
Cleaner 3	5,474	5,474	219	33	301
Cleaner 4	5,948	5,948	238	36	327
Total	23,456	23,456	938	142	1,290

Classification	Pre-manufacturing stage (completed)	Use stage	Disposal stage	Total
Plastic cup	49g	-	3g	52g
Paper cup	26g	-	2g	28g

* Results may vary according to the cup type and size. (Source: ICCA)

GHG emissions from paper cups

28g



GHG emissions from plastic cups

52g



No. of disposable items reduced

23,456^{EA}



Based on average discharge of 40g for paper & plastic cups

938kg



30-year-old pine tree calculated as 6.6kg

142^{trees}



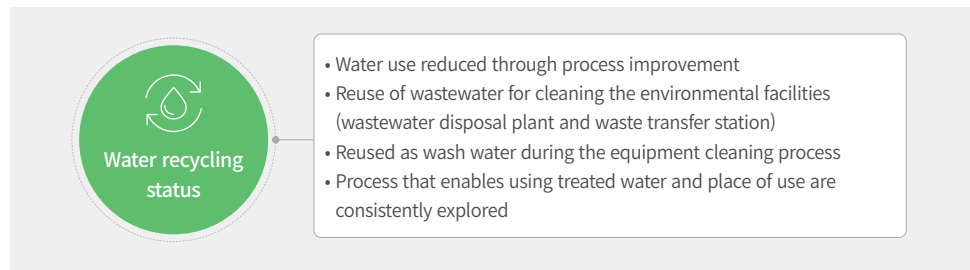
Based on purchase cost of KRW 55 for plastic cups

KRW 1,290,000



Water Resource Management

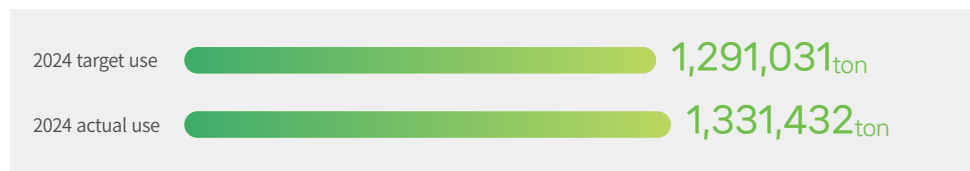
Binggrae's food and beverages require a large amount of water due to the nature of the production process. Efforts are focused on using clean and high-quality water at all times, and process efficiency and improvements are continued for the efficient management of water. In addition, water use is managed by establishing recycling methods during water use for resource circulation. Binggrae will continue to manage the use and recycling of water, and check and improve water-related issues.



Water Use and Recycling Status

Classification	Unit	2022	2023	2024
Water use	ton	1,368,348	1,334,206	1,331,432
Recycled water volume		64,039	71,656	57,118
Water recycling rate	%	4.7	5.4	4.3

Performances vs. the Water Use Goal

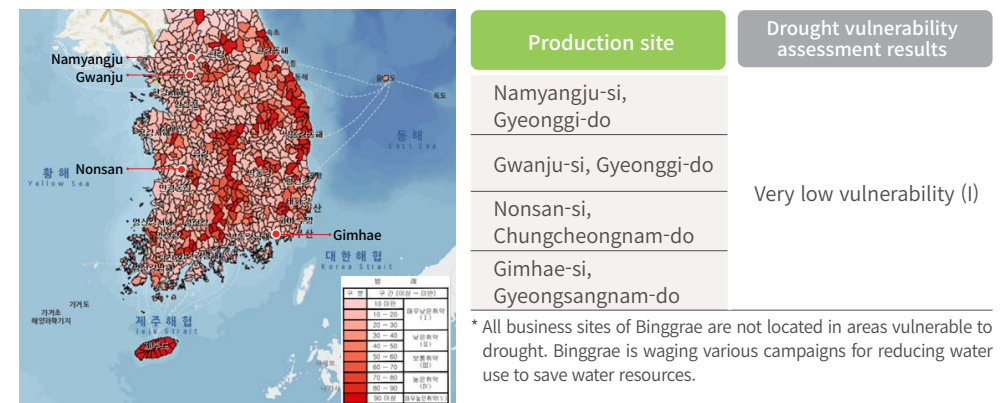


Water Intake Quantity & Water Use by Business Site

(Unit : ton)

Business site	Source of supply	2024	
		Water intake	Use
Namyangju Factory	Third party-supplied water (tap water, industrial water, etc.)	202,287	202,287
	Underground water	296,494	296,494
	Recycled water	32,623	32,623
	Subtotal	531,404	531,404
Gimhae Factory	Third party-supplied water (tap water, industrial water, etc.)	58,661	58,661
	Underground water	348,694	348,694
	Recycled water	24,495	24,495
	Subtotal	431,850	431,850
Nonsan Factory	Third party-supplied water (tap water, industrial water, etc.)	14,681	14,681
	Underground water	189,878	189,878
	Recycled water	-	-
	Subtotal	204,559	204,559
Gwangju Factory	Third party-supplied water (tap water, industrial water, etc.)	8,090	8,090
	Underground water	155,529	155,529
	Recycled water	-	-
	Subtotal	163,619	163,619
Total	Third party-supplied water (tap water, industrial water, etc.)	283,719	283,719
	Underground water	990,595	990,595
	Recycled water	57,118	57,118
	Subtotal	1,331,432	1,331,432

Information on Vulnerability to Drought at Production Site (as of Dec. 2024)





Water Resource Risk Identification and Response Strategy

The food industry is closely related to water due to the nature of the products. Sustainable water resources are considered with priority including use of water resources, wastewater management and resilience, etc. In addition, risks and opportunities with regard to water resource management are analyzed, and potential financial impact is identified to establish the response strategy. Especially, increased water use in the production and manufacturing stage of the products and decrease in water resources that can be used are identified as major risks; methods for reducing use and performing recycling are considered consistently. Meanwhile, efforts for establishing a sustainable business are continued by minimizing the environmental impact according to water use.

Classification	Factor	Risk	Opportunity	Financial impact	Response strategy
Policy	<ul style="list-style-type: none"> • Tightening domestic & foreign water resource management regulations. • Tightening discharge facility-related regulations and standards. 	<ul style="list-style-type: none"> • Increase in water consumption & wastewater discharge according to the increase in production. • Limitation of response by the new pollutant preventive facility. • Restriction in promoting new products/ businesses. 	<ul style="list-style-type: none"> • Improving image as an advanced water resource management company through preemptive regulatory response. • Marketing of environment-friendly corporate image possible. 	<ul style="list-style-type: none"> • Increase in cost of responding to regulations (equipment investment related to water & wastewater, etc.). • Increase in operating expenses for complying with tightened standards. 	<ul style="list-style-type: none"> • Implementing preemptive analysis/ response methods through in-house personnel specialization. • Minimization of trial-and-error through sequential plan.
Technology	<ul style="list-style-type: none"> • Upgrading of existing equipment, investment in advanced equipment, & development of in-house cutting-edge technology. 	<ul style="list-style-type: none"> • Early stabilization required for introducing new equipment. • Factor regarding increase in equipment investment cost & operating personnel. • Incurring cost of failure from introducing equipment. 	<ul style="list-style-type: none"> • Preparing for the possibility of decrease in utility/ personnel according to the sophisticated equipment. • Improving corporate image according to the decrease in discharge of pollutants. 	<ul style="list-style-type: none"> • Increase in equipment introduction cost/ operating personnel. • Utility cost reduction according to high-efficiency equipment. 	<ul style="list-style-type: none"> • Zero cost of failure through the development of strict pre-analysis simulation capability.
Laws	<ul style="list-style-type: none"> • Potential litigation cost related to water resources. • Tightening pollutant discharge standards. 	<ul style="list-style-type: none"> • Decrease in reputation due to litigation. • Equipment upgrade to meet the standards. 	<ul style="list-style-type: none"> • Improving the environment-friendly corporate image by complying with stricter laws. 	<ul style="list-style-type: none"> • Incurring expenses related to litigation. • Incurring costs for legal compliance. 	<ul style="list-style-type: none"> • Review & setup of response methods through the pre-assessment of legal risks in major business lines.
Market	<ul style="list-style-type: none"> • Increase in water consumption cost & wastewater treatment cost. 	<ul style="list-style-type: none"> • Increase in cost & delay in supply & demand of production. 	<ul style="list-style-type: none"> • Increase in consumers' satisfaction with use of eco-friendly products and minimum water resources. 	<ul style="list-style-type: none"> • Decrease in operating income due to increase in cost. 	<ul style="list-style-type: none"> • Monitoring the annual water resource operational strategy by the government. • Adopting water use reduction equipment.
Reputation	<ul style="list-style-type: none"> • Expectations of stakeholders on our role as an environment-friendly company. 	<ul style="list-style-type: none"> • Impact on financial capability due to decline in corporate image when expectations are not met. 	<ul style="list-style-type: none"> • Improvement of image as an environment-friendly company and sales when expectations are met. 	<ul style="list-style-type: none"> • Possibility of increasing or decreasing sales and operating income according to the change in corporate reputation. • Increase in incidental expenses according to the environment-friendly system. 	<ul style="list-style-type: none"> • Active spread of eco-friendly capability by publishing the sustainability report. • Review of combined processes/ equipment improvement for reducing long-term costs.
Regional supply & demand issue	<ul style="list-style-type: none"> • Absolute reduction of water resources. 	<ul style="list-style-type: none"> • Possibility of delays in supply & demand of raw materials & increase in production cost, etc. 	<ul style="list-style-type: none"> • Innovative technologies and solutions for water management are introduced to improve operation efficiency. 	<ul style="list-style-type: none"> • Increase in utility costs, delay in production & recovery cost incurred from damage to facilities, etc. 	<ul style="list-style-type: none"> • Innovative technologies and solutions for water management are introduced to improve operation efficiency.
Abnormal climate	<ul style="list-style-type: none"> • Long-term physical environmental changes such as absolute reduction of water resources & desertification, etc. 	<ul style="list-style-type: none"> • Possibility of delays in supply & demand of raw materials & increase in production cost, etc. 	<ul style="list-style-type: none"> • Seizing the opportunity to discover new businesses related to long-term risk management. 	<ul style="list-style-type: none"> • Decrease in operating income according to the increase in raw material costs. 	<ul style="list-style-type: none"> • Setting up a mid- to long-term environmental response policy. • Development of internal experts for response.

Financial Impact Analysis of Risks and Opportunities from Water Resources

In the overall process of products and services provided by Binggrae, the “production and manufacturing stage” was found to be most relevant and closely connected with water resources. Financial impact was analyzed centering on the relevant impact in the production and manufacturing stage; in this analysis, use of water resources, operational shutdown, regulatory costs, and carbon emission-linked cost calculation methods were applied. The resulting values were disclosed in the details of representative water resource use and operational shutdown. Binggrae will continue to improve the monitoring and calculation methods to analyze diverse risks.

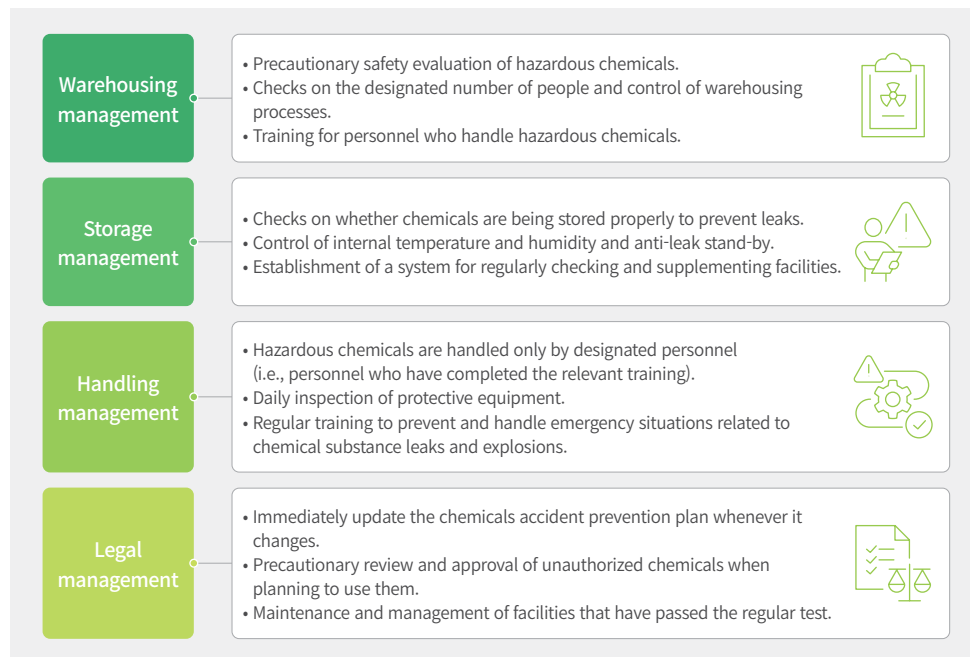
Classification	Scope of impact			Risk/Opportunity factors	Financial impact assessment	Financial impact analysis
	Short-term	Mid-term	Long-term			
Policy / Regulation	●	●	●	<ul style="list-style-type: none"> Limitation of response by the new pollutant prevention facility Restriction in promoting new products/businesses Expansion of eco-friendly corporate image through proactive regulatory response 	<ul style="list-style-type: none"> Water cost = Total water use × Water cost per unit Water cost per product = Water consumption required for production of products by 1 unit × Water cost per unit Annual regulatory costs = (Treatment facility installation cost / Useful life) + Annual operating cost 	<ul style="list-style-type: none"> (Analysis assumption) Government subsidies are not reflected when having regulation on the water use as a new policy and when adding equipment in the preventive facilities according to the designation of new pollutants (Analysis target) Analysis of installation cost for new equipment (Analysis result) Approximately KRW 19.5 billion required
Regional supply & demand issue		●	●	<ul style="list-style-type: none"> Occurrence of delay in the supply & demand of water and increase in production cost, etc. Change in the efficiency of water use according to the introduction of new equipment and improvement of the operating process 	<ul style="list-style-type: none"> Water cost per product = Water consumption required for production of products by 1 unit × Water cost per unit Annual carbon cost = (Water-related energy consumption × Emission factor) × Carbon unit price 	<ul style="list-style-type: none"> (Analysis assumption) When the costs of using water resources are increased due to the delay in water supply & demand (10% increase assumed compared to the current cost level), process efficiency and recycling rate are not reflected (Analysis target) Water use cost analysis (Analysis result) Increased to approximately KRW 16.1 billion based on the main products (23 products)
Production		●		<ul style="list-style-type: none"> Increase in water use and wastewater discharge according to the increase in production 		
Abnormal climate	●	●	●	<ul style="list-style-type: none"> Suspension of product manufacture and operational shutdown of factory, etc. Impact on a wide range of time 	<ul style="list-style-type: none"> Financial loss = (Daily sales or profit) × No. of days of suspension Financial loss = Production reduction amount × Margin per unit product 	<ul style="list-style-type: none"> (Analysis assumption) When operational shutdown of the production lines in the factory occurs due to extreme weather, the time required for restoring the production line is estimated to be 3 months (1 quarter) (Analysis target) Main products (23 products) (Analysis result) Approximately KRW 314.7 billion

Management of Hazardous Chemicals

Handling personnel who completed separate training were designated for the hazardous chemicals, and roles were assigned to manage the hazardous chemicals. Internal hazardous substance management regulations were established to analyze and manage the hazards that can occur in the overall process of manufacture, use, import, and sales involving the chemical substances handled in the business sites. In addition, safety training on handling hazardous chemicals in the business sites was provided for employee safety and to prevent the negative impact on the environment in advance. Moreover, a system for responding immediately to any emergencies is established, with periodic monitoring performed such as daily inspection on the handling of chemicals to check the equipment condition of facilities using and handling chemicals.

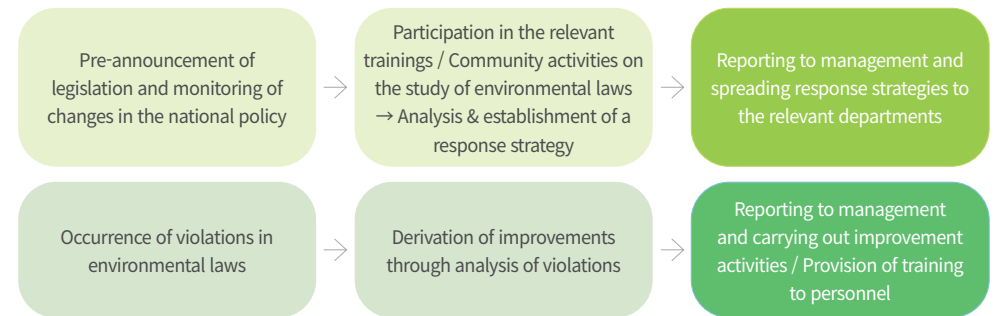
In 2024, chemical leak detectors were additionally installed along with facility maintenance, and UPS was replaced. New equipment for managing the thickness of the handling facility was also arranged additionally to strengthen safety further.

Hazardous Chemicals Management System



Monitoring of and Response to Environmental Laws

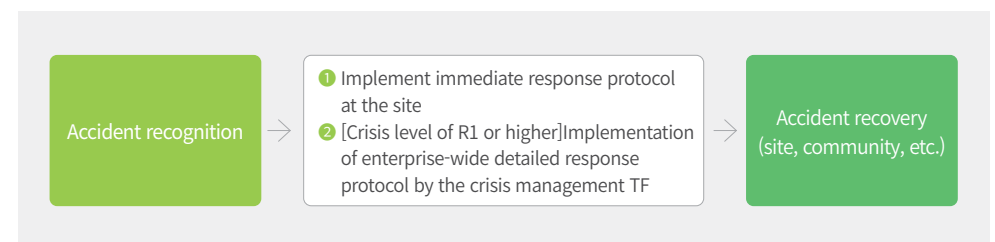
As the products are exported overseas, environmental laws and regulations are closely monitored, and standards in different countries are strictly observed. New laws or regulations are identified in a timely manner for each country to provide response measures centering on the Environmental Safety Team.



Environmental Accident Prevention and Training

Binggrae is conducting emergency response training regularly on chemical leak accidents, and environmental pollution risks are prevented in advance through daily check on the environmental equipment. In addition, a consultative group was organized in the community to establish a network for preventing the pollution damage from spreading. The Joint Training in Preparation for Chemical Accidents to Strengthen Disaster Response Capabilities was conducted in 2024, and a scenario of a chemical accident occurring was set jointly with Gwangju City Hall and Gwangju Fire Station to complete the process check and training. Training sessions on situations such as evacuation drills, fire and gas leaks, etc. were completed as well.

Emergency Response Process for Environmental Accidents



Atmospheric Environment Management

Binggrae is establishing a reduction plan on air pollutants annually and strengthening eco-friendly investment and self-management standards. The average concentration of air pollutants is kept at 50% or less compared to the legally acceptable standard, and efforts are also made to reduce the pollutants compared to the total amount of emission. Continuous investments are made in pollutant reduction facilities to minimize the environmental impact through daily on-site inspection on the air pollutant prevention facility and periodic inspection on the prevention facility manufacturer, and by requesting maintenance. The existing facilities were supplemented in 2024 according to the new installation of the air emission facility, with the air pollution prevention facility newly installed and improved. In addition, the adsorption tower and activated carbon were checked to refill the consumable materials.

Air Pollutant Management

(Unit : ton)

Classification	2022	2023	2024
Particulate Matter (PM)	0.54	0.37	0.43
NOx	3.22	3.35	1.95
SOx	0.04	0	0.13




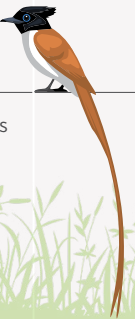
Wastewater Management

The average discharge concentration of water pollutants is kept at 30% or less than the legally permitted standards. Concentration is managed through physical and chemical water treatment, and inspections are done through 24-hour monitoring and periodic self-analysis.

Classification	Activity details
Namyangju Factory	SS standard: ≤30 ppm (Legal limit: 120 ppm) Outsourced analysis (twice per month), In-house analysis (Daily SS)
Gimhae Factory	SS standard: ≤10 ppm (Legal limit: 30 ppm) Water quality TMS operation (24-hour monitoring)
Nonsan Factory	SS standard: ≤18 ppm (Legal limit: 80 ppm) Water quality TMS operation (24-hour monitoring), In-house water analysis
Gwangju Factory	SS Standard: ≤15 ppm (Legal limit: 40 ppm) In-house analysis (twice per week)

Biodiversity Preservation Activity

To preserve precious nature and biodiversity, Binggrae identifies the status and habitat of endangered animals and plants living around the business sites and continues efforts to protect them. The impact on the surrounding environment is checked by interacting with the local councils and civic groups, and environmental purification activities are continued around business sites to minimize the impact on biodiversity.

	Namyangju	Gimhae	Gwangju	Nonsan
Endangered Species Class I		Cockscomb pearl mussel; Otter.		Cockscomb pearl mussel; Otter; Longhorn beetle. 
Endangered Species Class II	Japanese paradise flycatcher; Lycaenid butterfly; Large violet; Moon night mushroom.	Dendrobium monile	Seoul pond frog; Aconitum koreanum raymond; Long-billed plover. 	Chinese sparrowhawk
Endangered Species to be observed	Atypus coreanus			

Environmental Preservation Through Employee Participation Campaigns (Plogging)

Since 2020, employees have been participating voluntarily in the annual plogging campaign to collect garbage in the urban areas and in nature, with Binggrae donating trees in the name of the employees participating in the campaign to regions requiring reforestation due to the forest fire in Gangwon-do.

In 2024, a plogging campaign was carried out near the Gimhae factory to contribute to the preservation of the environment around the business sites and in the community. Binggrae will continue its efforts by increasing the number of campaigns and expanding the target scope in the future.



Activities of Employees Participating in the Campaign in 2024

Eco-friendly Supply Chain Management

The supply chain is an important stakeholder promoting ESG to provide Binggrae's products and services continuously. To enhance the eco-friendliness of the supply chain, Binggrae is promoting the purchase and production of eco-friendly products and performing ESG evaluation on the supply chain to select and support eco-friendly partners. Together with the supply chain, Binggrae is strengthening and monitoring environmental performances to create a sustainable business ecosystem.



Establishment of Green Partnership

The "Binggrae Partner's Code of Conduct" was introduced for the creation of the ESG ecosystem in the supply chain. Partners undergo evaluation in the environmental, safety, and social areas through the ESG self-diagnosis checklist to derive improvement tasks. During the evaluation, additional points are awarded for having eco-friendly certification, and outstanding partners are provided with incentives. A total of 62 companies participated in 2024, and Binggrae is planning to check the difficulty level of the evaluation indicators continuously to adjust the ESG management of the participating companies for upgrade. In 2024, Binggrae joined the "Joint Project on ESG Management of Supply Chain in the Food Industry" initiative to perform the pilot project on partner ESG evaluation, on-site inspection, and consulting support. Through this initiative, ESG self-diagnosis on the overall supply chain will be performed in full scale from 2025, and ESG support projects including on-site inspection and consulting will be expanded to key partners and partners with high ESG risks.

Code of Conduct in the "Environmental Field" for Binggrae Partners

- Establishing the environmental management policy and governance
- Acquiring certifications in the environmental field
- Assuming responsibility for preventing environmental pollution and reducing resource wastage
- Reinforcing management responsibilities on waste, wastewater, and hazardous chemicals
- Assuming responsibility for preventing air pollution
- Reinforcing energy consumption and GHG emission management
- Assuming responsibility for the procurement of eco-friendly raw & subsidiary materials



Supply Chain ESG Evaluation Status

Classification	2022	2023	2024
ESG self-assessment checklist	Response by 92 companies	Response by 127 companies	Response by 62 companies
Additional points applied in evaluation according to the ESG-related certifications held*	8 companies	37 companies	29 companies

* ESG-related certification: ISO 14001, ISO 9001, ISO 45001, ISO 37301, Green Technology and CCM Certification, etc.



SOCIAL

Employees feel happy and valued at the same time in a corporate culture harmonizing autonomy and responsibility. Likewise, by creating and sharing the value with business partners and providing the best customer value, best efforts are made for realizing shared value for the development of the community.

50 EMPLOYEE

58 SAFETY & HEALTH MANAGEMENT

68 CUSTOMER SATISFACTION

81 CORPORATE SOCIAL RESPONSIBILITY

55 WORK-LIFE BALANCE

62 HUMAN RIGHTS MANAGEMENT

77 SHARED GROWTH



2024 KEY PERFORMANCES



142 persons
No. of new employees



47 hours
Education hours per employee



KRW 3.666 billion
Safety and health investment



Independence movement
campaign "Wearing
Liberation for the First Time"

Number and Cost of Violations for Unfair Trade Practices

“zero”

Number of customer's personal information leaks
(2022-2024)

“zero”

Non-compliance with laws and voluntary regulations
related to marketing and communication
(2022-2024)

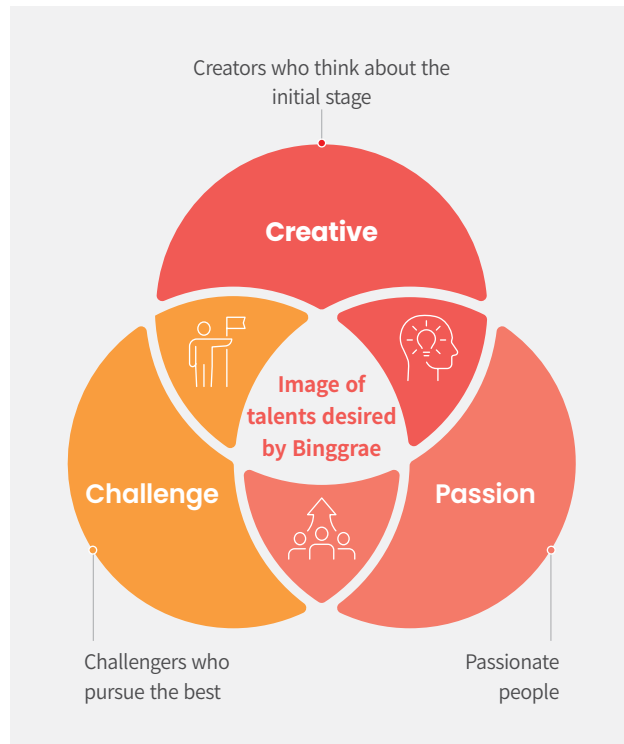
EMPLOYEE

Employee

Binggrae works with people who are creative, challenging, and passionate. Various education and training programs are provided to strengthen job competency for growth, including an environment for strengthening expertise through self-directed learning and master's & doctoral programs. Fair evaluation and compensation are also ensured with regard to the work performance to support the joy of growth.

Image of Talents

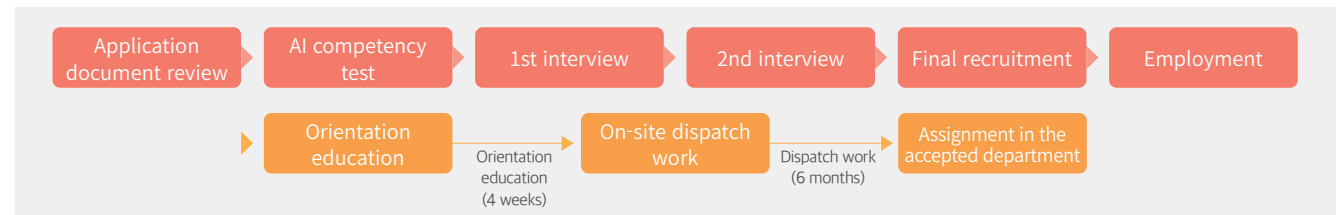
Binggrae is recruiting talents who share the common vision of moving forward together based on the image of talents as creators who think about the initial stage, passionate people who do their best, and challengers who pursue only the best.



Provision of Fair Recruitment & Opportunities

New recruitments are performed annually according to the operating plan, with 142 employees newly recruited for permanent positions in 2024 in an effort to increase employment and secure stability. For recruitment and employment, equal opportunities are provided to both female and male candidates, and contents suggesting a specific gender in the recruitment are prohibited. Moreover, discrimination in wage, training, arrangement, promotion, retirement age, retirement and dismissal, etc. according to gender is strictly prohibited.

Recruitment Overview - Process



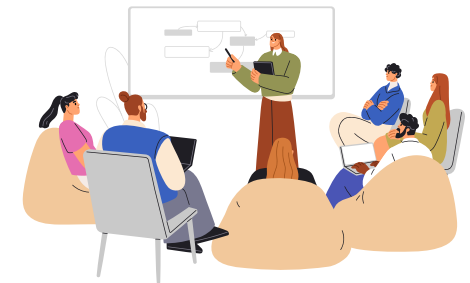
* AI competency test: The test is conducted online, and a link is sent through the e-mail address entered during the application.

* Only those who passed each stage will be provided with information on preparing for the next stage.

Retention of New Employees

To enable new employees to grow into leading entry-level managers, quick adaptation to the organization and improvement of work competency are supported by establishing a network in the company including various programs and trainings.

- New employees attend an introductory training course for new employees (4 to 5 weeks).
- Employees receive opportunities to develop their capacity with 5 weeks of OJT (on-the job training) following their assignment to a team.
- A network is established and supported between colleagues and seniors & juniors for smooth work performance and commitment to the organization.
- New employees are interviewed regarding their difficulties in adapting at workshops held once or twice a year.
- New employees are exempted from the annual personnel evaluation to guarantee a stable adaptation period.





Main Programs for Talent Development

Binggrae's talent development is handled exclusively by the Talent Development Team. The relevant department establishes the company's talent development system, develops and operates education & training programs, and provides knowledge, skills, and information necessary for performing the work to nurture job experts and to develop global leaders. The main programs in 2024 include expanding the job training, developing in-house instructors, training key technical manpower in the production sector, onboarding new talents, developing future talents (MBA, etc.), providing systematic support for self-directed learning, etc.

New Employee Training Program	Through a systematic program including professional knowledge training by outstanding internal and external instructors, practical field experience and teamwork activities, etc., Binggrae employees are trained to be competitive with basic skills and business sense as workers in society.
Job Expert Program	Along with systematic job training in groups, various learning contents and methods such as external special training, book learning, seminar, study group, academic journal, case study, etc. are provided to support the growth of employees into experts in each field.
MBA & Doctoral Program	Domestic and international MBA and doctoral programs are supported to enable Binggrae employees to learn the latest management trends and theories and to form a network with managers from various fields. Through this, we support their growth into professional managers.
Global Business Training and Overseas Seminar	To respond to the expansion of the overseas market, Binggrae is operating programs such as language education, special training for overseas business, training specialized for each country, overseas seminars, etc.
Self-directed and Peer Learning	Through fun and dynamic programs such as external special training, language & book study and SERI, etc., an organizational culture of autonomy and challenge of enhancing expertise through self-oriented study and having synergistic effect with colleagues is created.

Promoting Employee Diversity

Binggrae is actively recruiting female employees and increasing the number of female management positions in an effort to foster female leaders in the company.

Opportunities are expanded for female employees from the new recruitment process, with the childbirth support policy for female employees and childcare support policy for both male and female employees enhanced gradually. In addition, various methods are explored to maintain the employment of female employees and promote their growth into middle managers and executives.

Classification				Unit	2022	2023	2024
Total status	All employees				1,816	1,787	1,829
	Employment type	Executives		persons	16	15	15
		Permanent			1,589	1,588	1,606
		Temporary			211	184	208
	Gender	Male			1,371	1,366	1,387
		Female			445	421	442
		Female ratio		%	24.5	23.6	24.2
	Employees with disabilities				28	28	24
	Person of national merit				7	7	6
	Foreigner				-	-	-
Role group	Executives	Gender	Male		16	15	14
			Female		-	-	1
	Leader Group (L.Group)	Gender	Male		99	97	99
			Female		9	11	10
			Female ratio	%	8.3	10.2	9.2
		Age	Under 30		-	-	-
			30 to 50		88	79	75
			Over 50		20	29	34
	Positions besides L.Group	Gender	Male	persons	1,256	1,254	1,274
			Female		436	410	431
		Age	Under 30		481	443	409
			30 to 50		1,009	987	1,033
			Over 50		202	234	263

* Employees of the company are divided by role group, not position.

** Age was indicated based on the international age.



BC Talent Development System

Course classification	Self-directed learning & Peer learning (Trend / Insight / Global / Smart work)	Future talent & Leadership	Duty		New employee	HR & Legal
			Sales & Production	Except MKT		
Purpose of the course	Learning culture of autonomy & challenge	Future leader development (BC Leadership PGM)	Job expertise improvement (BC Skill-up PGM)		Understanding of the organization & Early stabilization/integration (BC Onboarding PGM)	HR empowerment & Legal compliance of employees
E1~3	<div>External Training on Job Competency Reinforcement</div> <div>Autonomous Study Group</div> <div>BC Smart Learning (Competency Development Book Learning)</div> <div>BC Language Club</div> <div>Biz. Trend Seminar</div>	<div>New Executive Program</div> <div>Advanced Management Program (AMP)</div>	<div>Graduate School Commissioned Program (MBA-R&D Master's/Doctoral)</div> <div>SERI Knowledge Contents (CEO, PRO)</div> <div>Sales/Production Duty-Discussion Program</div> <div>Sales/Production Job Skill Reinforcement Program</div> <div>New/Preliminary Sales Management Job Program</div> <div>New Biz. Development Program</div> <div>Smart Factory Expert Development Program</div> <div>Production Technology Program</div> <div>Marketing Job Skill Reinforcement Program</div> <div>R&D Job Competency Reinforcement Program</div> <div>Group Training on Career Employees</div> <div>Department OJT for Career Employees</div> <div>Department OJT for New Employees</div> <div>New Employee Orientation</div> <div>Interviewer Development Training</div> <div>Disclosure Officer, Safety Manager, Food Business Operator, and Imported Food Manager Training</div> <div>Training on the Prevention of Sexual Harassment & Improvement of Awareness of the Disabled / Personal Information Protection</div>			
Leader		<div>New Leader / Appraiser Program</div> <div>Performance Management Leadership Course</div>				
Professional		New Professional Course				
Associate-1						
Associate-2 Professional						

Performance of HR Development

Education Status

Classification	Unit	2022	2023	2024
Total no. of trainees	persons	5,268	4,777	5,809
Education hours	Total	74,324	61,346	77,253
	Per person	46.3	38.3	47.7

* Total number of educated employees : $\Sigma(\text{number of persons who participated in individual education courses})$

** Total education hours : $\Sigma(\text{education hours of individual courses} \times \text{number of educated employees})$

*** Education hours per person = $\Sigma(\text{education hours of individual courses} \times \text{number of educated employees}) / \text{total number of officers and regular employees}$

Classification	Unit	2022	2023	2024
Education expenditure	Total	KRW 1,000	673,553	692,453
	Per person	KRW 1,000	420	432

* Total education expenditure: Particulars of accounting-based expenditure on enterprise-wide education (Excluding refunds or reimbursements by the Ministry of Labor or Employment).

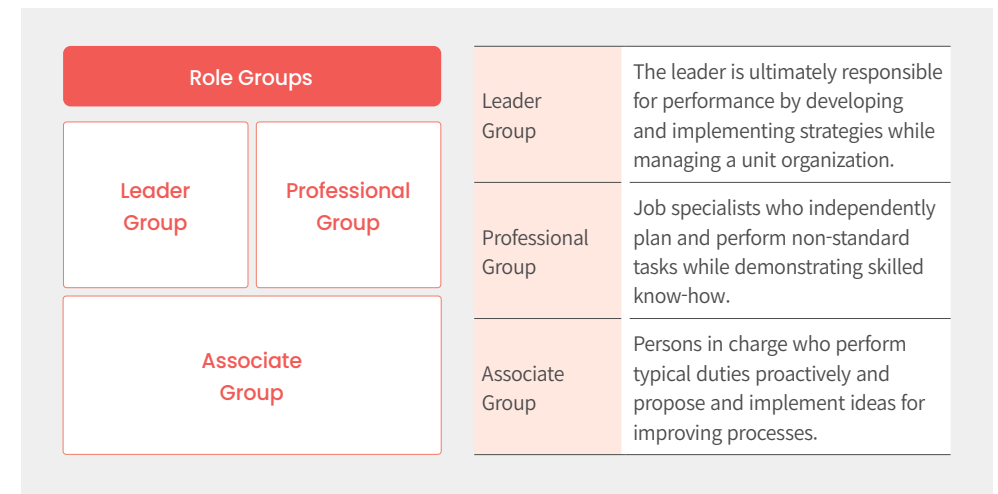
** Education expenditure per person = Total education expenditure / total number of officers and regular employees.



HR Management Systems

We operate an HR management system based on roles rather than job grades to ensure sustainable growth. Aside from promoting horizontal communication, we have established a corporate culture centered on autonomy and responsibility based on such system.

System of Roles (Office Workers)



- New recruits are included in the Associate Group and reassigned to the Professional Group after undergoing review following a set period. However, outstanding talents are reassigned to another Group earlier via a speedy promotion system.
- Promotion to Leader Group or Professional Group is determined based on positions held. These role-oriented groups provide the basis for flexible rotation between jobs.

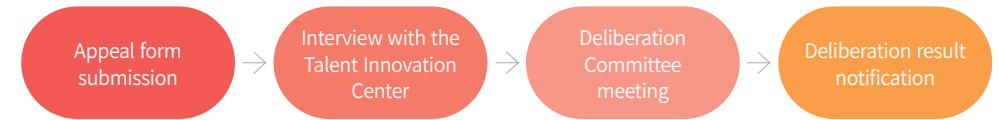
Fair Evaluation and Compensation

We operate the performance-based compensation system we have developed based on the results of each employee's individual performance evaluation. In particular, the results of the performance evaluation are reflected to the overall HR management—such as changes of duties, appraisal for promotion, selection of employees for overseas training, education subsidies, commendations, and payment of incentives—based on an evaluation of individual performance against goals and an objective evaluation of each employee's contribution to our profitability and efforts for personal development. We also apply gender equality to all of our HR management systems, including compensation and evaluation systems and pay structure.

Ensuring Fairness of the Evaluation Result

To secure fairness in evaluations, Bingrae holds the evaluation deliberation committee meeting every December and operates the evaluation result appeal system for ensuring the acceptability of the evaluation. In addition, a fair evaluation survey is conducted among employees regularly to listen to opinions on the efficiency of evaluation and any improvements.

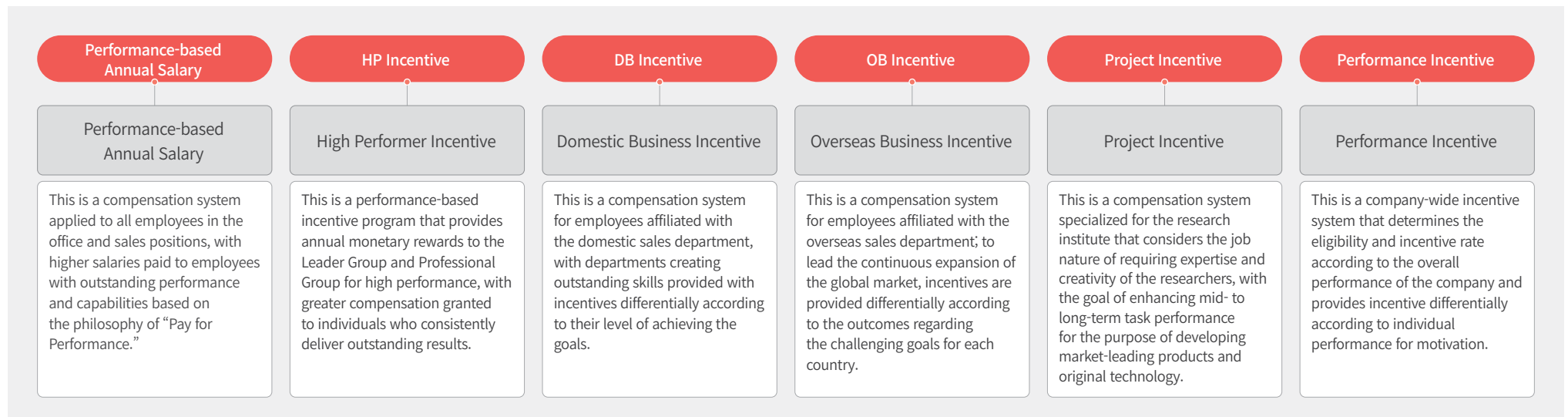
Appeal Process



Fair Evaluation Survey

Period	Annually	1	Overall performance management
Target	Employees	2	Evaluation interview
Questions	Total of 8 questions	3	Listening to opinions
Utilization of results	<ul style="list-style-type: none"> - Feedback is provided through appraiser training before the year-end periodic evaluation - Cumulative survey data is utilized as reference data for future appraiser training and personnel appointments of the employee in position 	4	Competency diagnosis
		5	Fairness
		6	Fact-based
		7	Constant feedback
		8	Evaluation acceptability

Employee Compensation System



WORK-LIFE BALANCE

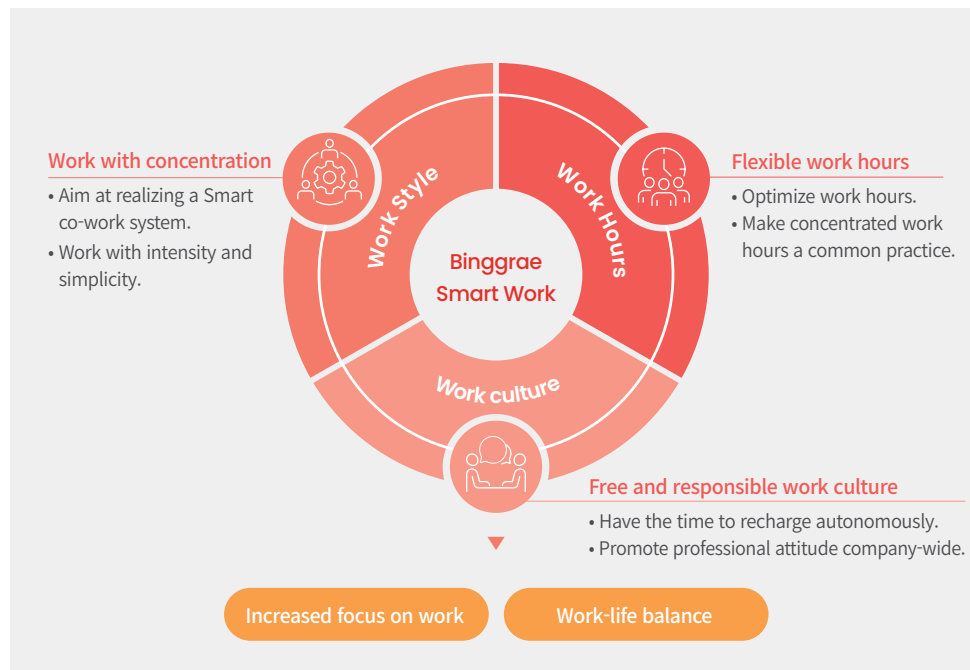
Work-Life Balance

Binggrae is focusing various efforts on creating a smart corporate culture that is in harmony with autonomy and responsibility. As a company full of joy and fulfillment in work and a company creating and sharing values with its business partners, Binggrae is committed to creating the best customer value and realizing shared values leading the community development.

Ensuring Autonomy for Work & Life Balance

Binggrae established regulations on the 「Responsibilities for the Employees」 in the Code of Ethics Practice Guidelines to institutionalize the principles of respecting the employees, treating them fairly, developing talents, creating a safe & healthy working environment, and establishing a culture of free communication.

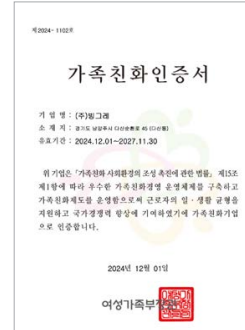
In 2018, Binggrae established the Smart Work System to help employees design work-life balance autonomously, provide a foundation for mutual communication, and utilize the system actively.



Adjustment of online commuting; Turning off PCs outside work hours

Promoting immersion in work by waging Smart Meetings & Campaigns, etc.

Using the weekday as a holiday when work during weekend is required



Autonomous Work Hours Led by Employees

Online infrastructure was utilized actively to enable all employees to select a flexible work system in 4-week unit, with the employees able to adjust their commuting time and request annual leave and vacation autonomously at any time.

“Break Nine System” to Practice Work-life Balance

Work-Life balance is supported by granting additional 8 days' vacation along with the legally guaranteed annual leave through the introduction of the half-day/quarter-day off system and by encouraging the use of vacation for 9 consecutive days, etc.

Operation of a Family-friendly System and Creation of a Culture of Gender Equality

Binggrae is actively operating and promoting a family-friendly system by establishing the Smart Work System and through the maternity protection system (paternity leave, reduction of work hours during the parenting period and vacation for fertility treatment), etc. As a result, Binggrae was recertified as a Family-Friendly Enterprise in 2022 by the Ministry of Gender Equality & Family (effective period: Dec. 2024-Nov. 2027), and efforts are continued to activate the system for establishing a family-friendly, gender-equal culture.

Retired Employee Support Program

Through 2 types of retirement—voluntary retirement and honorary retirement—employees are given free rein in selecting their career. In addition, Binggrae supports employees in planning their second life through the challenge vacation, advanced payment on 1-year college tuition, and support for full medical examination for the retired employee and his/her spouse, etc.

BC Outplacement Program

Stage 1 | Voluntary retirement



- Voluntary application
- Applicant review and target selection
- Active support before & after retirement

Stage 2 | Early retirement

- Review on performance of early retirement
- Interview on intention of early retirement
- Institutional arrangements for settlement

Welfare & Benefit System for Employees

Binggrae provides various welfare & benefit programs to enable employees to feel happy and valued at work. Work productivity is improved through the relevant programs, with a culture of work-life balance established to enhance the level of satisfaction with life among employees.

Pay 	<ul style="list-style-type: none"> • Performance incentives • Binggrae sales incentive (Sales Team) • Lunch money subsidy • Support for entire fuel cost (Sales Team) • Support for mobile phone bills (Sales Team) 	<ul style="list-style-type: none"> • Payment for annual leave • Benefits for license, qualification, and job position • Pay for national holidays • Support for children's educational costs • Congratulatory and condolatory support
Benefits 	<ul style="list-style-type: none"> • Use of major condominiums nationwide • Group accident insurance • Company clubs • Long service award 	<ul style="list-style-type: none"> • Regular medical checkup • General checkup for employees' spouse • Citation & Prize for Excellent Employees • Four major employment insurances
Environments 	<ul style="list-style-type: none"> • Five-day workweek • Four week-based autonomous work system (flexible work hours) • Support for Mobile Office • Eight days off besides the legal annual leave • Annual leave, half-day off, quarter-day off • Congratulatory and condolatory leave 	<ul style="list-style-type: none"> • "Break Nine" system (Taking 9 days off in a row) • Dormitory operation (Factories) • Support for housing welfare for newly appointed employees • Commuter bus (Factories) • Gifts for anniversaries
Learning & Development 	<ul style="list-style-type: none"> • Onboarding course for new hires • College of Marketing • Overseas-themed training • Overseas seminars • Foreign language courses • MBA degree program 	<ul style="list-style-type: none"> • Job specialist courses • Leadership training through an international symposium • Smart learning • Study groups • Team building workshops

Labor-Management Relations and Communication

Creation of a Labor-Management Culture based on Communication and Cooperation

We guarantee our employees' freedom of association and the right to collective action and bargaining and recognize the labor union as a partner rather than the subject of negotiation. We endeavor to create a cooperative, win-win culture in labor management-relations. The Labor-Management meeting is held quarterly, and club activities and culture classes are supported to enable the employees to gather for communication and enjoyment of various hobbies.

Frequency of Labor-Management Meeting and Agenda Handling Rate

Classification	2022	2023	2024
No. of Labor-Management meetings	4	4	4
Agenda processing rate	100%	100%	100%

Freedom of Association and Right to Collective Bargaining

We emphasize the importance of mutual trust and harmony in our labor-management relations. According to Article 5 of the Trade Union and Labor Relations Adjustment Act and Article 3 of our collective agreement, we guarantee our employees' freedom to join and withdraw from the union. Compared to the number of employees (580) eligible to join the union, the current union membership rate is 100% (as of Dec. 2024).

Classification	Unit	2022	2023	2024
No. of members eligible to join the labor union	persons	577	570	580
No. of members subscribed to the labor union	persons	577	570	580
Labor union subscription rate	%	100	100	100

Performance to Improve Employees' Quality of Life

Average Wage per Employee

Classification	Unit	2022	2023	2024
Male	KRW 1,000	56,633	63,053	71,877
Female		43,705	49,114	56,088
Total		53,316	59,598	67,879

* Based on the business report (excluding registered executives)

2024 Average Tuition and Early Childhood Education Expenses per Employee

2024 total

KRW **924** million



Average per employee

KRW **570,000**



Ratio of Voluntary Transfers among Retired Employees in 2024 : 79.4%



* Standard of executives and personnel in permanent positions.

* Voluntary transfers: Transfer to the group company, recommended resignation, retirement age, and retirement due to personal circumstances and not due to expiry of period.

Use of Flexible Work Hours

Classification	Unit	2022	2023	2024
No. of employees who adopted flexible work hours	persons	786	779	815

Status of Using Maternity Leave & Parental Leave

Classification	Unit	2022	2023	2024
No. of employees who used maternity leave	persons	13	9	9
No. of employees who used childcare leave		26	18	13
No. of employees who returned to work after a maternity leave		10	15	6
No. of employees holding a position for more than 12 months	%	77	79	46.2
Percentage of employees holding a position for more than 12 months				

* 77% of employees holding a position for more than 12 months for 2022 = 10 employees holding a position for more than 12 months for 2022 / 13 employees who returned to work after a maternity leave for 2021.

* 79% of employees holding a position for more than 12 months for 2023 = 15 employees holding a position for more than 12 months for 2023 / 19 employees who returned to work after a maternity leave for 2022.

* 46.2% of employees holding a position for more than 12 months for 2024 = 6 employees holding a position for more than 12 months for 2024 / 13 employees who returned to work after a maternity leave for 2023.



SAFETY AND HEALTH MANAGEMENT

Safety and Health

At Binggrae, the safety and health of employees and customers are set as top-priority values in all business sites. A safety and health management policy was established to share matters that must be followed with priority by all employees, and autonomous safety and health activities are promoted actively.

Safety and Health Management Policies

Safety and health management policies are periodically checked and amended to maintain their timeliness, appropriateness, and validity according to the changing internal and external environments. Workers' opinions are heard under the responsibility of the general safety manager when necessary; at the beginning of each year, the annual safety & health strategy and implementation plan for the relevant year are approved by the Board of Directors (BOD). The amended safety and health management policies are announced to all employees and distributed and posted at all offices, waiting rooms, and partners.

Safety and Health Management Policies



We regard safety in business management activities as a top-priority value. We do our best to prevent safety accidents and occupational diseases among employees and customers.

1. Establish a safety and health management system to realize a safe and healthy workplace.
2. Discovers harmful and risk factors in advance and continuously improves them.
3. Continuous improvement shall be made by hearing opinions on the safety and health of workers.
4. Safety and health awareness is steadily improved through safety and health education.
5. Complies with the standards and regulations in accordance with the relevant laws and regulations on safety and health.
6. Establish countermeasures for accidents and conduct periodic training.

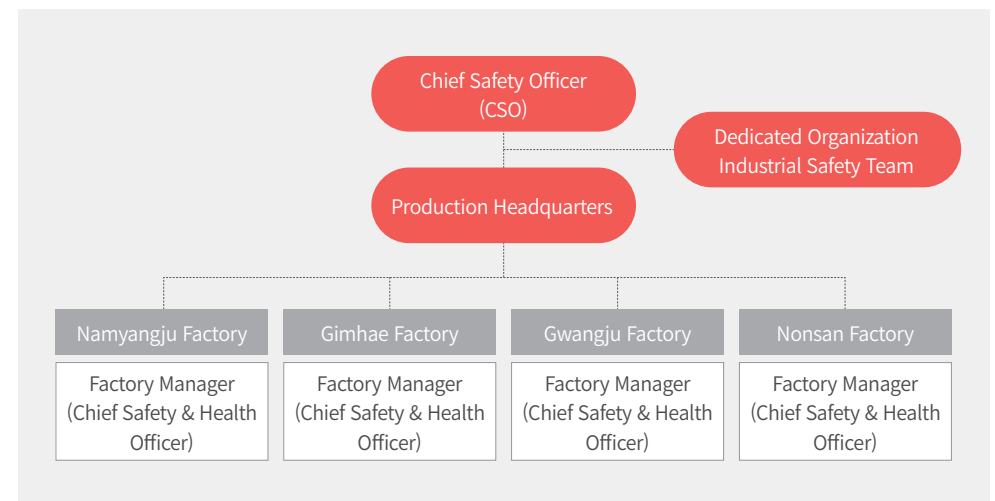
Choi Kang-hoon, Head of Safety Management Division

Safety and Health Management System

Safety and health are overseen by the Industrial Safety Team under the Chief Safety Officer (CSO). The team gathers and manages input from each factory's general manager, who also serves as the Chief Safety and Health Officer, with a focus on the Production Headquarters.

The Industrial Safety Team is responsible for establishing and managing the annual safety and health management system. At the four factories under the Production Division, activities such as risk assessments, Industrial Safety and Health Committee meetings, and partner company councils are conducted to collect feedback from employees.

In addition, Binggrae is committed to ensuring workplace safety and employee well-being by proactively conducting regular and periodic/non-periodic safety inspections, delivering various safety and health training programs, and running awareness campaigns.



Mid- to Long-term Objectives and Strategies for Safety and Health Management

Serious accident is a high-risk factor that not only can cause defamation but is also directly connected to survival. Accordingly, efforts are made by Binggrae for a zero-accident workplace based on the global standard. To practice zero-accident, the stabilization of the occupational safety & health management system is pursued until 2025, and the occupational safety & health management system will be sophisticated. Until 2027, a strategy for sophisticating the risk management system was established to improve the risk factors by identifying the safety & health risks, including the stakeholders vulnerable to safety & health risks that can arise from business activities such as employees, customers, partners, community, etc. to prevent safety-related issues from occurring. With the goal of reducing the industrial disaster rate to less than 0.13% until 2030, autonomous safety & health management will be reinforced, with an integrated safety & health management system to be established and operated to advance as a company focusing on safety & health as a top-priority value.

Vision of safety & health management	Corporate activities prioritizing safety & health		
2030 Goal	Prevention of safety accidents and occupational diseases among employees & customers (Achieve industrial disaster rate of less than 0.13% until 2030)		
2030 Goal	Short-term (until 2025)	Mid-term (until 2027)	Long-term (until 2030)
	<ul style="list-style-type: none"> Stabilizing the safety & health management system <ul style="list-style-type: none"> Providing periodic training on strengthening the professionalism of exclusive organizations and safety & health personnel; Performing improvement of cross-audit on safety & health for each sector such as production, sales & management, etc. Modernizing the safety & health management system <ul style="list-style-type: none"> Providing training on strengthening the expertise of safety personnel for each department; Performing risk assessment through participation by all employees and improvement rate management; Management of safety & health management process & guidelines; Management of compliance rate with regard to laws related to safety & health; Maintenance of ISO 45001 Certification through external audits. Identifying safety & health risk factors in stakeholders <ul style="list-style-type: none"> Annual investigation & analysis of internal & external issues and requirements of workers & stakeholders; Response performance verification & semiannual reassessment (including implementation of additional measures). 	<ul style="list-style-type: none"> Identification of safety & health risks & improvement of medium / high risks <ul style="list-style-type: none"> Completion & maintenance of improvements; Establishment of manual on processes & detailed processes for each work. Modernizing the stakeholder safety & health risk management system <ul style="list-style-type: none"> Conducting safety inspections & implementing management measures at business sites; Performance & response to the safety & health capability evaluations of business partners residing or conducting business at Binggrae business sites (on a half-yearly basis); Performance & response to mandatory safety & health capability evaluation on the main partners (on an annual basis). 	<ul style="list-style-type: none"> Autonomous safety & health management <ul style="list-style-type: none"> Supervision based on improvement cases for medium and high-risk groups and manuals for detailed manufacturing processes; Performance of safety and health tasks led by supervisors. Establishment and operation of the integrated safety & health management system <ul style="list-style-type: none"> Performance-based, proactive confirmation of shared safety and health matters with partner companies; Ensuring safety and health beyond societal requirements such as regulations.
Safety & health stakeholders	Employees, customers, partners, local society		

Enhancement of Business Site Safety and Efforts to Prevent Accidents

Safety Education

We periodically operate accident prevention training and education programs for our officers and employees at all business sites. The programs are divided into statutory education and internal education, with the former covering the government's duties concerning safety education and the latter consisting of in-depth safety education by industry and covering the types of accidents that frequently occur.

In 2024, a total of 38,325 hours of training were provided to 18,413 trainees, and opinions on the training were collected from the participants upon completion to reflect the results to the plan for the following year.

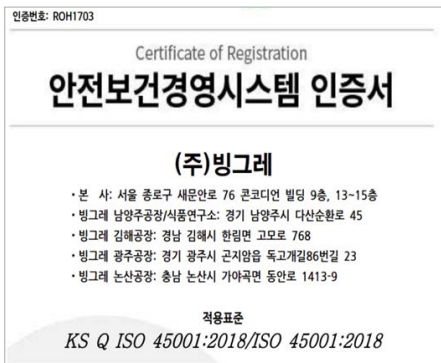
Results of safety & health education, 2023

- **Frequency** : At least once per month.
- **Contents** : Periodic safety education, special safety education, education at the time of recruitment, etc.
- **Results** : Total education hours - 38,325 hours / Total no. of trainees - 18,413



Safety & Health Management System (ISO 45001) Certification

Binggrae acquired the Safety & Health Management System (ISO 45001) Certification for operations based on the management policy of prioritizing safety and health as a high value. Various risks that can arise in the business sites are predicted and prevented in advance through the ISO 45001 Certification, with a healthy and safe working environment to be created to manage the occupational safety & health of the organization systematically.



Approval date of certification

February 28, 2023

Expiration date of certification

February 27, 2026

Scope of certified business sites

- 1) Head Office
- 2) Namyangju Factory and Food Research Institute
- 3) Gimhae Factory
- 4) Gwangju Factory
- 5) Nonsan Factory

Support for Employees' Safety & Health

To prevent safety accidents, various education and training sessions are held annually throughout the entire company such as emergency response safety training (5 times or more), CPR training for employees, etc. In addition, all employees are supported with medical examination (general and comprehensive medical examinations and special examination if necessary) and investigation on the harmful factors to the musculoskeletal system and stress management; medical examination is also provided to employees' spouses at a certain age or older (performed every 2 years) to continue the efforts for the healthcare of employees and their families.

In addition, Binggrae is continuously investing in the safety and health field to enable employees to work in a healthy, safe environment. In 2024, safety covers and interlock devices were installed to prevent equipment accidents, with a water flow-sensing system introduced to prevent burns during steam use. Moreover, anti-slip pads and safety handrails were installed to prevent falls.

	Classification	Unit	2022	2023	2024
Safety & health investment performance	Safety improvement (prevention of safety accidents)		1,034	1,006	1,906
	Legal supplementation (legal compliance & response to inspections)		352	945	232
	Operating expenses (workers' compensation insurance premium, protective equipment, etc.)	KRW 1 mil.	1,334	1,454	1,528
	Total		2,720	3,405	3,666

Industrial Accident Rate

Along with the industrial accident rate of employees, Binggrae is also disclosing the industrial accident rate of its partners' workers working in the production sites. Especially, the priority of stakeholders with safety and health vulnerabilities is considered—not only the safety and health of employees but also those of various stakeholders surrounding the organization—for analysis.

	Classification	Unit	2022	2023	2024
Employees	Rate of occupational fatalities/injuries	No. of victims compared to the no. of full-time workers (%)	0.21	0.25	0.22
	Lost time injury frequency rates (LTIFR)	No. of work days lost per 1 million work hours	1.30	1.75	0.87
Partners	Rate of occupational fatalities/injuries	No. of victims compared to the no. of full-time workers (%)	1.18	0.51	0.22

* Statistical data on the industrial accident rate by the Korea Occupational Safety & Health Agency.

Partner Safety & Health Evaluation and Management

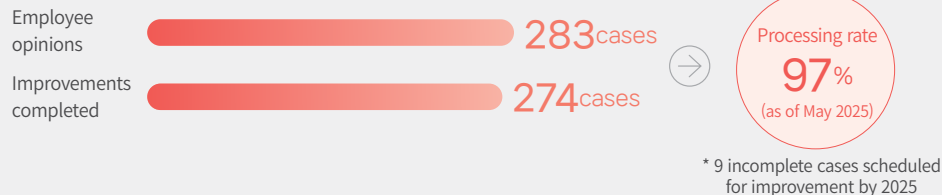
Binggrae is requesting partners to establish safety & health principles through the Code of Conduct for Binggrae Partners to comply with the relevant principles. In addition, Binggrae listens to the safety & health opinions of employees through the monthly “Partner Council in the Production Sector,” the “Binggrae Procurement Portal” website and “Periodic Meeting with the Partners in the Purchase Sector” operated regularly.

Code of Conduct in the “Safety & Health Sector” for Binggrae Partners



- ① Industry and workplace safety management responsibility
 - Prevention of industrial accidents/occupational disease
 - Preventive training & education of executives and employees
 - Preparation of emergency exit & protective equipment for preventing safety accidents, etc.
- ② Establishment of system in preparation for emergencies
- ③ Workplace hygiene management responsibility
 - Production facility, sanitary facility, drinking water, meals & ventilation, etc.

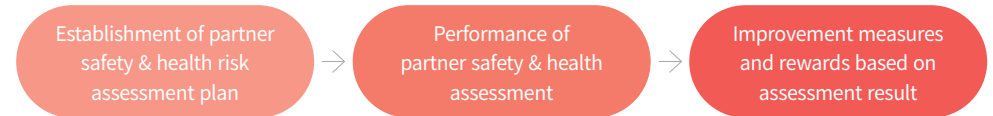
Partners' Safety & Health-Related Opinions and Grievance Settlement Status in 2024



Self-Assessment of Partner Safety & Health Sector

Binggrae periodically evaluates the safety & health risks of partners through the “ESG Self-Assessment Checklist” system operated as part of the supply chain management; through this, the safety & health risk issues of partners are managed systematically. As a result of the evaluation, outstanding partners are rewarded at the end of each year. Partners discovered with high-risk items are classified separately and recommended for improvement, and improvements are checked after a fixed period to perform the evaluation on the effectiveness of improvement. If necessary, Binggrae’s internal experts provide training support. Partners that show no potential for improving serious risk factors or where safety accidents have occurred will have their contract qualifications restricted.

Safety & Health Assessment Process for the Main Partners Residing in the Binggrae Business Sites



Safety and Health Assessment Area of Main Partners Residing at Binggrae Business Sites

① Goal / Management policy	⑤ Safety inspection	⑨ Hazardous material / Equipment
② Establishment of plan	⑥ Implementation verification	⑩ Emergency response
③ Structure / Responsibilities	⑦ Training / Records	⑪ Industrial accident status
④ Risk assessment	⑧ Listening to opinions	

Status of Reflecting Self-Assessment to the Supply Chain and Certifications in the Evaluation

Classification	Unit	2022	2023	2024
Reply on the ESG self-assessment safety & health checklist	companies	92	127	62
Additional points applied in evaluation based on ESG-related certifications acquired*	companies	8	37	29

* ESG-related certification: ISO 14001, ISO 9001, ISO 45001, ISO 37301, Green Technology, CCM Certification, etc.

HUMAN RIGHTS MANAGEMENT

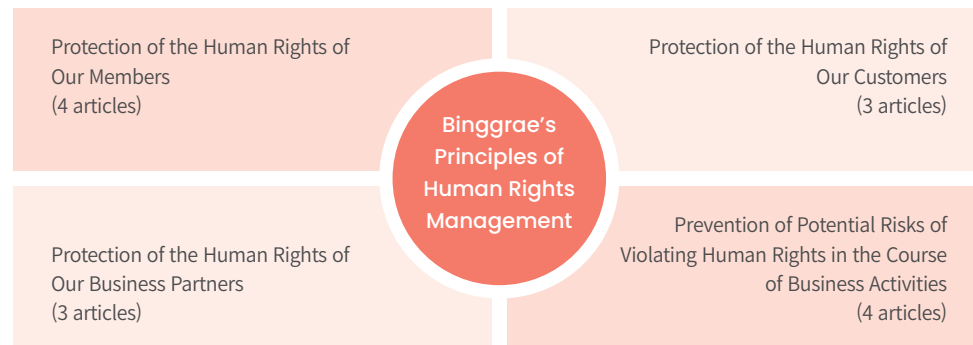
Protection of and Respect for Human Rights

Binggrae established the Declaration of Human Rights Management based on international guidelines such as the UN Charter of Human Rights and UNGPs (UN Guiding Principles on Business & Human Rights) for approval by the CEO. Through this, the human rights of various stakeholders surrounding the organization are respected and protected, and actual and potential human rights risks that can arise from corporate activities are periodically checked. Binggrae will continue to foster an organizational culture that protects and respects human rights.

Business and Human Rights Management System

The top-priority value considered in the management activity is the protection of and respect for human rights of all employees.

In addition, four main principles of business and human rights are established to ensure respect for human rights, with the details disclosed through our official website. Moreover, systems are established and operated systematically such as human rights guidelines, organization responsible for business and human rights, human rights complaint center, etc. to promote business and human rights.



* The major detailed principles of our human rights management can be found on our website (www.bing.co.kr/esg/value)

Declaration of Human Rights Management by Binggrae



All employees of Binggrae Co., Ltd. recognize that as “messengers with a bright smile who bring health and happiness” we must place respect for human rights above any other value, as it is both a universal value of humankind and a philosophy that we aim to fulfill in conducting all our business activities. Furthermore, we recognize that fulfilling our corporate social responsibility is not simply a gracious act that a company may perform at its own discretion, but rather a noble duty that it is morally bound to fulfill as a member of the social community.

In order to fulfill our responsibility of respect for human rights, we will support and comply with the principles of the Universal Declaration of Human Rights, the UN Global Compact and the Fundamental Principles and Rights at Work.


We are also committed to supporting the UN Guiding Principles on Business and Human Rights as set forth by the UN Human Rights Council, and in order to comply with those principles, we will operate a human rights management system that includes assessment and improvement activities as well as monitoring, internal and external communication, and grievance handling and remedy procedures.

Human Rights Guidelines

Human rights guidelines were established based on domestic & international laws and standards. Binggrae supports and complies with international standards and laws on human rights and labor such as the UN Universal Declaration of Human Rights, UNGPs (UN Guiding Principles on Business & Human Rights), and Fundamental Conventions in the International Labour Organization (ILO).

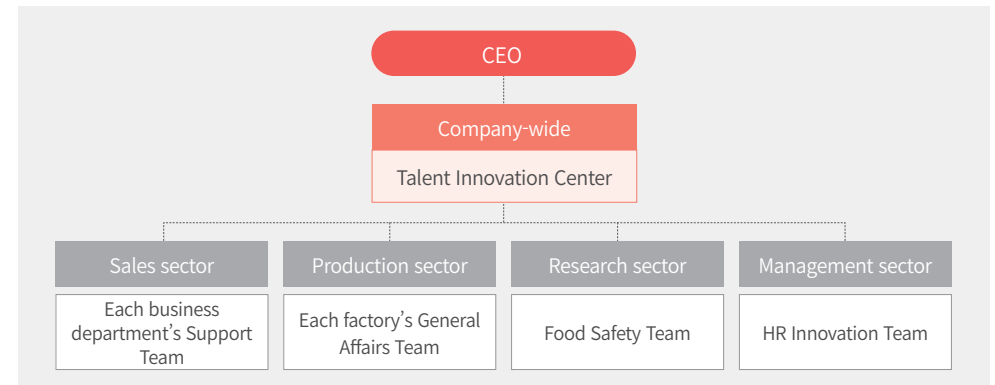
Respect for human rights, prohibition of discrimination, freedom of association, prohibition of forced labor and child labor, work hours, wages, and occupational safety were selected as the 8 key topics, and guidelines were established.

Binggrae will establish a cooperative system for each organizational sector centering on the Talent Innovation Center responsible for human rights to continue the efforts for activating human rights management.

Respect for human rights		We respect all employees as human beings and make active efforts to prevent any acts that violate human rights.
Prohibition of discrimination		We do not discriminate against any employees on grounds of their race, religion, disability, gender, educational background, age, physical condition, country of origin, region of origin, or political views.
Freedom of association		We guarantee employees' freedom of association and right to collective bargaining and do not discriminate against any employees due to their labor union membership or activities.
Prohibition of forced labor		We neither force employees to work against their free will by imposing unreasonable physical and mental restraints on them, nor demand that they hand over their ID and other personal documents.
Prohibition of child labor		We do not hire children under the age of 15; when hiring youth under the age of 18, we exclude them from dangerous and harmful work.
Work hours		We comply with the labor laws on regular/overtime hours of each country and region where we operate.
Wages		We pay our employees' wages exceeding the minimum level set by the labor-related laws of each country and region where we operate.
Occupational safety		We are dedicated to creating a pleasant work environment and preventing safety-related accidents.

Human Rights Management Department

As the department responsible for implementing human rights management, a team for each sector was designated to assume the corresponding roles. In addition, the Human Rights Management Committee was established with the CEO as the chairperson, and decision making is performed on matters required for promoting human rights management and for the systems, policies, and improvements.



* Role: Establishment and implementation of basic plan on human rights management, training on human rights and performance of human rights impact assessment.

* Person in Charge: Staff performing the relevant work for each responsible department in the sector.

Human Rights Management Committee

Classification	Contents
Chairman	CEO
Internal members	BOD members
External members	Appointed by the CEO among the following persons if necessary: A. Person with extensive knowledge of and experience in human rights-related fields (lawyer, labor attorney, etc.) B. Person who can represent the rights of partners (representative of the partner, etc.) C. Employees recommended by the labor union
Roles	<ul style="list-style-type: none"> Recommendations or opinions are stated in the matters required with regard to the systems, policies, improvements, etc. for the promotion of human rights management. Recommendation of actions on the implementation of human rights impact assessment and its results Investigation on the act of violating human rights and deliberation on relief Other matters deemed necessary by the chairperson for guaranteeing and improving human rights
Date of convocation	Same date as the date of convocation of the regular BOD meeting

Human Rights Management Implementation Guidelines (Regulations)

The human rights management implementation guidelines include the purpose of implementing human rights management, human rights management system, organization and operation of the human rights management committee, human rights impact assessment, factual survey on human rights, implementations and relief measures, etc.

Performance of Human Rights Education and Training

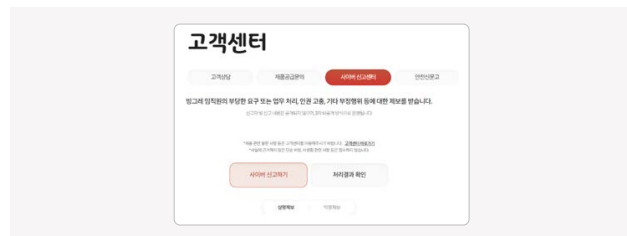
Human rights education is provided regularly to all employees, and cyber human rights education from the National Human Rights Commission of Korea is utilized.

Cyber human rights education includes improving awareness of persons with disabilities, prevention of sexual harassment, education on the protection of personal information, etc. In addition, executives and human rights management personnel are dispatched to receive human rights-related education from human rights organizations and associations, and professional training required for the person in charge is provided.

Operation of the Cyber Report Center

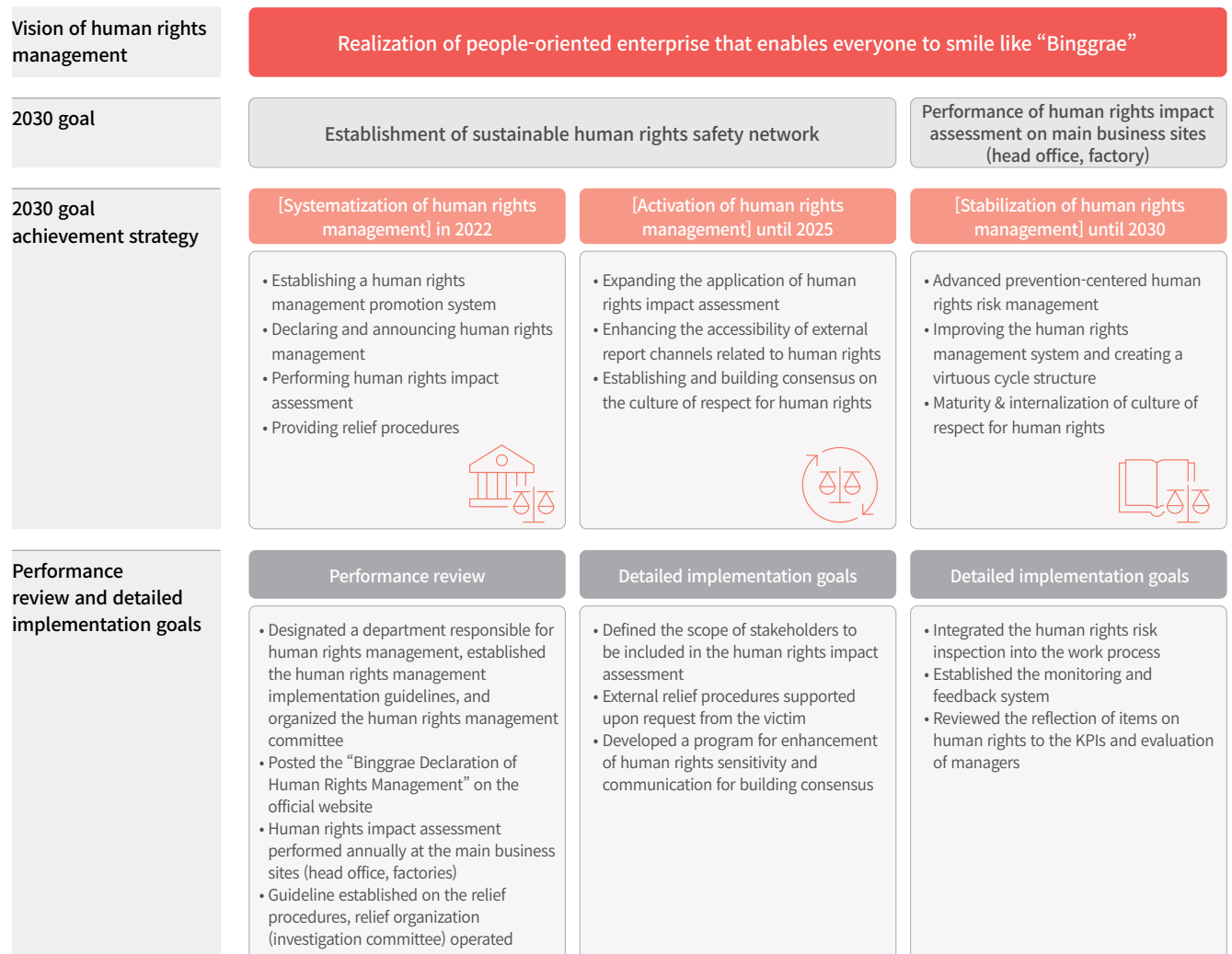
For grievances regarding human rights, Binggrae is operating the Cyber Report Center in the official website for easy access by anyone; reporters can submit their reports under their real names or anonymously. In addition, the reporters are protected to prevent retaliation, and the cyber report center is operated transparently and fairly to check the handling results. In 2024, there was one report of violation of human rights regarding workplace bullying, and consultation was carried out to take the necessary actions.

- Binggrae Website → Customer Center → Cyber Report Center



Mid- to Long-Term Goal & Strategy on Human Rights Management

Binggrae's vision of human rights management is to perform the human rights impact assessment annually on the main business sites for the goal of "establishing a sustainable human rights safety network" based on the mid- to long-term strategy until 2030 as shown below to realize a person-centered enterprise that enables everyone to smile like "Binggrae."



Respect for Human Rights and Non-discrimination

To enable all employees to complete the education continuously and to internalize the culture of respecting human rights wherein employees are actively participating, education on improving awareness of persons with disability, prohibiting and preventing sexual harassment in the workplace, prohibiting and preventing workplace bullying, etc. is promoted.

Prohibition and Prevention of Sexual Harassment in the Workplace

We strictly prohibit and punish acts of sexual harassment by employees who abuse their position in the workplace and run diverse preventive education programs. In addition, sexual harassment grievance counselors were designated for each team in the head office and for each business site to continue the efforts for receiving the sexual harassment damage report throughout the company, and to carry out consultation on damages for taking protective measures on the victim. We impose strict disciplinary measures against the perpetrators of sexual harassment in the workplace based on the results of an immediate investigation of the facts.

Prohibition and Prevention of Bullying in the Workplace

Workplace bullying generally involves mistreatment of employees by executives and other employees physically or mentally by abusing their job position or relationship beyond the appropriate scope of work, thereby poisoning an employee's work environment. Both our employees and those of our partners are strictly prohibited from engaging in workplace bullying. Management and labor collaboratively check and prevent workplace bullying through organizations such as the labor union and joint labor-management conference.

Result of Education on Improving Awareness of Persons with Disability in 2024

Individual education was provided by business site to all employees for improving awareness of persons with disability at work. An external professional instructor was invited for a lecture regarding awareness of disabilities, awareness of persons with disability, and changes in attitude toward disabilities.

Education was provided according to the conditions appropriate for each business site, not only by inviting external professional instructors but also through group education. In addition, online education was provided in combination.

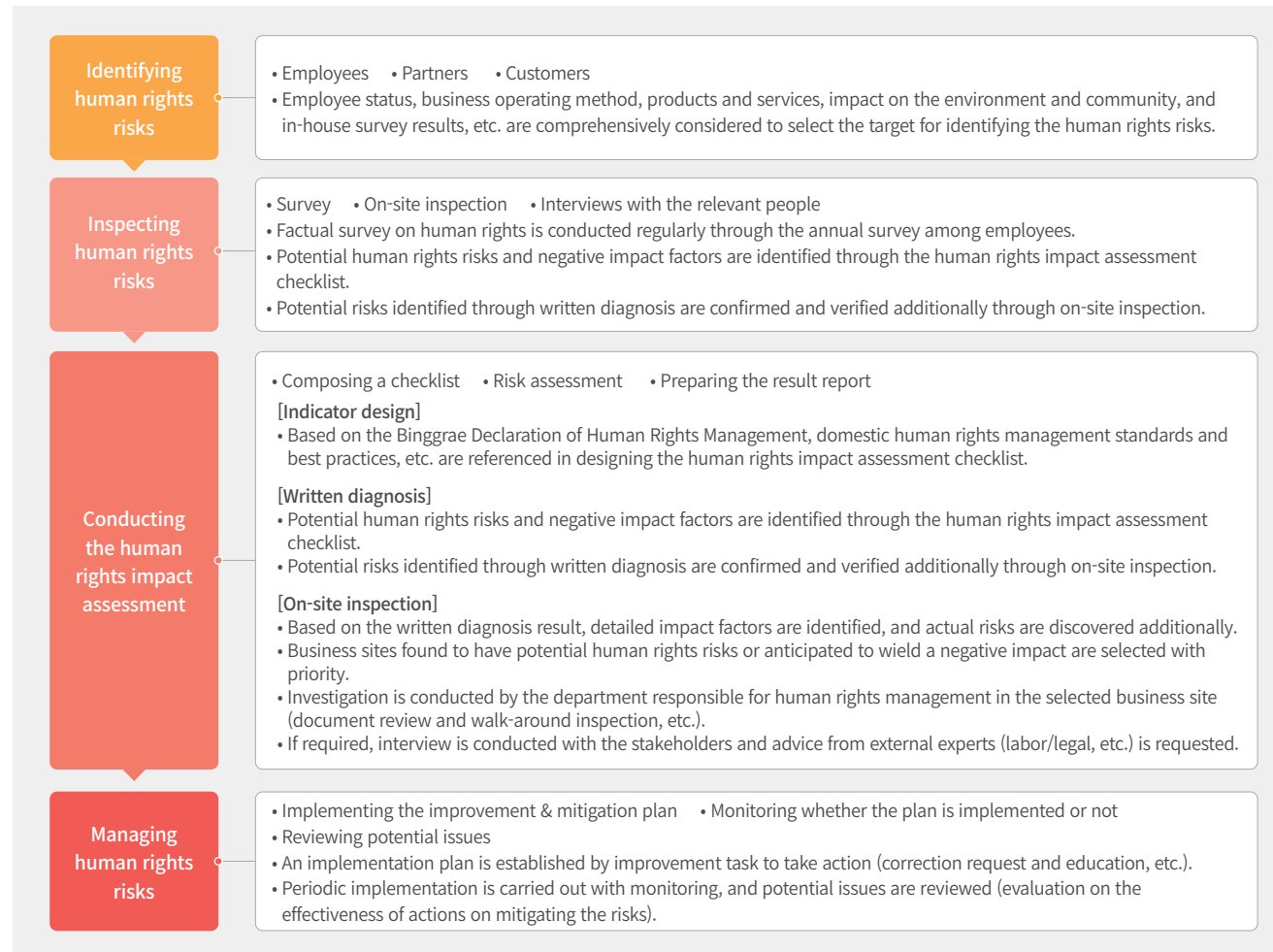
Bingrae will continue to provide appropriate human rights education for each business site to take the best course of action on enabling all employees to respect human rights, and to create a respected working environment.



Human Rights Impact Assessment

Procedure of Human Rights Impact Assessment

To identify the actual and potential human rights risks that can impact the human rights of stakeholders due to the corporate management activities, and to establish and implement the relevant plan for preventing and mitigating these risks, Binggrae has been performing human rights impact assessment since 2020 based on the following processes:



Items of Human Rights Impact Assessment (5-point Likert Scale)

Item	Percentage
Establishment of human rights management system	15%
Non-discrimination in employment	15%
Endorsement of freedom of association and collective bargaining	10%
Prohibition of forced labor	10%
Prohibition of child labor	5%
Guarantee of industrial safety	15%
Management of supply chain with responsibility	5%
Protection of local communities' human rights	5%
Securing environmental rights	10%
Protection of customers' human rights	10%
Total	100%

Human Rights-Related Complaint Application & Handling Status



Human Rights Impact Assessment Results

Summary of Assessment

Purpose of assessment	Actual/Potential human rights risks that can have impact on the human rights of stakeholders due to corporate management activities are identified, and plans for preventing and mitigating these risks are established and implemented
Period subject to assessment	Jan. 1 - Dec. 31, 2024
Assessment performance period	Apr. 21-25, 2025
Supervision	HR Innovation Team
Contents	The human rights impact assessment was carried out on the company's overall management, which could affect human rights (ten assessment items).

Review of Human Rights Impact Assessment Results in 2024 and Future Plan

The human rights impact assessment result in 2024 was 99.40 points, or 1.22 points higher compared to the previous year. Among the key issues for improvement in 2023 such as establishing the human rights management system and responsible supply chain management items, regular education on ESG was conducted on the partners. In addition, the partner's code of conduct and human rights items were included in the standard contract with the partners to improve their understanding of human rights protection and prevent human rights violations; the improvement of awareness level with regard to items related to human rights could be verified. This year, responsible supply chain management items were derived as key improvement items among the human rights issues. In the future, human rights items indicated in the standard contract will be reflected in full scale during the comprehensive evaluation on the partners; the operation of the ESG council will be initiated with the supply chain linked to the food industry to verify compliance with human rights protection by the partners, and monitoring activities will be strengthened.

Effectiveness evaluation of risk mitigation measures in 2023

Assessment items	Classification	Contents
Establishment of human rights management system	Risk assessment	• Insufficient application of human rights impact assessment to the activities by the partners.
	Risk mitigation measures	• Activities by the partners are also included in the scope of human rights impact assessment.
	Effectiveness evaluation	• The code of conduct related to human rights is indicated in the standard contract with the partners, and its reflection to the assessment is notified.
Responsible supply chain management	Risk assessment	• Lack of verification procedure on the protection of human rights and preventive activities on human rights violations by the partners • Human rights items not reflected during the comprehensive evaluation on partners
	Risk mitigation measures	• Regular education on ESG conducted for the partners to prepare for the ESG council with the supply chain linked to the food industry • The partner's code of conduct is indicated in the standard contract with the partners, and its reflection to the assessment is notified.
	Effectiveness evaluation	• Understanding of human rights protection and prevention of human rights violations and improvement of awareness level with regard to items related to human rights are verified through the regular meeting with the partners.

Human Rights Management System Performance

Status of Human Rights Education

Classification	Unit	2022	2023	2024
No. of employees who attended education	persons	1,613	1,710	1,621
Hours of education per person	hours	3	2	3

* Education on human rights: Prohibition of workplace bullying and sexual harassment, improvement of awareness of persons with disabilities, etc.

Status of Business Sites with Freedom of Association and Collective Bargaining and Risks of Child Labor, Forced Labor

Classification	Unit	2022	2023	2024
All business sites		5	5	5
Business sites where risks have been identified	Freedom of association and collective bargaining	0	0	0
	Child labor	0	0	0
	Forced labor	0	0	0

Status of Violations of Rights of Local Residents

Classification	Unit	2022	2023	2024
No. of violations of local residents' human rights	cases	0	0	0
No. of actions (settlements) on infringement of local residents' human rights		0	0	0

Status of Discrimination Incidents Discovered

Classification	Unit	2022	2023	2024
Discrimination incidents	cases	0	0	0

CUSTOMER SATISFACTION

Maximization of Customer Satisfaction

To maximize customer satisfaction, we strive to enhance communication with our customers, deploy quality management infrastructure, and develop and launch customized products for customers' health based on our philosophy of providing the best values to customers, pursuing the very highest standard of quality, and promoting customer-oriented business management. As a food company presenting more than customer satisfaction, Binggrae will set customer safety and health as the top-priority value and become a company that is loved and trusted continuously by the customers.

Binggrae's Ethical Management Policy for Customers



Responsibilities to Customers

Trust built with customers must be emphasized based on strong belief that customers are the foundation and reason for our existence, and customer safety and health are pursued through ethical products.

1. Reliability with customers

- Only truth must be told to customers, and promises to customers must be honored.
- Information that the customers must know or which must be informed of shall be disclosed actively.
- Customer information shall be neither released without the consent of the customer nor used for purposes other than those authorized.

2. Customer satisfaction

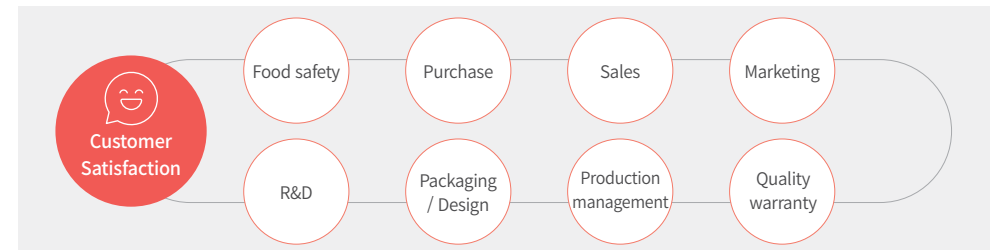
- True value providing practical help and satisfaction to customers must be created continuously.
- Top-quality goods and services preferred by customers must be provided at reasonable prices.
- Customers' opinions must be carefully heard at all times, and the genuine needs of customers are always considered right; customer satisfaction shall be prioritized at a high standard for all judgments and actions.
- To enable customers to submit complaints or proposals conveniently at any time, various communication channels must be secured and opened, and reasonable demands of customers must be dealt with quickly and accurately.
- In case of conflict of interests between the customer and the company, the customer's position must be considered first for judgment.

3. Protection of customers' information

- The personal information of customers must be limited to the contents agreed to by the customer for use.
- Employees and relevant personnel handling the customer information must comply with the Personal Information Protection Guidelines and relevant laws.

Customer Satisfaction Management System

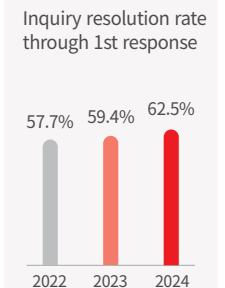
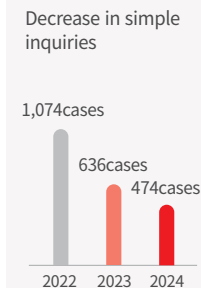
We are dedicated to satisfying our customers by deploying a highly effective system of support and cooperation with all departments involved in the purchase of raw materials, development and production of products, and sales and marketing. The system contributes to customer satisfaction and our development by producing consistently superior products, with the Quality Management Committee maintaining all production processes in a reasonable manner.



Active Two-way Communication with Customers

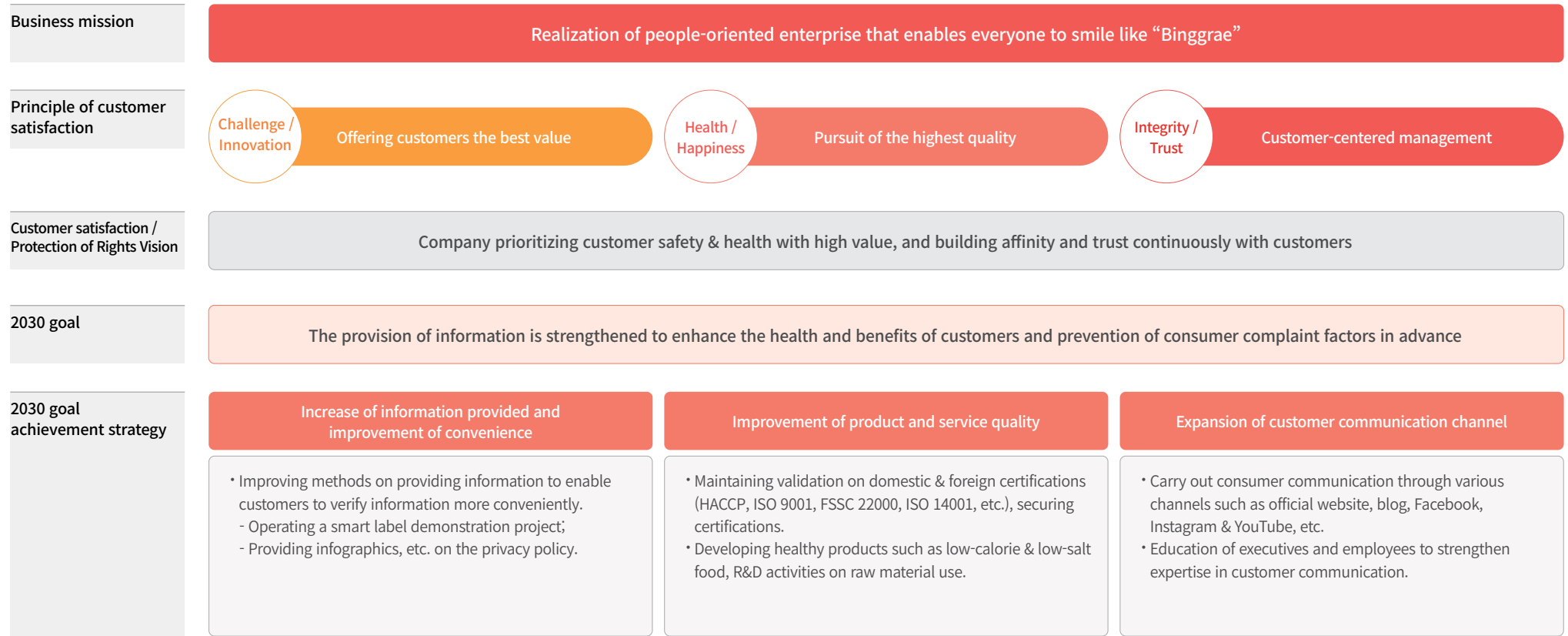
Convenient Customer Service through "Easier Interface Development"

The interface of the FAQ chatbot system is being improved continuously to enable the customers to find answers to their inquiries more easily and conveniently. Channels are operated 24 hours a day to receive various customer opinions, with the consultation capabilities of the organization in the customer contact point strengthened in an effort to resolve customer inquiries quickly from the initial response.



Customer Satisfaction Goals and Strategies

Customer safety and health are our top-priority values, and we are aiming to become a company trusted and loved by customers continuously by protecting their valuable personal information safely. The 2030 goals are established to promote customer satisfaction management, and the three main strategies and detailed tasks are managed to achieve the goals.



Receipt of Customer Complaints and Corrective Action

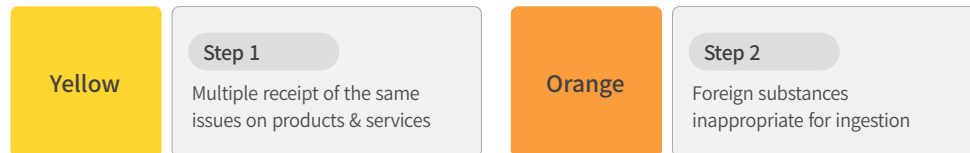
We listen to our customers' fresh voices via diverse channels including our website, SNS, and wired systems with the aim of minimizing customer complaints and preventing their recurrence. Opinions received are classified by type to be answered and handled by providing the improvement plan, and through information disclosure. (100% response handling rate)

We reflect our customers' opinions to the development of our products and improvement of manufacturing process by sharing the data collected from them with the departments concerned in the form of daily reports. The VOC status report is provided periodically to the management and utilized as data for improvement. In addition, customers providing their thoughtful opinions are presented with gift sets in appreciation for their VOCs. Binggrae is continuing efforts to impress customers beyond simple customer satisfaction.

Prevention of Consumer Complaints

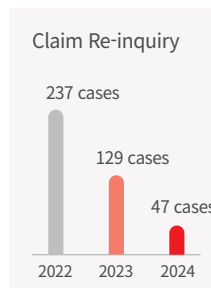
To respond quickly to consumer issues, the important VOC alert system was introduced. Major issues are indicated in colors through the VOC Daily Report according to the alert standard, and issues with possibility of risks expanding are quickly shared together with the details to enhance the responsiveness in the early stage.

Alert Standard Setting



Monitoring of Claim Handling Status

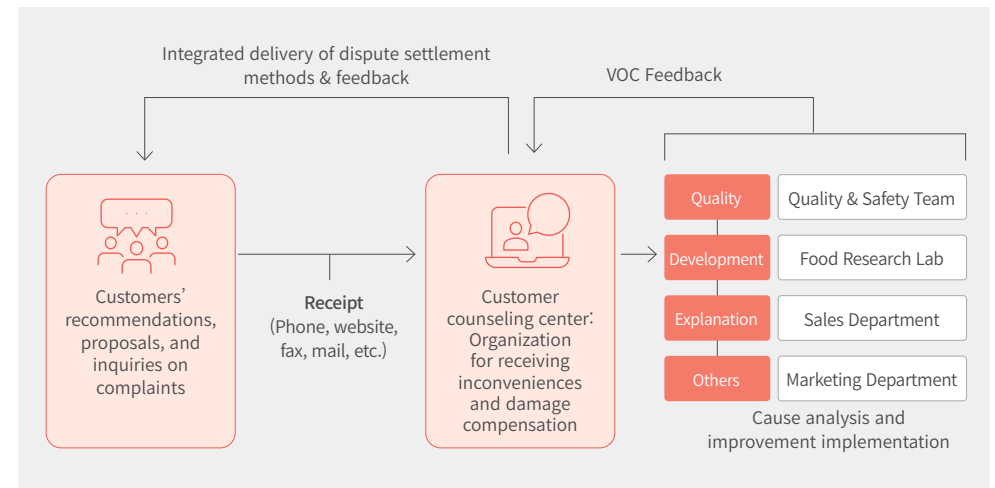
Binggrae is performing monitoring through the system of notification on the non-handling of claims and delay in handling. We have established a system of automatic notification for claim processing delays to manage the "Claim Re-inquiry Rate" so that customers will not experience inconvenience once again due to delays or omissions in processing in the event of customer complaints. In addition, the screen was configured for monitoring the real-time claim progress status.



Expansion of One-Call Response

To enable customer inquiries to be solved in a one-stop manner, the Customer Service Center is managing the "Initial Contact Completion Rate" since 2023 for expanding the work of enabling counselors to handle inquiries immediately. As a result, the percentage of 1st handling-completed VOCs from the Customer Service Center out of the total number of VOCs received increased compared to the previous year.

VOC Handling Procedure



VOC Receipt Status by Type in the Recent 3 Years

(Unit: Cases)

Classification	Orders	Product inquiries	Operational alliances	Product used	Service	Events
2022	2,600	3,500	700	6,000	2,000	100
2023	2,000	3,500	700	6,000	2,600	100
2024	2,100	2,800	1,000	5,500	3,300	200

Voluntary Recall and Active Damage Compensation for Defective Products

We pay extraordinary attention that far exceeds the level required under statutes related to product development, manufacturing, labeling, etc. to ensure that no health or safety-related accidents resulting from product defects harm consumers. We recall defective products and take the necessary actions, and inform consumers accordingly whenever any defects are found to pose the risk of harm or damage to consumers. We also operate a damage compensation policy that considers each case's seriousness.

Recall Classification and Targets

Classification	Contents
Mandatory recall	<ul style="list-style-type: none"> Government-initiated recalls: Recalls based on inspections and enforcement results by government agencies [Article 72 (3) of the Food Sanitation Act, Article 36 of the Livestock Products Sanitary Control Act] Operator-initiated recalls: Recalls based on self-quality inspection results by the operator [Article 45 of the Food Sanitation Act, Article 31-2 of the Livestock Products Sanitary Control Act]
Autonomous recall	<ul style="list-style-type: none"> Voluntary recall by the business due to quality defects, etc. (though not mandatory)
Recall targets	<ul style="list-style-type: none"> Attached Table 18 of Article 58 (1) of the Enforcement Rules of the Food Sanitation Act When a product falls under grades 1 to 3 of the hazardous food items listed under the recall guidelines <ul style="list-style-type: none"> ※ When the company fails to indicate raw material ingredients subject to labeling because they may cause an allergy
Recall non-implementation cases	<ul style="list-style-type: none"> Non-distribution, full sales exhaustion, expiration of distribution period, etc.

Legal Compliance of Marketing and Communication

To enable all labeling/advertisements/information on the products provided through online/offline media to be compliant with the Act on Labeling and Advertising of Foods and the Act on the Consumer Protection in Electronic Commerce, Binggrae carries out strict management by establishing a manual on the procedure for pre-verification and roles by department.

As a result, there were no cases of legal violations and non-compliances in the last 3 years regarding false and fraudulent/exaggerated advertising, etc.

In addition, to prevent any acts of deceiving consumers through Greenwashing¹⁾ in marketing and PR, etc., Binggrae will strengthen review and management in advance to become a company that earns the faith and trust of customers.

1) What is Greenwashing (Green + White Washing)? It refers to the corporate act of emphasizing an eco-friendly image through advertising, etc. despite producing products that actually have an adverse impact on the environment. This is a result of the phenomenon of increased public interest in the environment and due to the increase in the preference for eco-friendly products. As Green Marketing is becoming one of the essential marketing strategies in the company for applying and promoting an eco-friendly image throughout the overall process from product manufacture to advertising and sales, etc., there are cases of companies that are actually producing products that are not eco-friendly but trying to conceal such to look good.

Non-compliance with Statutes and Internal Autonomous Policies related to Marketing and Communication

Classification	Unit	2022	2023	2024
No. of violations of laws	cases	0	0	0
Punishment or fine (amount)	KRW	0	0	0
No. of cases discovered internally	cases	0	0	0





Cases of Product Improvement by Reflecting Customers' Opinions

Launching large-size powder

Customer Opinion

Please launch a large-size product considering the environment.

Improvement Details

Large-size powder product launched



Launching Zero-Sugar Summer Crush / Zero-Sugar Tangerine / Zero-Sugar Power Cap Ice Creams

Customer Opinion

I like Binggrae products, but I'm hesitant because of the sugar content. Please launch zero-sugar ice cream variants.

Improvement Details

Zero-sugar version of ice cream products launched



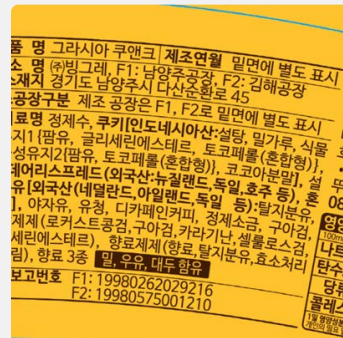
Pangtoa, Gracia Cookie & Cream

Customer Opinion

My child loves these products, but they contain instant coffee. I'm worried about the caffeine.

Improvement Details

Raw material changed to decaffeinated coffee in April 2024



Re-launching Cookie & Cream Pistachio

Customer Opinion

I really liked the Cookie & Cream Pistachio flavor, and I definitely want to eat it again.

Improvement Details

The product will be relaunched in October 2024





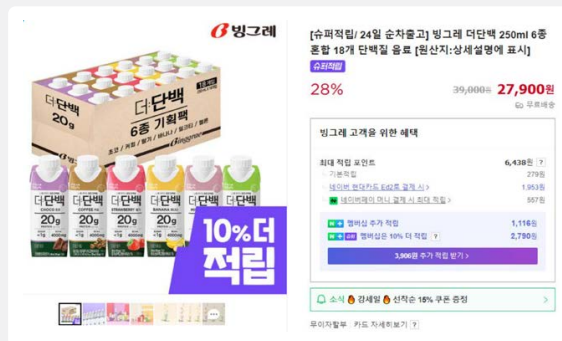
Launching of the special 6 mixed pack of THE:Danbaek Drink

Customer Opinion

Please develop a mixed pack composed of various flavors of THE:Danbaek Drink.

Improvement Details

Special 6 mixed pack of THE:Danbaek Drink launched



Launching kiwi-flavored ice cream

Customer Opinion

Is there any kiwi-flavored ice cream like Kiwi Azak? I really want to try it.

Improvement Details

T'aom kiwi-flavored ice cream bar launched



Banana-Flavored Milk Mug

Customer Opinion

After the limited-edition merchandise event was finished, there were many opinions expressing a desire to purchase the merchandise again.

Improvement Details

Mugs sold officially



Launching Banana-Flavored Milk with No Sugar Added

Customer Opinion

I want to drink Banana-Flavored Milk every day, but I'm worried about the sugar content.

Improvement Details

Banana-Flavored Milk with no sugar added launched



Personal Information Protection for the Customers

To protect the personal information of the customers, Binggrae appointed a CISO (Chief Information Security Officer) with expertise in information protection-related knowledge and practical experience, etc. to consider technical/administrative measures for preventing loss, theft, and leak of personal information and external attack and hacking in the overall work. Security checks are performed twice a year to check illegal software, virus and unauthorized URL, etc., and security training is provided to enhance employees' understanding and awareness.

Guideline on Customer Information Protection in Binggrae's Ethics Charter

1. Information on all stakeholders of the company shall not be used for purposes other than the authorized work.
2. All personal information received from customers shall not be provided externally without their consent.
3. Employees and relevant personnel handling customer information must comply with the Personal Information Protection Guideline and relevant laws.

Information Protection Education

No. of people subject to information protection education

660 persons



Information protection education hours

2,640 hours



Details of Implementing Technical/Administrative Measures for Personal Privacy Protection

Encryption of personal information

Limiting access to personal information

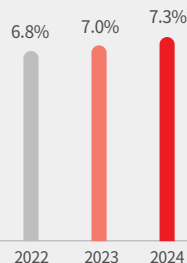
Minimizing the number of personnel and educating them

Operation of organizations dedicated to personal information protection

Technical measures for security

Scale of Investment in the Information Protection Field

Compared to the total IT budget



Classification	Unit	2022	2023	2024
No. of complaints about violations of regulations on the protection of customers' personal information	cases	0	0	0
No. of incidents of leak, theft, or loss of customer-related data	cases	0	0	0

Privacy Policy

To manage and protect customers' personal information, Binggrae established the management system based on the relevant laws and regulations such as the 『Personal Information Protection Act』 and 『Act on the Promotion of Information and Communications Network Utilization and Information Protection』, etc. The Information Innovation Team in the Management Planning Department is performing the role of management entity for personal information protection. According to the privacy policy, Binggrae is disclosing in detail—through its official website—the purpose and method of using customers' personal information, including what actions are taken to protect the personal information. Binggrae will continue monitoring to achieve the privacy policy goal of zero personal information leaks and zero resulting damages.

Easy-to-Understand Personal Information Protection Policy of Binggrae

Personal information items collected by Binggrae and purpose of collection

When personal information collection is required: Customer inquiry, product delivery and participation in events, etc.



Through the website & phone, etc.



The minimum personal information is collected through mandatory/optional items



Destruction of personal information

When the retention period is over, the collected personal information is disposed of through technical methods to prevent regeneration



The rights of users and their legal representatives regarding personal information are as follows.

Browsing the stored personal information

Correction and deletion of personal information

Discontinuance of personal information processing / Withdrawal of consent

Method of requesting the exercise of rights to personal information

Measures will be taken immediately when contacted through the Customer Service Center Menu on the website, or through phone or email to the department in charge of personal information protection.

• Tel : +82-2-2022-6081 • E-mail : privacy@bing.co.kr

Go to 1:1 inquiry in the official website



Go to privacy policy



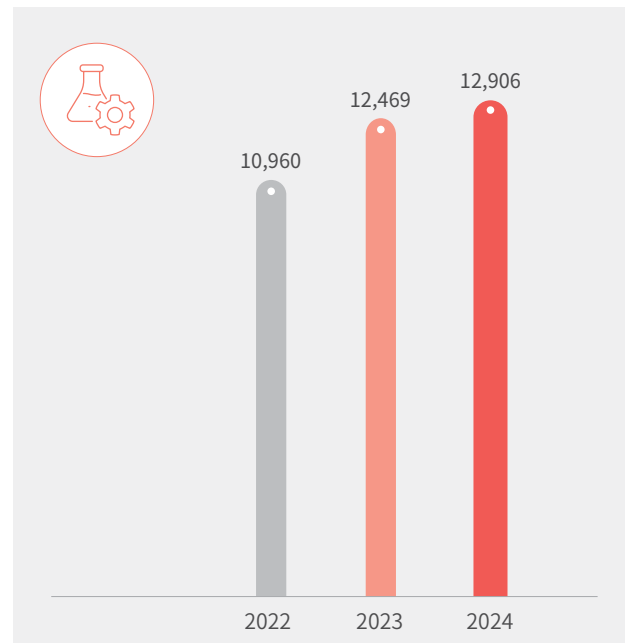
* View details of the privacy policy: <https://www.bing.co.kr/support/privacy>

Development & Investment for Creating Healthier, High-Quality Products

To provide healthier, high-quality products to customers, Binggrae continues earnest efforts to secure top quality through continuous investment in facilities, equipment, and R&D and by reinforcing the quality control system. As a result of continuous efforts for product development, various kinds of health-functional food and health-oriented food have been launched recently through the integrated health brand TFT. Binggrae will continue to take on the challenge of expanding the health category until 2030 and to develop various products with emphasis on the health and tastes of customers.

R&D Expenses

(Unit: KRW 1 mil.)



A health brand wishing for customers' health was created with three core values (**Taste, Function, Trust**)

On the table

Working desk

Inside the bag

Before & after exercise

Taste

For pleasure in the moment of enjoying consistently & deliciously,

To enable customers to develop the habit of enjoying good products continuously, Binggrae will break free from stereotyped products to continue researching methods for enabling everyone to enjoy delicious tastes.

Function

For practical support to health,

Along with using raw materials certified for effects, content will also be considered sufficiently to discover customized functional products according to gender, age, and job characteristics continuously, and efforts to find new functional raw materials will be continued.

Trust

For trust in enjoying our products,

Highest quality and strict safety management based on over 50 years' food manufacturing know-how. Binggrae will develop trusted products that can be enjoyed without concerns except when choosing products according to personal preference.

“VIVACITY” perfect harmony of “Taste” and “Health”



① VIVACITY is a health brand with the core values of “Taste” and “Health.”



② Based on the functional raw materials certified by MFDS, even the supplementary materials are designed in detail according to everyday concerns.

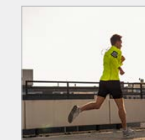


③ VIVACITY supports the health of women living their daily lives with diligence.

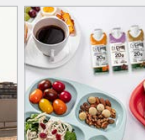
The perfect protein for supplementation “THE:Danbaek”

As the specialized protein brand developed by Binggrae, “THE:Danbaek” is a compound word consisting of “The” meaning “Add” or “Fill,” and “Danbaek” meaning “Protein” in Korean, in pursuit of good taste and health through systematic

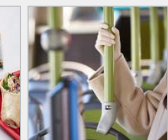
The Moment THE:Danbaek is required, supplement delicious protein conveniently anytime, anywhere!



After a short walk and jogging



When feeling a lack of protein from the meal



To supplement health during a busy morning or a hungry afternoon



When supplementation of protein is required immediately after light exercise or muscle workout

Securing Safety & Health During the Use of Products and Services

Food Safety Management Policy

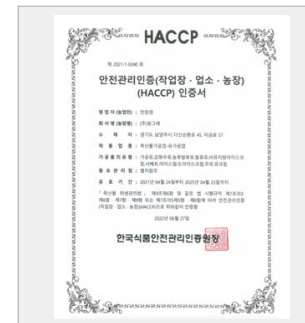
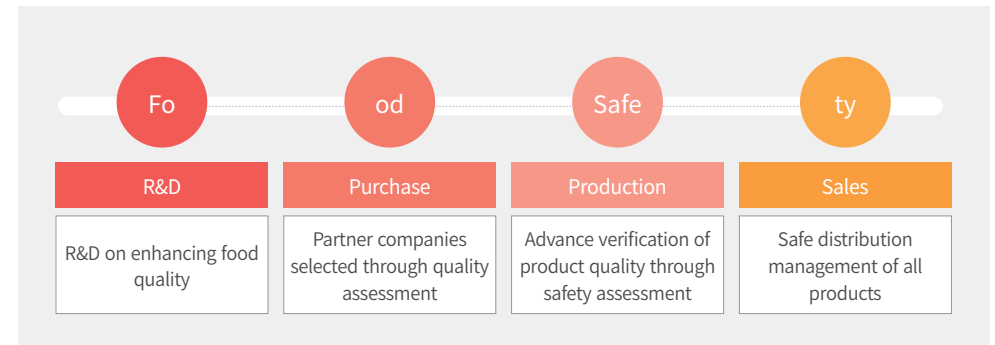
Food must be handled with care, so Binggrae is constantly performing monitoring with utmost attention and vigilance at all times. Binggrae established the food safety management policy according to the customer safety product & service development principles to ensure the development of products in perfect quality. This is a safe, healthy taste based on 50 years of honesty, and the belief of Binggrae for the next 50 years.

- 1 All food products produced and sold must comply with the domestic/international laws & regulations and internal standards, and customer requirements must be followed to establish and implement the food safety management system.
- 2 All food products produced and sold must comply with the domestic/international laws & regulations and internal standards, and customer requirements must be followed to establish and implement the food safety management system.
- 3 Food safety/quality hazards are eliminated in advance through preventive management activities, legal requirements and issues are monitored in advance, and food safety information is shared through internal/external communication.
- 4 Prerequisite program, OPRP, HACCP plan and food safety management manual, procedures and work standards, etc. shall be observed, and product safety and quality are maintained through continuous improvement.
- 5 Food loss and wastes occurring during the manufacturing and distribution process are minimized to contribute to achieving the sustainability management goals.

Efforts and Achievements to Ensure Product Safety

We consider ‘food safety’ the top priority in all the processes related to R&D, purchase of raw materials, production of products, management of production facilities, and distribution. All our products have acquired HACCP approval. We practice quality and food safety-oriented management by acquiring the ISO 9001 and FSSC 22000 certifications.

Quality and Safety Value Chain



HACCP certificate
[Food Safety Management Standard]



ISO 9001
[Quality Management System]



FSSC 22000 certificate
[Food Safety System]

WIN-WIN GROWTH

Win-Win Growth

In the rapidly changing international situation and global management environment, sustainable supply chain has emerged as a very important factor; stabilization of costs and prices can be expected through supply chain management. Binggrae procures raw & subsidiary materials from various suppliers to manage the food & beverage manufacturing business. Activities for win-win and shared growth with the partners are actively promoted; in the process, Binggrae is complying with fair trade practices and fulfilling its corporate social responsibilities.

Principles of Win-Win Growth

Binggrae is continuing efforts to find methods for win-win growth with various partners and farms. We are building mutual trust with partners and actively promoting win-win growth, and the responsibilities of the partners are indicated in the code of ethics. In addition, supply chain management policies such as fair trade policies and partner code of conduct, etc. were established to provide the foundation for supply chain management. Moreover, to accomplish the mission of sharing health and happiness together and adhere to the principle of providing the best value to customers, Binggrae established the following three principles for promoting shared growth with the partners:

Principle 1

Enhancement of competitiveness and creation of synergy through win-win growth between small and large businesses

Principle 2

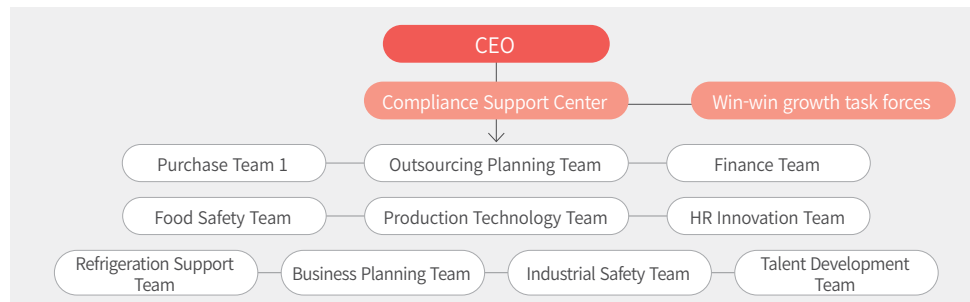
Contribution to the State and society through harmony and unity between small and large businesses

Principle 3

Creation of future values through multifaceted collaboration between small and large businesses

Win-Win Growth Governance

Binggrae is operating the win-win growth organization to listen to the voices of the partners in the supply chain. The CEO is the final decision maker, and a decision-making system was established centering on the compliance support center and win-win growth TF.



Four Major Guidelines for Win-Win Growth

1

Guideline for fair selection (registration) of partner companies

We have established procedures for selecting and managing its partner companies to ensure that new partner companies are selected and registered through fair transparent business procedures.

2

Guideline for the establishment and operation of the Subcontracting Transaction Review Committee

We have made it a mandatory procedure to conduct internal reviews of the terms of subcontracts signed with its partner companies so as not to treat them unlawfully or unfairly, by complying with the Fair-Trade Act when subcontracting with its partner companies.

3

Guideline for proper issuance and preservation of written documents

We have established regulations concerning the issuance and archival of documents that must be issued to benefit partner companies in the process of signing subcontracts and growing together with the partner companies.



4

Guideline for fair contracting practices for win-win cooperation between large and small-medium enterprises

We have established rules on entering into new contracts with its partner companies, with the aim of guaranteeing their benefits when contracting with Binggrae.

Partner's Code of Conduct

Binggrae recognizes each partner as its companion to maintain a win-win business relationship through supply chain management complying with the ESG management policies. Accordingly, Binggrae established the 「Binggrae Partner's Code of Conduct」 (hereinafter referred to as the "Code of Conduct") to stipulate the work procedures complying with the environmental and ethical standards for the partners, and to continue the sustainable management. For all contracts with the suppliers, the Written Pledge on Compliance with the Partner's Code of Conduct should be attached to enable the partners to comply with the relevant code of conduct.

Classification	Details
Environmental area 	<ol style="list-style-type: none"> 1. Establishment of environmental management policy and governance 2. Acquisition of certifications in the environmental field 3. Responsibility of preventing environmental pollution and reducing resource waste 4. Reinforcement of management responsibilities with regard to waste, wastewater, and hazardous chemicals 5. Responsibility of preventing air pollution 6. Reinforcing energy consumption and GHG emission management 7. Responsibility of procuring eco-friendly raw & subsidiary materials
Social area 	<ol style="list-style-type: none"> 1. Respect for human rights 2. Safety reinforcement and management
Ethical area 	<ol style="list-style-type: none"> 1. Ethical management policy 2. Responsibility on information disclosure 3. Responsibility of protecting intellectual property 4. Responsibility on anti-corruption and fair trade 5. Responsibility on quality safety management
Appendix	Written Pledge on Compliance with Binggrae's Partner Code of Conduct

Implementation Status of ESG Self-diagnosis and On-site Inspection/ Consulting Support Projects by the Partners

Binggrae is minimizing the business impact by establishing the management system for strengthening the ESG capabilities of the partners and by managing the ESG risks that can occur in the supply chain. After a partner is registered, its ESG management level is checked periodically through ESG self-diagnosis, and various kinds of support for improving the ESG management are provided based on the self-diagnosis result. In 2024, 62 partners participated in the self-diagnosis; among them, 29 partners possess ESG-related certificates (ISO14001, ISO9001, ISO45001, ISO50001, ISO22000, KOSHA MS, FSCC22000, Green Technology and SMETA, etc.). Companies selected as outstanding partners in ESG are rewarded, and partners are actively encouraged to enhance their ESG management.

In addition, ESG education and consulting are provided to partners to strengthen sustainability in the overall supply chain, with efforts to establish a healthy supply chain system continued.

Especially in 2024, Binggrae joined the "Joint Project on ESG Management of Supply Chain in the Food Industry" initiative to perform the pilot project on partner ESG evaluation, on-site inspection, and consulting support. Through this initiative, ESG self-diagnosis will be performed in full scale on the overall supply chain from 2025, and ESG support projects including on-site inspection and consulting will be expanded to key partners and partners with high ESG risks.

Partner ESG Self-diagnosis Result

Evaluation period	Jan. 1 – Dec. 31, 2024
Evaluation target	Total of 198 partners
Diagnosis details	Total of 45 indicators in the environmental, social, and governance areas - Reflected to the Partner Evaluation System of the Binggrae Procurement Portal / Audit evaluation elements for the Food Safety Team



Status of Transaction with Partners

Classification	2022	2023	2024
ESG self-assessment checklist	Response by 92 companies	Response by 127 companies	Response by 62 companies
Additional points applied in evaluation according to the ESG-related certifications held*	8 companies	37 companies	29 companies

* ESG-related: ISO 14001, ISO 9001, ISO 26000, ISO 37001, Green products, CCM certificate, etc.

Status of Partner Transactions and Support

Vendor and partners are supported by organizing various programs such as technical support, financial support, educational support, etc. to provide appropriate support in the required areas, and the results of supporting the partners in the last 3 years are as shown in the table below.

Status of Transactions with Partner Companies

Classification	Unit	2022	2023	2024
No. of partner companies	companies	264	276	252
No. of key partner companies	companies	54	59	59
Total amount purchased	KRW 100 mil.	1,323	1,300	1,577

* Key partner companies: Partner companies that have signed a fair trade agreement with Binggrae.

Status of Support to Partner Companies

No. of companies receiving quality and sanitation support	Amount of win-win fund	No. of partner companies receiving education support
2022 97 companies	2022 KRW 10 bil.	2022 62 companies (71 persons)
2023 54 companies	2023 KRW 10 bil.	2023 57 companies (108 persons)
2024 44 companies	2024 KRW 10 bil.	2024 104 companies (150 persons)



Customized Support Through Partner Evaluation

Binggrae is providing support customized for each vendor by rewarding the excellent partner in the periodic evaluation of partners annually, with partners falling short of the evaluation standard investigated to determine the causes and share improvement methods.

As a result of the comprehensive evaluation of partners in 2024, 9 companies were selected as excellent partners. On February 25, 2025, a general meeting with partners was held at the same time at Kim Koo Museum & Library. After rewarding partners on this day, the 2025 Binggrae ESG and supply chain management policy, partner ESG Assessment/evaluation and ESG support programs for partners, etc. were shared.

2024 Excellent Partner Selection

Evaluation period	Jan. 1 – Dec. 31, 2024	Evaluation target	198 partners
Evaluation contents	- Common: Cooperation level, ESG - Quality: Return, consumer, visit, etc.	- Materials & Purchase: Delivery, e-order, and credit rating - Order/Inventory Management: Inventory upload and warehousing accuracy	
Evaluation Grade	grades (Grade A, B, C, D & E)	Selection of Excellent Partners	9 companies
Reward	KRW 17 million in direct reward amount		

Status of Excellent Partner Selection

Classification	Unit	2022	2023	2024
No. of partners for evaluation	companies	206	218	198
Selection of excellent partners	companies	7	4	9
Direct reward amount	KRW 10,000	1,700	1,600	1,700

Educational Support for Strengthening the ESG Capabilities of Partners

Binggrae held the “ESG educational seminar for partners” to strengthen the ESG management capabilities of the partners. Specifically, this seminar was held to improve understanding of ESG management by key partners in the supply chain, and to share the methods for responding to ESG issues. Binggrae will continue its efforts for enhancing the sustainability of the overall supply chain based on win-win with the partners.

- Date: May 28, 2024 (Tue.) 14:00 ~ 17:00
- Location: Kim Goo Museum & Library Convention Hall
- Participants: Attended by 250 personnel from 200 partners



Win-Win Growth Activities and Programs

Binggrae is carrying out shared growth activities in full scale with partners for creating social value. Because Binggrae is supplied with raw & subsidiary materials by various suppliers as a food manufacturer, efforts are focused on sustainable supply chain management for cost and price stabilization. For shared growth with partners and farms, a win-win fund of approximately KRW 10 billion was created with the Industrial Bank of Korea (IBK) to support partners suffering from difficulty in funding, and a channel for consistent communication with partners was established through the “Happy Together with the Partners!” program.

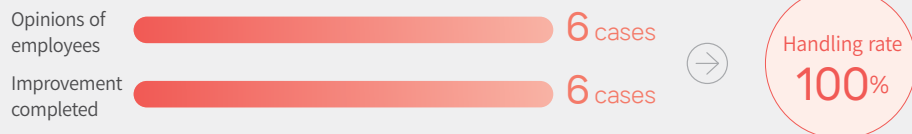
Status of Main Activities with Partners

- Signing of fair-trade agreements.
- Meetings with partner companies.
- Introduction of win-win payment and performance sharing systems.
- Introduction of win-win fund.
- Development and operation of a dispute mediation procedure.
- Subcontract Review Committee.
- Establishment of the Fair-Trade Promotion Department.
- Support for sanitation, technology and equipment.
- Operation of system to notify employees about key information.
- Financial support.

Win-Win Communication with Partners

We hold annual meetings to introduce our procurement policies to our partner vendors, as well as meetings with partner companies by region and business category. The recommendations and suggestions made at such meetings are immediately delivered to the departments concerned in order to reflect them to our win-win principles and programs. In 2024, grievance settlement meeting and presentation on the delivery unit price linkage system were held to listen to opinions from partners’ employees for improvement.

Status of Listening to Opinions from Partners’ Employees in 2024



“Happy Together with the Partners!” Operation of Partner Communication Channel

Binggrae operates various programs with the partners every year, and examples of the main programs include events for helping unfortunate neighbors together with the partners and win-win concert. Following last year, Binggrae also held a year-end night event on December 4, 2024 with the partners responsible for purchase to continue providing the opportunity to meet the partners directly and encouraging the partners mutually. In this event, 642 people from 194 partners were gathered. Through win-win communication with the partners, Binggrae will continue to listen to the difficulties of the partners and improve the relevant matters.



ORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR)

We have contributed to the nation for many years, with mid- and long-term goals for focused areas based on the Binggrae spirit inspired by the nation's smile emphasized by Dosan Ahn Chang-ho as contained in our missions, which are designed to "deliver a bright smile by sharing health and happiness." We are dedicated to making people smile and feel delight in their lives by providing steady support to women, children, and socially alienated people as a responsible member of the community. We are trying to create new social values by returning the love we receive from the public each year to people in urgent need of care and attention.

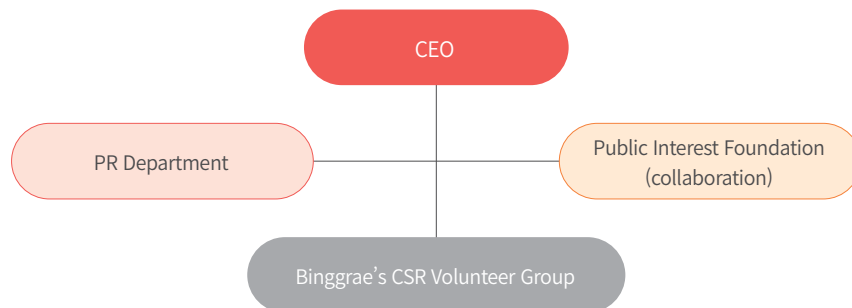
"Binggrae Ideas" in Binggrae Missions

Binggrae's missions published in May 2002 include the "smiling national spirit" emphasized by Dosan Ahn Chang-ho.



CSR Management System

The PR Department is exclusively responsible for Binggrae's CSR programs. Each year, the department independently or in collaboration with the Korean Red Cross and various local community organizations carries out meaningful social contribution initiatives.



Key Directions for CSR

With the desire to contribute to the abundant life of the people and social development by promoting legal and ethical businesses, Binggrae included the regulation on national and social responsibilities in the code of ethics, and established 4 principles for contributing to the local community as follows to carry out various activities for contributing to society.

Binggrae Code of Ethics: Contribution to the Local Community

1. Contributions are made to community development by creating jobs through ethical corporate activities.
2. Welfare facilities are opened to local residents near business sites, and the neglected class is supported.
3. Employee participation in community activities is recommended and supported to promote a sense of cohesion between the company and the community.
4. Activities in connection with NGO are reinforced.

CSR vision

Binggrae, the messenger of shared happiness, meaningful lives, and bright smiles

Slogan

Share, Smile, Support, Binggrae Go

Core values

Share

Smile

Support

Focused support targets

Women, children, and socially alienated people

Families facing a crisis

Independence patriots and their descendants

Mid- to Long-Term Goal & Strategy for Win-Win with the Community

Binggrae is continuing efforts for social contribution activities with the community. Along with the social contribution activities by the head office, Binggrae aims to expand the social contribution activities to areas near the main business sites located in local strategic points. In addition, Binggrae will cooperate with the relevant local governments having jurisdiction over the three main business sites annually to discover and implement social contribution projects until 2030.

Win-win vision with the community

Company enabling win-win with the community through sustainable social contribution activities

2030 goal

- Discover community contribution projects at business sites
 - Invite 3,000 or more children in the Children's Drawing Contest
 - Annual sponsorship of KRW 100 million or more to the vulnerable class near the business site

2030 goal achievement strategy

- Host the Binggrae Children's Drawing Contest
- Discover projects on supporting supplies to groups vulnerable to potential disasters in the community
- Discover customized support projects for groups vulnerable to the climate crisis in the community



Community Involvement Activities by Binggrae



“Let's create a world where people smile Binggrae with loving hearts!”

- Dosan Ahn Chang-ho



Binggrae Children's Drawing Contest (since 1986)

The Binggrae Children's Drawing Contest is one of Binggrae's main social contribution activities first held in 1986, having been held annually until today.

The Binggrae Children's Drawing Contest—where all children can participate—is a festival for pure and innocent children to present their dreams and imaginations freely and to share the love and happiness of the family.

In the 37th event in 2024, a total of 3,529 participants joined the event from kindergarten and elementary schools nationwide. Among them, 366 participants received awards, and 51 drawings that won the main prizes are exhibited online through the official website. From 2022, the Binggrae Children's Drawing Contest was themed “Independence” to add meaning to the contest. In 2023, relevance to the contest theme was considered in hosting the event at the Independence Hall of Korea in Cheonan in 2024.



Participants

3,529
persons



Event Support
Amount

KRW 180 million



36th Binggrae Children's Drawing Contest held at the Independence Hall of Korea (Cheonan)

Independence Movement Campaign “Wearing Liberation for the First Time”

In 2024, Binggrae carried out the independence movement campaign “Wearing Liberation for the First Time” with the Ministry of Patriots & Veterans Affairs. “Wearing Liberation for the First Time” is an online campaign carried out by Binggrae by applying AI technology to the last photographs of 87 independence activists who died in prison wearing faded prison uniforms, their photographs transformed into images of wearing bright hanbok that embodies the spirit of the independence movement so that they can be remembered in the new image of heroes. A total of 87 independence activists in the restored photographs were selected among the independence activists with records of death in prison in the e-Archives of the Ministry of Patriots & Veterans Affairs and who have prison photos remaining in the Japanese surveillance files as their last known photographs.

In this campaign, photographs of the independence activists restored with AI technology were applied with the actual hanbok created in collaboration with hanbok expert Kim Hye-soon, with video technology applied for reproduction. Binggrae presented 6 surviving patriots with plaques of appreciation and special hanbok created for the campaign, with the meaning and symbolism of the independence movement expressed into colors and main dyes used on the hanbok to add meaning to the campaign. To honor the independence activists who died in prison, Binggrae gave a dual meaning to the word “Liberation” and planned this campaign to provide a new “bright” hanbok to the independence activists.

Starting from the campaign video in 2019 on the 100th anniversary of establishing the Provisional Government, Binggrae has been producing campaign videos every year to inherit the spirit of independence movement and to express gratitude. Binggrae will continue carrying out various activities sincerely to remember the independence activists who dedicated their lives to independence.



Scholarship Programs to Descendants of Independence and National Patriots & Veterans

Binggrae is continuing scholarship programs centering on supporting the education of the descendants of independence activists and patriots who dedicated their lives to the country and the people as an expression of gratitude. In 2019, an MOU was signed with the Ministry of Patriots and Veterans Affairs and the National Police Agency in commemoration of the 100th anniversary of the March First Independence Movement and establishment of the Provisional Government of the Republic of Korea, and a scholarship program was started in full scale for the descendants of independence activists and children of police officers who died in the line of duty.

In 2023, KRW 100 million worth of scholarship was awarded to a total of 70 people including 58 descendants of independence activists and 12 children of police officers who died in the line of duty; in 2024, a total of KRW 60 million worth of support was provided to 45 descendants of independence activists through a scholarship ceremony held at the Kim Goo Museum & Library.

This scholarship program was started by Chairman Kim Ho-yeon to honor the spirit of Baekbeom Kim Goo; currently, a total of approximately KRW 600 million worth of support is provided to 434 scholarship recipients. The Binggrae Public Foundation will continue to remember the contributions of national patriots & veterans and provide actual support to enable their descendants to continue their education stably.



Activities to Honor and Support Independence Activists and Patriots

Binggrae is carrying out various support activities for inheriting the spirit of independence activists and identity of national culture. Since its establishment, the foundation has supported various organizations enhancing national prestige such as the Lee Bong Chang Memorial Association, etc. and other organizations collecting and preserving basic materials related to Korean studies. Efforts are being continued to highlight the historical and cultural value and to spread them throughout society.

Especially after Chairman Kim Ho-yeon heard the sad news that Lee Bong-chang passed away without any descendants, he took it upon himself to rebuild the Lee Bong Chang Memorial Association and serve as the chairman. Through collaboration with the Lee Bong Chang Memorial Association, Binggrae is currently supporting various events for commemorating the patriotic martyr's resistance and sacrifice. The commemoration ceremony for the movement is held every January, with the memorial ceremony held in October to honor those who died for the country. In 2022, an academic conference was held to commemorate the 90th anniversary of resistance by Lee Bong-chang and the 90th anniversary of his death. In January 2025, too, Binggrae sponsored the 93rd-anniversary ceremony held at the Kim Goo Museum & Library to honor the patriotic spirit of patriotic martyrs.

Binggrae will continue to honor the noble spirit of the independence activists and patriots to spread the meaning throughout society, and projects for enhancing the national prestige will be promoted to establish a sustainable historical and cultural ecosystem.



Support for the Korean Red Cross (since 2013)

Binggrae has been sponsoring the Korean Red Cross since 2013 by donating ice cream and dairy products or donating part of the profit from product sales. In 2022, rice and supplies worth KRW 300 million were donated to those vulnerable to disasters including the victims of the forest fire in the Gyeongbuk and Gangwon regions.

In 2023, Binggrae and the Korean Red Cross held a ceremony for signing the agreement on relief aid sponsorship at the Korean Red Cross Seoul Chapter in Jung-gu, Seoul, with Binggrae sponsoring KRW 210 million worth of donations and KRW 6 million worth of goods.

In July 2024, Binggrae held a ceremony with the Korean Red Cross for donating KRW 300 million to support disaster relief and humanitarian activities including the program for supporting groups vulnerable to disasters. Binggrae was recognized for its contribution to realizing the humanitarian spirit of the Red Cross and developing support programs, receiving a plaque of appreciation for social contribution from the Korean Red Cross. Meanwhile, a ceremony for awarding the "Red Cross Honors Club" plaque was held along with the relief donation agreement ceremony. The Red Cross Honors Club is a certification of corporations with large donation to the Red Cross, given to the companies that participated in practicing the spread and sharing of social value to contribute to the humanitarian activities by the Red Cross.

Binggrae has been sponsoring the Korean Red Cross since 2013, with its cumulative donation amount exceeding KRW 1 billion. Binggrae will continue its social contributions to become a company that helps the neighbors in need in society.



GOVERNANCE

We do our best to realize a global-level governance structure by deploying a stable, transparent governance structure.

Response is made to the changes in the business environment through the enterprise-wide risk management system, and ethical management and fair competition are set as the principles for fulfilling social responsibilities.

86 TRANSPARENT GOVERNANCE

89 RISK MANAGEMENT

90 ETHICAL & COMPLIANCE MANAGEMENT



2024 KEY PERFORMANCES



16 times

No. of BOD meetings held



100%

BOD attendance rate



4 times (100%)

No. of education sessions for directors/auditors (attendance rate)



Compliance self-diagnosis performed in the first half & second half of the year

Addition of laws and expansion of target



Expansion of ethical & compliance self-diagnosis target and strengthening of laws



Operation of compliance program (CP) enhanced

TRANSPARENT GOVERNANCE

Composition of the BOD

Binggrae appoints directors through a resolution of the general meeting of shareholders in accordance with the articles of incorporation and the relevant laws, with director candidates nominated through the recommendation procedure by the BOD. The BOD consists of three or more directors, at least one-quarter of whom are external directors to ensure the independence and expertise of the BOD. The representative director concurrently serves as chairperson of the BOD. The chairperson may be reappointed through the general meeting of shareholders after the expiry of the term. External directors can also be reappointed within a certain period of time. As of end of June 2025, Binggrae's BOD consists of a total of 6 members; among them, 2 external directors with expertise in various fields such as management, tax, law, etc. are appointed to strengthen the expertise and management advisory functions of the BOD.

Independence of Directors

The BOD carries out deliberation and resolution of the main issues such as major management policies, strategic investment, and response to risks in accordance with the articles of incorporation and the relevant laws, and performs the role of supervising and checking the execution of duties by the CEO and management. Especially, to ensure the independence and expertise of the BOD, the Director Candidate Recommendation Committee is organized consisting mainly of external directors to enhance the transparency of appointing external directors as part of efforts to strengthen ESG governance and keep it on a par with global standards. Based on this system, Binggrae is realizing an advanced governance system that actually strengthens the function of BOD and contributes to creating sustainable corporate value.

(As of end of Jun. 2025)

Classification	Name	Gender	Career	Expertise	Term of service
Internal director	Kim Kwang-Soo	Male	Current) Vice Chairperson & CEO, Binggrae Former) President & CEO, Jette	Management	Jun. 2025 – Jun. 2028
	Kim Ho-yeon	Male	Current) Chairperson, Binggrae Former) Chairperson & CEO, Binggrae	Management	Mar. 2023 – Mar. 2026
	Park Jeong-hwan	Male	Current) Head of Overseas Business, Binggrae Former) Leader, New Factory Promotion Group, Binggrae	Overseas business & Production	Mar. 2025 – Mar. 2028
	Go Jae-hak	Male	Current) Head of Finance Division, Binggrae Former) Finance Team, Binggrae	Finance & Accounting	Mar. 2024 – Mar. 2027
External director	Kang Myeong-gil	Male	Current) External director, Binggrae Former) Vice President, Round Rock	Production	Mar. 2024 – Mar. 2027
	Oh Dae-shik	Male	Current) External director, Binggrae Former) CEO, Jeil T&M	Tax & Accounting	Mar. 2025 – Mar. 2028

* No transactions with the company and no conflicts of interest with the largest shareholder.

Operation of BOD

Holding Board Meetings

As a rule, regular board meetings are held quarterly, with extraordinary board meetings held as and when required. Resolutions of the agenda are made by majority of the attending Directors with voting rights. In 2024, a total of 16 board meetings were held for the resolution of a total of 36 agenda including the approval of the safety & health plan and ESG risk review report, etc. The participation rate of internal and external directors in 2024 was 100%.

Strengthening the Roles of BOD

Binggrae has taken out directors & officers' liability insurance (D&O insurance) to support the responsible decision making of BOD members and to enhance the stability of corporation operations. This enables the company to prepare for legal personal liability or damages that may occur in the process of performance of specific duties by the directors. It is a system wherein the company representative's psychological burden of performing duties is eased, enabling the company to lead stable and sustainable management activities. Binggrae is strengthening the independence of the directors and their responsibility management through this system, with the ESG governance level improved continuously.

BOD Competency Reinforcement

Education is regularly provided to external directors to enhance efficiency in fulfilling the directors' role and for efficient operation, with an organization for supporting the performance of duties by the BOD designated for operation. A total of 4 educational sessions were held in 2023, and all external directors participated in the education.

Status of Education Conducted for External Directors in 2023

Education date	Education provider	Attending external directors	Reasons for non-attendance	Key educational contents
Mar. 23	Compliance Support Center, General Affairs Team	Kang Myung-gil, Oh Dae-shik	-	• Education to new/reappointed directors and auditors (Legal authorities and obligations of the BOD and directors/auditors, commentary on the duties of disclosure, etc.)
May 24	Internal Accounting Management Team	Kang Myung-gil, Oh Dae-shik	-	• Education on internal control
Aug. 12	Compliance Support Center	Kang Myung-gil, Oh Dae-shik	-	• 2024 BC anti-corruption and human rights & ethical management training
Dec. 13	Compliance Support Center, General Affairs Team	Kang Myung-gil, Oh Dae-shik	-	• Major regulations related to the Fair Trade Act • Education on unfair trade practices

Support Team for External Directors

Name of department	No. of employees	Position and period of support service	Key activity details
General Affairs Team	4 persons	One Team Leader, 23 years (7 years) Two Professionals, 17 years (11 years) One Associate, 3 years (1 year)	• Support for the operation of the BOD • Support for other duties of external directors

Board Meetings Held in 2024

Session	Date	Details	Session	Date	Details
1	Jan. 12	• Report on the result of periodic risk assessment on the autonomous fair trade compliance program for the second half of 2023	8	May 10	• Report on the business performance in Q1 2024
2	Jan. 26	• Approval of the financial statements and business report for the 58th term (Jan. 1 ~ Dec. 31, 2023) • Report on the operational status of the internal accounting management system in 2023 • Approval of the safety and health plan in 2024	9	May 27	• Approval of the management review report on the compliance management system (ISO37301) • Approval of incentive payments
3	Feb. 16	• Report on the inspection result of compliance control standards in 2023 • Appointment of the compliance manager • Report on the result of evaluation by the auditor on the report of operational status of the internal accounting management system in 2023	10	Jul. 19	• Report on the result of periodic risk assessment on the autonomous fair trade compliance program for the first half of 2024 • Review of new investments, etc.
4	Feb. 27	• Report on the result of holding the director candidate recommendation committee	11	Aug. 12	• Approval on the transaction between the company and its directors, etc. • Approval on the publication of the sustainability report • Report on the 2024 first-half business performance
5	Mar. 4	• Convocation of the 58th General Meeting of Shareholders • Audit report • Approval of performance incentive payments	12	Sep. 24	• Bank short-term borrowings • Review of new investments, etc.
6	Mar. 15	• Report on the 2023 Environmental Management Performance • Crude oil consumption activation (FTA fund) fund loan • Report on the result of materiality assessment of the sustainability report	13	Nov. 11	• Report on the business performance in Q3 2024
7	Mar. 21	• Approval on amendments of the BOD operational regulations • Review of new investments, etc. • Report on the risk management status in 2023	14	Nov. 22	• Approval of the division plan • Determination of closing date of the shareholder register
			15	Dec. 13	• Approval on the transaction between the company and its directors, etc. • Report on the 2024 ESG (non-financial) risk review result and strategy • Report on the candidate group for external directors
			16	Dec. 30	• Determination of remuneration for external directors • Approval on the transaction between the company and its directors, etc. • Review of new investments, etc.

Evaluation and Remuneration of the BOD

BOD evaluation is performed once a year to improve the independence and operation efficiency of BOD, and in accordance with objective and fair standards. Evaluation is performed centering on the fidelity of performing the duties, maintenance of independence, BOD operating method and matters requiring improvements, etc.; for external directors, individual evaluation is performed for in-depth inspection of independence, expertise, diligent performance of duties, compliance with corporate ethics, etc. These performance results are approved at the general meeting of shareholders, to be reflected to the appointment of directors and determination of compensation. Compensation is determined within reasonable limits according to the in-house compensation regulations and maintained with the transparent compensation system.

Audit System

Audit Operation

According to Article 542-10 of the Commercial Act, Binggrae performs the audit with one auditor appointed through the resolution of the general shareholders' meeting. The auditor is recommended by the BOD, and an expert with qualifications in the relevant areas of finance and accounting, etc. is appointed through a resolution of the general shareholders' meeting. The auditor browses through the books and relevant documents on accounting for the accounting audit, and reviews the financial statements, consolidated financial statements, and supplementary schedules. If required, appropriate audit procedures such as comparison, due diligence, witness and inquiry, etc. are also applied to perform the audit.

Auditor Status

(As of end of Jun. 2025)

Name	Nam Ki-won
Career	Current) Head of Marketing, LeeWoon Asset Management (2023-present) Former) Partner Marketing Manager, ANDA Asset Management (2022-2023)
Type of expert	Experienced professional in accounting and finance of listed companies (Type 3)

Auditor Competency Reinforcement

For efficiency of auditor's service, we appoint an audit team to support the auditor's performance of audit duties. We also conducted audit education on four occasions in 2024.

Audit Support Organization

Name of department	No. of employees	Position & Period of support service	Key activities
Audit team	3	One Team Leader, 5 years Two Professionals, 6 years	<ul style="list-style-type: none"> • Support for assessment of internal account management. • Support for assessment of internal monitoring devices. • Support for board activities. • Support for other audit duties.

Shareholder

Protection of Shareholders' Rights and Interests

Binggrae stipulates the rights and responsibilities of the shareholders through the "Charter of Corporate Governance"; based on this, we are strengthening the relationship of trust with the shareholders. Each shareholder has one voting right per common stock, and limitation of voting rights for specific shareholders is implemented limitedly within the scope set by the relevant laws. In addition, Binggrae provides key management information in a timely, sufficient, and fair manner to protect the rights and interests of the shareholders; to support the shareholders in exercising their voting rights smoothly in the general meeting of shareholders, the e-voting system is introduced and operated through resolution of the BOD meeting.

Shareholder Status

(Reference date: As of end of June 2025)

Shareholder Name	No. of Shares Owned (Share)	Stake (%)
Major Shareholders, etc.	4,028,317	42.16
Treasury Stock	713,902	7.47
Others	4,813,484	50.37
Total	9,555,703	100.00

Shareholder Return Policy

To increase shareholder value, Binggrae considers the management performance of each business year, future investment plan, cash flow, and stability of dividends comprehensively to distribute dividends through the resolutions of the BOD and general shareholders' meetings. From the mid-to long-term perspectives, dividend policy is established to secure 25%~35% of the net income (excluding one-time extraordinary profit) based on separate financial statements as dividends. Cash dividend per share in 2024 is KRW 3,300, with consolidated cash dividend payout ratio of 28.3%.

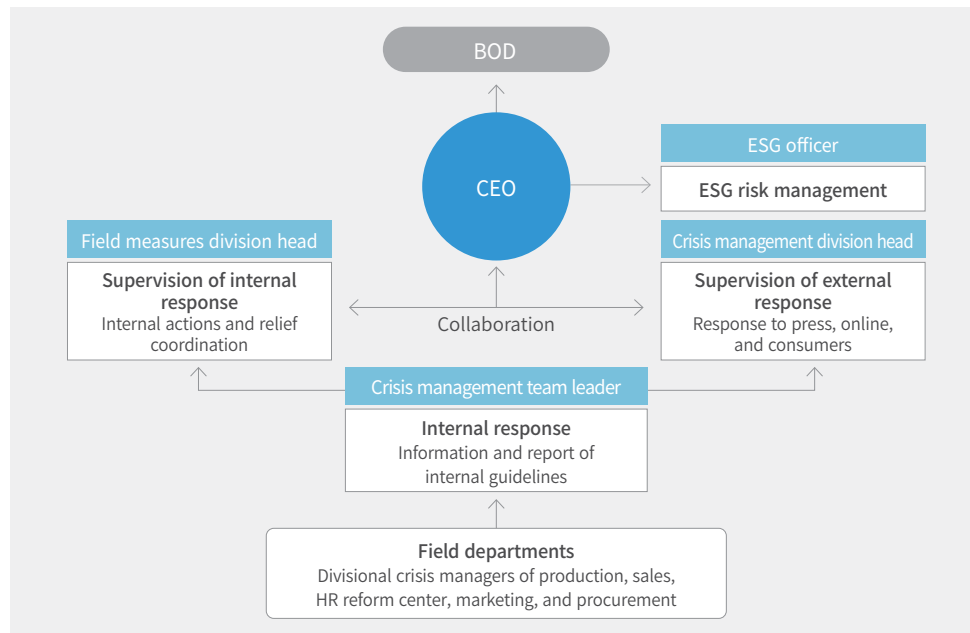
RISK MANAGEMENT

Risk Management

Risk Management System

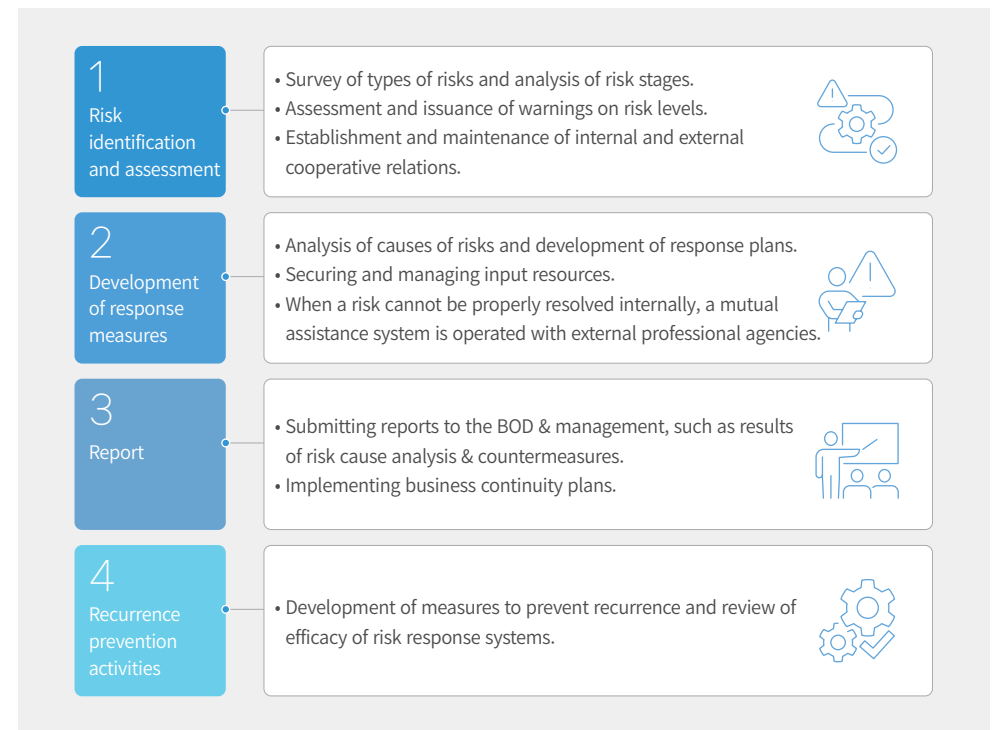
Binggrae's BOD comprehensively reviews the financial and non-financial risks that can occur in the overall management activity. Along with the existing financial, legal, and quality risks, various non-financial risks such as environmental, safety and social responsibilities, etc. are considered. To manage the ESG risks, preventive activities for each risk issue and response activities are performed through the collaborative system of the ESG officer and exclusive department for each field. By developing the process for each situation and conducting simulation training, a response system is established for quick action upon the occurrence of crisis. In addition, the risk level for all risks is identified in 4 aspects human damage, violation of laws, financial loss, and damage to public image to share in real time with the management and relevant departments so that response can be made.

Enterprise-wide Risk Management Organization Chart



Risk Management Process

Risks are divided into the following three grades: R3 (risks to which the host department should respond), R2 (risks to which various departments should respond), and R1 (enterprise-wide response). For serious risks (i.e., risks whose impact is judged to be large-scale and serious), the crisis management unit is called to take prompt action.



ETHICAL & COMPLIANCE MANAGEMENT

Ethical Management

Value System of Ethical Management

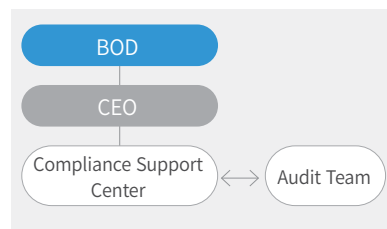
“Ethics and Morality” are set as the basic values of Binggrae to comply strictly with the laws and regulations, and with the spirit of the law. Fair, transparent competition is pursued, with a goal of creating and developing a society of living together through coexistence with various stakeholders. Binggrae is continuing efforts in establishing a culture of practicing ethical management, and spreading this culture to grow into a company that is more trusted by the stakeholders. For this, a code of ethics was established for compliance by the organization and individuals, and a Compliance Management System (ISO 37301) certification was acquired to enhance executive ability and effectiveness with regard to compliance management.

Direction and Principles of Ethical Management

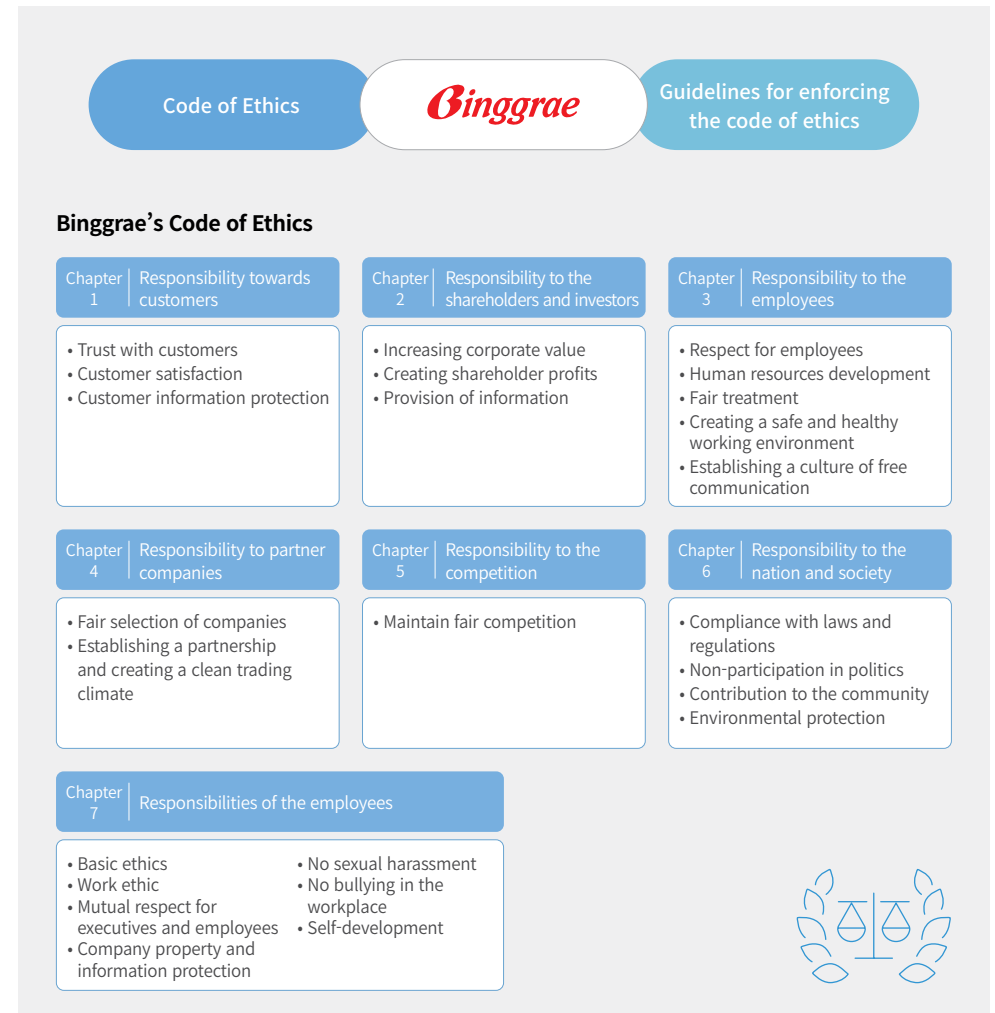


Ethical Management Organization

Binggrae determine the strategy and direction of ethical management through the BOD. In addition, a compliance support center is established as the exclusive department for ethical management, and efforts are focused on realizing a clean, healthy organizational culture through systematic support and cooperation with the audit team.



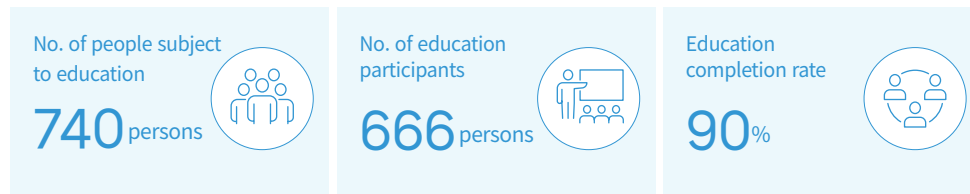
Code of Ethics



Ethical and Anti-corruption Training

Binggrae is conducting training on the code of ethics and practice guidelines at least once a year for all employees and newly recruited workers. In 2024, mandatory training related to ethical management and anti-corruption was conducted twice, with self-training by the Compliance Support Center carried out for a total of 19 times through group and online training and 9 times in writing. Self-training was conducted as a cyber-learning program by posting the training materials and legal compliance videos in the Binggrae Intranet for viewing by all employees; employees in the sales sector—where there is high risk of occurrence of unfair competition—were provided with intensive training separately.

2024 Status Update



Pledge of Ethical Practice

All members of Binggrae are obliged to comply with the code of ethics and pledge the practice of such, and measures are taken for any violations according to the corporate regulations. For this, a written pledge on the observance of ethical regulations and a compliance pledge are received regularly from the employees every year.



System for Reporting Breaches or Violations

Binggrae receives reports on unfair request or work handling by the employees and other illegal acts through the cyber report center in its official website. The whistleblower and the contents of the report are kept confidential, and reports received through the reporting system are thoroughly investigated pursuant to the Code of Ethics Guidelines Chapter 9 Violation Management and related regulations. Disadvantageous treatment of reporters in personnel affairs is strictly prohibited, and anyone engaging in retaliatory action against informers/ whistleblowers of internal corruption will be severely punished within the scope of internal regulations.

Reporting Channels

Binggrae website (www.bing.co.kr) → Customer center → Cyber Report Center (grievances in integrity and human rights)

Establishment of Reporting Culture

We have awarded commendations and preferential HR treatment to reporters of information concerning corrupt acts or other malpractices in order to eradicate unlawful acts that may damage the image or reputation of the company, while further reinforcing our efforts to enhance the integrity and anti-corruption of our officers and employees. To operate the reporting center actively, we have introduced Article 33 of the Guidelines on Practicing the Code of Ethics as a provision for reinvigorating anti-corruption programs and preventing unlawful monetary rebates.

Status of Reception & Handling through the Whistleblower System

Among the 6 reports received through the whistleblower system in 2024, 2 reports were investigated objectively and found to be actually true, and disciplinary actions were taken. Various efforts will be made in preventing the recurrence of the relevant issue in the future.



Ethical Management Monitoring & Inspection

Binggrae is reinforcing its ethical values and social responsibilities by performing self-assessment of legal compliance annually. Compliance self-assessment emphasizes the significance of compliance with the ethical standards of the company and legal compliance to help employees take honest and responsible actions within the organization. This also enables Binggrae to identify the legal risks in advance to respond appropriately, and an ethical corporate culture is being created. In 2024, compliance self-assessment was performed in the first and second semesters; especially in the second semester, 5 applicable laws were added and the overall target was expanded to perform the assessment more strictly and extensively.

Compliance Self-diagnosis Result in the First Semester of 2024 and Future Action Plan

(Jul. 11, 2024, Compliance Support Center)

Target	<ol style="list-style-type: none"> 1) Target statutes: 3 key laws (considering the regulation trends, possibility of violations, risks, etc.) <ul style="list-style-type: none"> - Laws on fair trade in general, subcontracting and agency 2) Target departments: Departments related to the statutes (including sales offices) <ul style="list-style-type: none"> - However, the target is expanded from the existing head of department to all department members
Method of assessment	<ol style="list-style-type: none"> 1) Jun. 17 ~ 28, 2024, using the comprehensive information system (online) 2) The level of risk was checked for each of the 66 questions concerning 3 statutes
Key results	<ol style="list-style-type: none"> 1) Response by 505 out of a total of 551 people (response rate: 91.6%) 2) Compared to the previous year, the response rate has increased, with concerns of risk violations remaining the same or increasing slightly. 3) Risks increased slightly compared to the previous year in some questions regarding laws on subcontracting and agency. <ul style="list-style-type: none"> → As the self-diagnosis target is expanded from the head of department to department members, it is shown as the result according to the difference in the level of concerns over the risks experienced by the personnel; this will be improved through continuous compliance education and monitoring in the future.
Future actions and plans	<ol style="list-style-type: none"> 1) Improving vulnerable areas based on the survey results (reflection to education contents, intensive inspection during monitoring) 2) Strengthening compliance awareness by utilizing compliance activities and compliance education, etc. 3) Performing one additional compliance self-diagnosis on 8 laws including 3 key laws added in the second half of the year

Compliance Self-diagnosis Result in the Second Semester of 2024 and Future Action Plan

(Dec. 9, 2024, Compliance Support Center)

Target	<ol style="list-style-type: none"> 1) Target statutes: 8 key laws (considering the regulation trends, possibility of violations, risks, etc.) <ul style="list-style-type: none"> - Laws on fair trade in general, subcontracting, agency, protection of personal information, prohibition of solicitation, prevention of unfair competition, capital market, and labeling and advertising of foods 2) Target departments: Departments related to the statutes (including sales offices) <ul style="list-style-type: none"> - However, the target is expanded from the existing head of department to all department members
Method of assessment	<ol style="list-style-type: none"> 1) Nov. 20 ~ 30, 2024, using the comprehensive information system (online) 2) The level of risk was checked for each of the 138 questions concerning 8 statutes
Key results	<ol style="list-style-type: none"> 1) Response by 641 out of a total of 684 people (response rate: 93.7%) 2) Compared to the previous year, the response rate has increased, with concerns of risk violations remaining the same or increasing slightly. 3) Concerns of risks occurred partially in questions related to the law on labeling and advertising of food that was newly added, and risks increased slightly compared to the previous year in some questions on other laws as well. <ul style="list-style-type: none"> → It appears to be a natural increase due to the expansion of self-diagnosis target and addition of new laws, and this will be improved through continuous compliance education and monitoring in the future.
Future actions and plans	<ol style="list-style-type: none"> 1) Improving vulnerable areas based on the survey results (reflection to education contents, intensive inspection during monitoring) 2) Strengthening compliance awareness by utilizing compliance activities and compliance education, etc. 3) Discovering key laws related to the work, reflecting the amendments, and improving the questionnaires including on-site opinions and company cases

Compliance Management

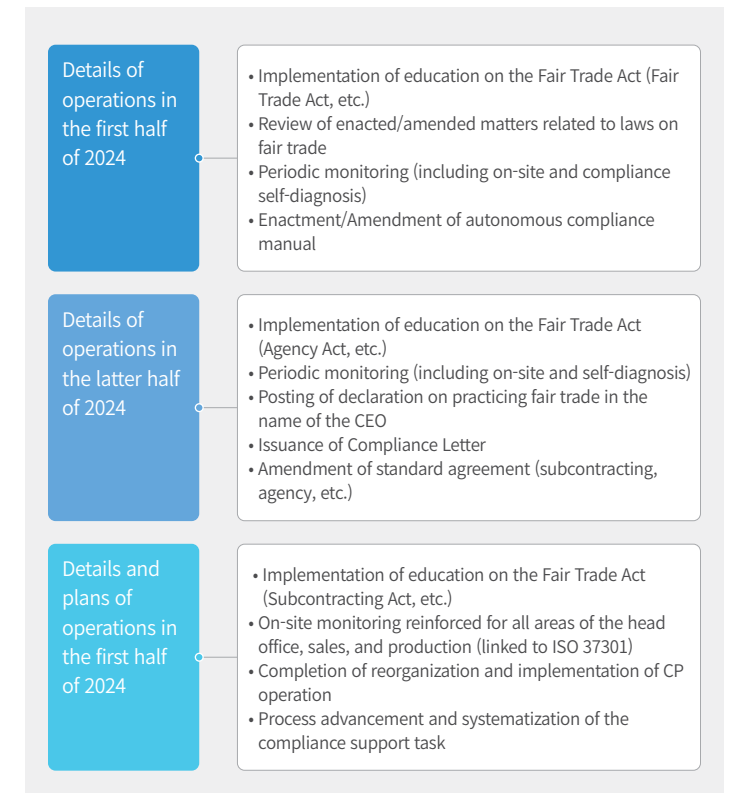
Operation of Programs for Autonomous Compliance with Fair Trade

Binggrae published the fair trade guidelines for complying with the Fair Trade Act and provided the employees with the code of conduct for compliance with the Fair Trade Act. In addition, Binggrae is regularly making considerable efforts to eliminate business practices that violate the Fair Trade Act. As part of these efforts, CP (Compliance Program) was introduced in 2008, with an autonomous manager responsible for practical operation appointed by the BOD to practice the autonomous compliance program.

Binggrae CP Promotion Status - Declaration on the Commitment to Autonomous Compliance by the CEO

Classification	Main promotion status
Declaration of the CEO's commitment to autonomous compliance	<ul style="list-style-type: none"> • Posting of the CEO's declaration of practicing fair trade (Jul. 2024)
Designation and operation of a autonomous compliance manager	<ul style="list-style-type: none"> • Change in autonomous manager for appointment by the resolution of the BOD meeting (Feb. 2024)
Creation and distribution of autonomous compliance manual	<ul style="list-style-type: none"> • The guidelines on autonomous compliance with fair trade laws were created for the first time in 2008. • The guidelines were segmented into divisional guidelines in 2011. • Some manuals were partly updated in 2019. • Some manuals were established/amended in part in 2021. • 2 written educational materials and 4 educational videos were updated in 2022. • 1 written educational material and 2 educational videos were updated in 2023. • 6 written educational materials were updated in 2024 (excluding the Monopoly Regulation and Fair Trade Act).
Operation of education programs	<ul style="list-style-type: none"> • A total of 6 education sessions on fair trade (Monopoly Regulation & Fair Trade Act, Fair Transactions in Subcontracting Act, Fair Agency Transaction Act, and Act on the Promotion of Mutually Beneficial Cooperation between Large Enterprises and Small and Medium Enterprises, etc.) • Letter on compliance support issued for a total of 4 times (Legal issues related to the company shared with internal and external directors) • Learning and growth performed for a total of 2 times (ISO 37301, anti-corruption, human rights & ethical management) • Written education provided for a total of 9 times (Monopoly Regulation & Fair Trade Act, Act on the Regulation of Terms & Conditions, etc.)
Establishment of internal monitoring system	<ul style="list-style-type: none"> • On-site monitoring performed for a total of 2 times in the first/second half of the year (direct visit and interview, distribution of checklist) • Internal audit conducted regarding ISO 37301 (Compliance Management System) • Autonomous inspection (self-diagnosis) performed for a total of 2 times in the first/second half of the year by the department on laws related to the work
Establishment of a sanction system for violators of the law	<ul style="list-style-type: none"> • Pledge of employee compliance and ethical regulation compliance received (Jan. 2024) • Implementation of penalty regulations for violations according to the company regulations
Management of documents related to fair trade	<ul style="list-style-type: none"> • Implementation of quick sanctions against violators of the law
Formation of autonomous compliance council	<ul style="list-style-type: none"> • Subcontracting review committee operated once a year regarding subcontracting transactions

CP's Operational Performance (2023-2024)

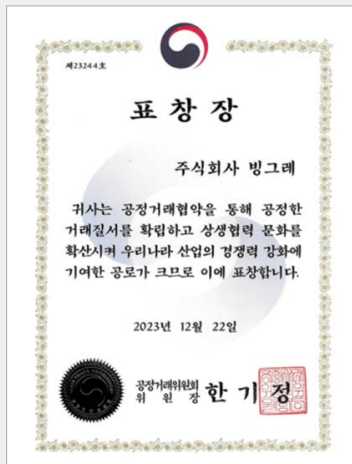


System of Autonomous Compliance with the Fair Trade Law

Binggrae organized the autonomous compliance council and fair trade practice leader for the systematic and effective operation of the autonomous compliance program on fair trade. The autonomous compliance council deliberates on the main issues in the autonomous compliance guidelines, provides advice to the autonomous compliance manager, and performs the role of self-checking the violation of laws in the relevant sector. The fair trade practice leader is selected from among exclusive officers for each department, providing on-site practical support for the autonomous compliance guideline task on fair trade. The fair trade practice leader improves the operation efficiency of the autonomous compliance council and contributes to spreading the mindset of complying with fair trade.

Checklist for Autonomous Inspection of Fair-trade Compliance

We carry out our autonomous fair trade inspections using divisional checklists. These inspections ensure that the guidelines on autonomous compliance, which constitute the most effective method of checking for and preventing violations of fair trade laws, are implemented in advance. As a result of the efforts above, in 2023, we earned the highest commendation from the Fair Trade Commission for three consecutive years in the fair trade agreement implementation evaluation.



Commendation on the assessment of fair trade agreement performance (Dec. 22, 2023)

※ Scope of internal inspection: Violations related to fair trade.

- Violations of the Act on the Regulation of Monopoly and Fair Trade;
- Violations of the Act on Fair Subcontracting Transactions;
- Violations of the Regulation of Standardized Contracts Act;
- Violations of the Fair Labeling and Advertisement Act.

Status of Fair Trade Act Training for Sales Division Employees in 2024

- No. of participants in training: 357
- Training content: Training related to unfair collusion (February)

Binggrae's Promises and Commitments

Binggrae acquired ISO 37301* certification to continue its best efforts for realizing the global standard level of compliance management and achieving zero corruption. Continuous monitoring, strengthening of compliance and anti-corruption education, expansion of corruption risk assessment, and periodic audit are being strengthened.

* ISO 37301: This international standard for the compliance management system (compliance management certificate) was enacted by the International Standards Organization (ISO) in order to establish, develop, implement, assess, repair and maintain, and improve the effective compliance of an organization.



2025 Plans for Promoting Compliance and Ethical Management

Pledge of compliance	<ul style="list-style-type: none"> • Sworn statement of compliance (the signatures of all employees are received over the computer system each year) • Employees sign sworn statements to comply with the company's ethics policies.
Compliance education	<ul style="list-style-type: none"> • Conduct collective training and written training 10 times. <ul style="list-style-type: none"> - Monopoly Regulations Act and Product Liability Act, etc. that must be acknowledged by the working group including internal transaction • Learning and growth education provided 3 times (uploaded on Smile-M and company bulletin boards) <ul style="list-style-type: none"> - Establishment and revision of laws including the compliance policy (ISO-related) and ethical management • Distribution of compliance support letter every quarter <ul style="list-style-type: none"> - Share with internal and external directors centering on the legal issues and established and revised matters, etc.
Monitoring	<ul style="list-style-type: none"> • Departmental autonomous inspection: Compliance self-diagnosis and risk assessment sheet used (linked with ISO 37301) • Field inspection: Field inspection by visiting the head office, branches and sales offices, factories and warehouses, etc. (interviews, etc.) • A special inspection is conducted when other extraordinary issues arise.
Support for systematization of contracting process (increased provision of standard contract forms)	<ul style="list-style-type: none"> • Support the systematization of the contract process in the field by supplementing the establishment and revision of the standard contract <ul style="list-style-type: none"> - Target: Agency contract, video contents production agreement, etc.
Operation of autonomous fair trade compliance program	<ul style="list-style-type: none"> • Enhancement of external creditworthiness by operating the compliance program (CP) as a means of improving compliance processes • Focus on strengthening assessment items compared to the grade evaluation
Ethical management	<ul style="list-style-type: none"> • Support for sustainable management based on ethical management (internal inspection of BC ethical management) • Stabilization of ethical management and provision of education (in connection with the ESG assessment and upgrading of internal accounting)
Third-party management and partner's code of conduct	<ul style="list-style-type: none"> • Presentation of a code of conduct for fair trade, compliance and prevention of corruption for partners • Spread of ethical management and ESG management



APPENDIX

96 FINANCIAL PERFORMANCE

97 GRI INDEX

101 UN SDGs INDEX

102 GHG & ENERGY ASSURANCE STATEMENT

103 INDEPENDENT ASSURANCE STATEMENT

105 STATUS OF PRODUCT AWARD ACHIEVEMENTS AND ASSOCIATION MEMBERSHIPS





FINANCIAL PERFORMANCE

59th term: Jan. 01 - Dec. 31, 2024

58th term: Jan. 01 - Dec. 31, 2023

57th term: Jan. 01 - Dec. 31, 2022

Consolidated Statement of Comprehensive Income

(Unit: KRW)

	59th term	58th term	57th term
Sales	1,463,041,258,105	1,394,316,382,403	1,267,685,822,673
Sales cost	994,207,441,232	953,133,610,774	931,974,590,214
Gross profit	468,833,816,873	441,182,771,629	335,711,232,459
Sales & administrative expenses	337,558,024,685	328,937,553,429	296,303,577,191
Operating income	131,275,792,188	112,245,218,200	39,407,655,268
Financial earnings	9,559,413,961	7,092,808,144	5,565,948,896
Financial expenses	5,276,489,361	4,757,115,777	3,872,886,993
Non-operating income	3,929,279,592	6,972,213,559	1,041,274,916
Non-operating expenses	5,990,722,886	10,596,917,777	5,417,963,431
Net profit (loss) before income tax expenses	133,497,273,494	110,956,206,349	36,724,028,656
Income tax expenses	30,270,345,885	24,737,711,884	11,038,511,448
Net profit (loss) from continuing business	0	86,218,494,465	25,685,517,208
Net profit (loss) for the current term	103,226,927,609	86,218,494,465	25,685,517,208
Other inclusive profit (loss) after deduction of corporate tax	7,713,385	(7,127,224,161)	4,586,197,898
Items subsequently not reclassified into net profit (loss)	(2,867,580,617)	(7,167,938,382)	4,038,452,382
Other inclusive income or loss - Gains or loss from evaluation of financial assets subject to fair value measurement	5,007,413	(719,716,360)	(1,655,897,192)
Re-measurement factors of the fixed benefit system	(2,872,588,030)	(6,448,222,022)	5,694,349,574
Items subsequently reclassified into net profit (loss)	2,875,294,002	40,714,221	547,745,516
Translation gains or loss of overseas business	2,875,294,002	40,714,221	547,745,516
Total comprehensive profit or loss	103,234,640,994	79,091,270,304	30,271,715,106
Attribution of net profit (loss) for the current term			
Controlling interest	103,226,927,609	86,218,494,465	25,685,517,208
Non-controlling interests	0	0	0
Attribution of total inclusive profit or loss			
Controlling interest	103,234,640,994	79,091,270,304	30,271,715,106
Non-controlling interests	0	0	0
Earnings per share			
Basic earnings per share	11,675	9,751	2,905
Diluted earnings per share	11,675	9,751	2,905



59th term: As of Dec. 31, 2024

58th term: As of Dec. 31, 2023

57th term: As of Dec. 31, 2022

(Unit: KRW)

Consolidated Balance Sheet

	59th term	58th term	57th term
Assets			
Current assets	474,435,696,633	395,032,407,534	315,267,835,364
Cash and cash equivalents	175,248,227,981	147,882,423,983	79,222,106,523
Short-term financial assets	71,742,567,569	25,325,272,000	13,444,552,000
Trade receivables	80,636,897,011	83,255,432,504	81,103,835,179
Inventory assets	135,030,919,019	126,482,685,523	127,474,596,766
Accounts receivable	2,093,727,228	1,186,731,663	1,925,306,538
Accrued income	755,249,710	896,338,864	285,350,880
Advance payment	107,942,241	228,107,053	165,888,698
Prepaid expenses	5,552,953,608	7,401,949,393	9,033,184,511
Corporate tax asset	0	0	248,380,279
Other current assets	8,431,729	879,162,414	2,364,633,990
Non-current assets	528,639,049,376	495,684,852,327	453,998,752,235
Long-term financial assets	19,410,630,522	24,325,921,934	31,564,180,584
Tangible assets	392,691,499,366	353,041,851,895	298,725,571,525
Investment properties	10,711,343,042	2,168,003,973	2,213,249,253
Intangible assets	38,849,770,058	47,957,691,542	57,227,486,327
Right-of-use (license) assets	35,645,460,453	30,718,804,854	27,217,326,816
Rental deposit	16,639,904,405	16,530,111,895	27,928,443,645
Long-term advance payment	1,595,825,315	1,560,528,047	1,544,764,214
Long-term prepaid expenses	271,430,913	457,812,942	227,449,728
Deferred corporate tax assets	8,910,329,183	11,231,627,111	7,350,280,143
Net defined salary assets	3,912,856,119	7,692,498,134	0
Total assets	1,003,074,746,009	890,717,259,861	769,266,587,599

	59th term	58th term	57th term
Liabilities			
Current liabilities	224,112,021,093	182,124,833,765	152,445,670,179
Trade payable	70,482,279,222	73,625,552,814	75,898,079,862
Accounts payable	38,483,489,417	42,751,558,997	40,279,852,882
Accrued expenses	18,063,002,923	27,069,580,791	13,985,861,690
Short-term borrowings	55,000,000,000	5,000,000,000	0
Short-term corporate tax liabilities	17,534,115,986	19,858,631,285	7,959,583,288
Dividend payable	3,229,790	2,750,870	2,646,800
Current lease liabilities	14,841,044,552	10,251,368,705	8,527,429,636
Other current liabilities	5,334,859,203	3,565,390,303	5,792,216,021
Non-current liabilities	57,119,223,047	66,994,882,621	41,051,942,749
Long-term borrowings	2,500,000,000	11,370,000,000	0
Net defined salary liabilities	11,992,483,267	14,825,243,864	3,933,286,851
Long-term import guarantee money	7,617,881,389	7,549,981,389	5,899,790,657
Long-term expenses payable	9,930,819,950	7,709,410,545	6,821,976,953
Non-current lease liabilities	21,975,287,509	21,011,339,108	18,722,022,219
Other non-current liabilities	785,966,277	609,824,032	0
Deferred corporate tax liabilities	2,316,784,655	3,919,083,683	5,674,866,069
Total liabilities	281,231,244,140	249,119,716,386	193,497,612,928
Capital			
Equity investment in controlled companies	721,843,501,869	641,597,543,475	575,768,974,671
Capital (net worth)	49,756,205,000	49,756,205,000	49,756,205,000
Capital surplus	64,768,908,197	64,768,908,197	64,768,908,197
Other capital items	(22,482,303,960)	(22,482,303,960)	(22,482,303,960)
Cumulative total of other comprehensive income/loss	(1,512,904,950)	(4,393,206,365)	(3,714,204,226)
Reserves	527,500,575,965	485,200,575,965	463,800,575,965
Profit surplus (loss)	103,813,021,617	68,747,364,638	23,639,793,695
Non-controlling interests	0	0	0
Total capital	721,843,501,869	641,597,543,475	575,768,974,671
Total capital and liabilities	1,003,074,746,009	890,717,259,861	769,266,587,599

GRI INDEX

Topic	Disclosure	Page
GRI 2 : Governance	2-1 Organizational details	2
	2-2 Entities included in the organization's sustainability reporting	2, 6-7
	2-3 Reporting period, frequency and contact point	2
	2-4 Restatements of information	N/A
	2-5 External assurance	103-104
	2-6 Activities, value chain and other business relationships	7-8
	2-7 Employees	51
	2-8 Workers who are not employees	51
	2-9 Governance structure and composition	86-88
	2-10 Nomination and selection of the highest governance body	86
	2-11 Chair of the highest governance body	86
	2-12 Role of the highest governance body in overseeing the management of impacts	87
	2-13 Delegation of responsibility for managing impacts	87
	2-14 Role of the highest governance body in sustainability reporting	87
	2-15 Conflicts of interest	86
	2-16 Communication of critical concerns	87
	2-17 Collective knowledge of the highest governance body	86-87
	2-18 Evaluation of the performance of the highest governance body	87
	2-19 Remuneration policies	87
	2-20 Process to determine remuneration	87

Topic	Disclosure	Page
GRI 2 : Strategy, policies and practices	2-22 Statement on sustainable development strategy	4
	2-23 Policy commitments	4
	2-24 Embedding policy commitments	4
	2-25 Processes to remediate negative impacts	29, 44, 64, 89
	2-26 Mechanisms for seeking advice and raising concerns	91
	2-27 Compliance with laws and regulations	92-93
	2-28 Membership associations	108
GRI 2 : Stakeholder engagement	2-29 Approach to stakeholder engagement	21
	2-30 Collective bargaining agreements	56

Topic	Disclosure	Page
GRI 3 : Disclosures on material topics	3-1 Process to determine material topics	22
	3-2 List of material topics	23
	3-3 Management of material topics	23

Topic	Disclosure	Page
GRI 201 : Economic Performance	201-1 Direct economic value generated and distributed	96-97
	201-2 Financial implications and other risks and opportunities due to climate change	29-30
GRI 203 : Indirect Economic Impacts	203-1 Infrastructure investments and services supported	81-84
	203-2 Significant indirect economic impacts	82
GRI 204 : Procurement Practices	204-1 Proportion of spending on local suppliers	79
GRI 205 : Anti-corruption	205-1 Operations assessed for risks related to corruption	92
	205-2 Communication and training about anti-corruption policies and procedures	91
	205-3 Confirmed incidents of corruption and actions taken	92



Topic	Disclosure	Page
GRI 301 : Materials	301-1 Materials used by weight or volume	39
	301-3 Reclaimed products and their packaging materials	33-36
GRI 302 : Energy	302-1 Energy consumption within the organization	31
	302-3 Energy intensity	31
	302-4 Reduction of energy consumption	32
	302-5 Reductions in energy requirements of products and services	32
GRI 303 : Water and Effluents	303-1 Interactions with water as a shared resource	43
	303-2 Management of water discharge-related impacts	47
	303-3 Water withdrawal	43
	303-4 Water discharge	47
	303-5 Water consumption	43
GRI 304 : Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	47
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	47

Topic	Disclosure	Page
GRI 305 : Emissions	305-1 Direct (Scope 1) GHG emissions	31
	305-2 Energy indirect (Scope 2) GHG emissions	31
	305-4 GHG emissions intensity	31
	305-5 Reduction of GHG emissions	31-32
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	47
GRI 306 : Waste	306-1 Waste generation and significant waste-related impacts	37
	306-2 Management of significant waste-related impacts	37-38
	306-3 Waste generated	37
	306-4 Waste diverted from disposal	37
	306-5 Waste directed to disposal	37
GRI 308 : Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	48
	308-2 Negative environmental impacts in the supply chain and actions taken	48








Topic	Disclosure	Page
GRI 401 : Employment	401-1 New employee hires and employee turnover	50
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	56
	401-3 Parental leave	57
GRI 402 : Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	56
GRI 403 : Occupational Safety and Health	403-1 Occupational safety and health management system	58-60
	403-2 Hazard identification, risk assessment, and incident investigation	58-60
	403-3 Occupational health services	60
	403-4 Worker participation, consultation, and communication on occupational safety and health	58-61
	403-5 Worker training on occupational safety and health	60
	403-6 Promotion of worker health	58-60
	403-7 Prevention and mitigation of occupational safety and health impacts directly linked by business relationships	58-61
	403-8 Workers covered by an occupational safety and health management system	60
	403-9 Work-related injuries	60
GRI 404 : Training and Education	404-1 Average hours of training per year per employee	53
	404-2 Programs for upgrading employee skills and transition assistance programs	50-52, 55
	404-3 Percentage of employees receiving regular performance and career development reviews	54
GRI 405 : Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	51, 86
	405-2 Ratio of basic salary and remuneration of women to men	57
GRI 406 : Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	67

Topic	Disclosure	Page
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	67
GRI 408 : Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	67
GRI 409 : Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	67
GRI 413 : Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	81-85
	413-2 Operations with significant actual and potential negative impacts on local communities	67
GRI 414 : Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	77-80
	414-2 Negative social impacts in the supply chain and actions taken	77-80
GRI 416 : Customer Safety and Health	416-1 Assessment of the safety and health impacts of product and service categories	68-73
GRI 417 : Marketing and Labeling	417-2 Incidents of non-compliance concerning product and service information and labeling	71
	417-3 Incidents of non-compliance concerning marketing communications	71
GRI 418 : Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	74

UN SDGs INDEX

Binggrae recognizes the importance of UN SDGs in linkage with ESG performances.

Classification	Goals and implementation activities	UN SDGs Goals
Environment 	Environmental management	6, 7, 13, 14, 15
	Response to climate change	7, 13
	Circular economy	2, 12, 13
	Creation of eco-friendly value	6, 7, 13, 14, 15
Social 	Employees	4, 5, 8
	Work-life balance	3, 4, 16
	Safety & health management	3
	Human rights management	5, 10
	Customer satisfaction	12, 16
	Shared growth	8, 12
	Social contribution	1
Governance 	Transparent governance	16, 17
	Risk management	16, 17
	Ethical & compliance management	16, 17

Goal	SDGs	Details
1		End poverty in all its forms everywhere.
2		End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
3		Ensure healthy lives and promote well-being for all at all ages.
4		Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
5		Achieve gender equality and empower all women and girls.

Goal	SDGs	Details
6		Ensure availability and sustainable management of water and sanitation for all.
7		Ensure access to affordable, reliable, sustainable and modern energy for all.
8		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
9		Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
10		Reduce inequality within and among countries.
11		Make cities and human settlements inclusive, safe, resilient and sustainable.
12		Ensure sustainable consumption and production patterns.
13		Take urgent action to combat climate change and its impacts.
14		Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
15		Protect, restore and promote sustainable use of terrestrial ecosystems, manage forests sustainably, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
16		Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
17		Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

GHG & ENERGY ASSURANCE STATEMENT

Binggrae Co., LTD.

The Korea Management Registrar Inc. (hereinafter “KMR”) has conducted the verification on the greenhouse gas (hereinafter “GHG”) emission (Scope 1, 2) of Binggrae Co., LTD. (hereinafter “the Company”) in 2024.

SCOPE

Verification of all places of business and emission facilities under the control of the company.

STANDARDS

- ISO 14064-1:2018, ISO 14064-3:2019
- IPCC Guidelines for National Greenhouse Gas Inventories (2006)
- Operational Guidelines for Reporting and Certification of Emissions in the GHG Emission Trading Scheme
- Verification Guidelines for GHG Emissions Trading Scheme Operation
- Guidelines for GHG Target Management Scheme Operation

PROCEDURE

We conducted a risk analysis approach and on-site verification based on data evaluation, and we identified the appropriateness of the data and factors applied to GHG emission calculations based on objective evidence. The verification team verified the GHG emissions during the reporting period in a reasonable way based on the verification guidelines.

INDEPENDENT

KMR does not have any stake in the verified entity and does not conduct verification with biased opinions/views. We have drawn an independent and objective verification conclusion based on the verification standards, and reviewed the every aspect of the verification we performed throughout the entire verification process through internal review

LIMITATIONS

The verification team verified the related reports, information and data presented by the audited institution by sampling or enumeration methods. As a result, there are many inherent limitations, and there may be disagreements in the interpretation of appropriateness. Although we have tried to faithfully perform verification that meets the verification standards, we suggest that errors, omissions, and false statements that could not be found may be latent as the limitations to the verification.

OPINION

- GHG verification has been performed to meet the reasonable assurance level according to the verification standards.
- We express that no significant errors were found in the calculation of emissions during the verification process, and that relevant activity data and evidence were appropriately managed and calculated. As a result, we express an “unmodified” opinion.
- Criticality: meets the criterion, which is less than 5%
- GHGs Emission(All places)

GHGs Emission	Direct emission (Scope1)	Indirect emission (Scope2)	Total (tCO ₂ -eq)
2024	16,989.208	42,716.542	59,696

Energy Consumption	Fuel	Electricity	Steam	Total (TJ)
2024	315.426	892.619	-	1,200

* Note : There is a difference in the total amount of emissions and emissions by greenhouse gas and by workplace. (Total emissions are cut to a decimal point for each workplace unit and emissions are summed up for each workplace unit.)

RESULTS

We confirm through verification that the emissions from major emission facilities have been calculated and reported without omission.

April 24, 2025



THIRD-PARTY ASSURANCE STATEMENT

To the stakeholders of Binggrae

Introduction

ESG Innovation Network, an independent assurance body and non-profit organization (hereinafter referred to as the “Assurer”), has conducted a third-party assurance of Binggrae’s 2025 Sustainability Report (hereinafter referred to as the “Report”). The objective of this assurance engagement is to assess the credibility of the disclosed information and to provide assurance that the Report appropriately addresses material issues. Binggrae retains full responsibility for the information and assertions presented in the Report. The Assurer did not participate in the preparation of the Report and is solely responsible for the assurance statement.

Assurance Standards

This assurance engagement was conducted in accordance with the AA1000 Assurance Standard v3 (AA1000AS v3), published by AccountAbility. A Type 2 assurance at a Moderate Level was performed, which evaluates the application of the four principles of AA1000AS v3: Inclusivity, Materiality, Responsiveness, and Impact. The assurance also involved an assessment of the robustness of the systems and processes for data collection, analysis, and disclosure, as well as the reliability of the reported information. In addition, relevant global standards such as the GRI Standards (2021) and ISO 26000 were referenced.

Scope of Assurance

The Assurer, operating independently, adhered strictly to the procedures and guidelines outlined in the applicable assurance standards. The scope of assurance was limited to the information and data covering the period from January 1 to December 31, 2024. The assurance scope included:

- Evaluation of the robustness of management systems for data collection, analysis, and review;
- Assessment of the reliability and quality of disclosed information;
- Verification of adherence to the four AA1000AS v3 principles (Inclusivity, Materiality, Responsiveness, Impact);
- Confirmation of the use of the GRI Standards (2021) as a reference framework.

Assurance Methodology

The Assurer developed and implemented a structured assurance plan. The following methods were used to reach our conclusions:

- Review of ESG issues relevant to stakeholders and organizational impacts;
- Examination of the materiality determination process for issue selection;
- Assessment of data compilation and reporting processes for ESG disclosures;
- Verification of internal documentation and evidence supporting key statements;
- Evaluation of management systems related to performance data across key areas.

Assurance Findings

Based on the procedures performed and evidence obtained, the following assurance conclusions have been drawn. No evidence was found to indicate that the Report does not fairly present the material issues.

• Information Management Systems

The Assurer concludes that Binggrae has established appropriate management systems for collecting, storing, analyzing, and reviewing sustainability-related data and information.

• Information Reliability

The Assurer finds the data and information disclosed in the Report to be reliable and presented without material error or bias.

• Reference to GRI Standards

The Report was prepared in accordance with the GRI Standards (2021), applying the “Reporting with Reference to” option.

• Application of AA1000AS v3 Principles

Inclusivity

Inclusivity means systematically identifying an organization's key stakeholders and effectively involving them in the processes of identifying, prioritizing, and responding to material issues. The Assurer has determined that this report faithfully reflects the principle of inclusivity required by the criteria. The reporting entity has clearly defined customers, employees, shareholders, local communities, and suppliers as key stakeholders and was found to have operated appropriate stakeholder engagement programs to encourage their participation.

Materiality

Materiality refers to identifying and prioritizing the most important sustainability issues, considering their impact on both the organization and society. The Assurer has determined that the report appropriately applied the materiality principle of the assurance standard. The reporting organization conducted a Double Materiality Assessment, considering both the impact on the organization (Financial Materiality) and environmental and social impacts (Impact Materiality). Through this, material issues such as eco-friendly products and services, strengthening workplace safety and health management, managing and reducing greenhouse gas emissions, and creating sustainable economic value were identified.

Responsiveness

Responsiveness means an organization promptly and appropriately addressing material sustainability-related issues and taking clear actions in response to stakeholder expectations and concerns. The Assurer assessed that this report adequately fulfilled the responsiveness principle presented in the criteria. The reporting entity was found to have systematically integrated the identified material issues into its strategy formulation and business activities, and to have made concrete and substantial efforts to respond to stakeholder demands.

Impact

Impact refers to the effects that an organization's activities and performance have on itself and on society. The Assurer has determined that the report appropriately applied the impact principle of the assurance standard. The reporting organization systematically identifies and evaluates the impacts it creates and has transparently disclosed the determined impacts for each issue through the Report.

Recommendations

While the following recommendations do not affect the assurance conclusions, the Assurer encourages the organization to further develop key performance indicators (KPIs) for sustainability themes, such as social contribution, by referencing global standards such as the GRI Standards and ISO 26000.

Independence and Competence

The Assurer confirms its independence in conducting the assurance engagement. There are no business or financial relationships with the reporting organization that could result in a conflict of interest. The Assurer maintains a comprehensive quality management system and is comprised of a team with extensive expertise in sustainability, corporate social responsibility (CSR), and ESG management, as well as a deep understanding of the assurance standard methodology.

June 2025

Hyun Lee



Chair, ESG Assurance Committee, ESG Innovation Network



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STATUS OF PRODUCT AWARD ACHIEVEMENTS AND ASSOCIATION MEMBERSHIPS

Advertising Category

Awarded product	Award name	Awarding agency	Date awarded
Banana-Flavored Milk (Hi Danji)	Finalist in the 3 categories of the YouTube Works Awards (Exclusive/Campaign Series/Brand Fandom Categories)	YouTube	Jan. 2022
Banana-Flavored Milk (Hello Danji-pot)	Silver Award, Social Communication Category, Korea Advertising Awards	Korea Federation of Advertising Associations (KFAA)	Dec. 2022
The World's Latest Graduation Ceremony	Gold Award, Branded Contents Category, Seoul Creative Festival	TVCF	Jan. 2023
The World's Latest Graduation Ceremony	Silver Award, Digital Category, Seoul Creative Festival	TVCF	Jan. 2023
The World's Latest Graduation Ceremony	Silver Award, Public Service Advertising (PSA) Category, Seoul Creative Festival	TVCF	Jan. 2023
The World's Latest Graduation Ceremony	Bronze Award, Brand Experience Category, Seoul Creative Festival	TVCF	Jan. 2023
The World's Latest Graduation Ceremony	Consumer Report Award, Special Award Category, Seoul Creative Festival	TVCF	Jan. 2023
The World's Latest Graduation Ceremony	Finalist, Creative Effect Category, Seoul Creative Festival	TVCF	Jan. 2023
The World's Latest Graduation Ceremony	Silver Award, Brand Experience & Activation Category, Spikes Asia	Ascential Events	Mar. 2023
The World's Latest Graduation Ceremony	Shortlist, Innovation Category, Spikes Asia	Ascential Events	Mar. 2023
The World's Latest Graduation Ceremony	Grand Prize, Government Advertising & Public Service Advertising Category, Advertising Award of the Year	Korea Advertising Society (KAS)	Mar. 2023
The World's Latest Graduation Ceremony	Good Advertising Award, TV Category, Consumers' Choice Award for Good Advertising	Korea Advertisers Association (KAA), Korea National Council of Consumer Organizations	Mar. 2023
The World's Latest Graduation Ceremony	Shortlist, PR Lions PR Techniques Category, Cannes Lions	Screen Advertising World Association (SAWA)	Jun. 2023
The World's Latest Graduation Ceremony	Shortlist, PR Lions Culture & Context Category, Cannes Lions	Screen Advertising World Association (SAWA)	Jun. 2023
The World's Latest Graduation Ceremony	Finalist, AVANT-GARDE/INNOVATIVE Category, New York Festival	The New York Festivals IAA	Jul. 2023
The World's Latest Graduation Ceremony	Gold Award, AI (Artificial Intelligence), Effie Awards	Effie Worldwide	Aug. 2023
The World's Latest Graduation Ceremony	Silver Award, Innovation Stars Category, MAD STARS	MAD STARS Organizing Committee	Aug. 2023
The World's Latest Graduation Ceremony	Bronze Award, Brand Experience & Activation Stars Category, MAD STARS	MAD STARS Organizing Committee	Aug. 2023
The World's Latest Graduation Ceremony	Bronze Award, PR Stars Category, MAD STARS	MAD STARS Organizing Committee	Aug. 2023
The World's Latest Graduation Ceremony	Crystal Award, PR Stars Category, MAD STARS	MAD STARS Organizing Committee	Aug. 2023
The World's Latest Graduation Ceremony	Crystal Award, Media Stars Category, MAD STARS	MAD STARS Organizing Committee	Aug. 2023
The World's Latest Graduation Ceremony	Grand Prize, Innovation Category, Korea Advertising Awards	Korea Federation of Advertising Associations (KFAA)	Dec. 2023
The World's Latest Graduation Ceremony	Bronze Award, Online Video Category, Korea Advertising Awards	Korea Federation of Advertising Associations (KFAA)	Dec. 2023
Banana-Flavored Milk	Finalist, Creative Effect Category, Seoul Creative Festival	TVCF	Jan. 2024
Wearing Liberation for the First Time	Grand Prize, TV Category, Good Advertisement Selected by University Students	Department of Advertising and Public Relations, Chung-Ang University	Oct. 2024
Wearing Liberation for the First Time	Best AI Pioneer, YouTube Works Award	YouTube	Nov. 2024
Wearing Liberation for the First Time	Best Award, Digital PR Category, Korea PR Awards	Korea PR Association (KPRA)	Nov. 2024
Banana-Flavored Milk	Creative Category, Korea Digital Advertising Awards	Korea Digital Advertising Association	Dec. 2024
Yoplait Dr. Capsule	Creative Category, Korea Digital Advertising Awards	Korea Digital Advertising Association	Dec. 2024
A Café La	Integrated Marketing Category, Korea Digital Advertising Awards	Korea Digital Advertising Association	Dec. 2024



Awarded product	Award name	Awarding agency	Date awarded
Wearing Liberation for the First Time	Bronze Award, Innovation Category, Korea Advertising Awards	Korea Federation of Advertising Associations (KFAA)	Dec. 2024
Wearing Liberation for the First Time	Gold Award, PR Category, Korea Advertising Awards	Korea Federation of Advertising Associations (KFAA)	Dec. 2024
Wearing Liberation for the First Time	Gold Award, PSA Category, Seoul Creative Festival	TVCF	Jan. 2025
Wearing Liberation for the First Time	Silver Award, Digital Category, Seoul Creative Festival	TVCF	Jan. 2025
Wearing Liberation for the First Time	Silver Award, Brand Experience Category, Seoul Creative Festival	TVCF	Jan. 2025
Wearing Liberation for the First Time	Silver Award, Creative Effect Category, Seoul Creative Festival	TVCF	Jan. 2025
Wearing Liberation for the First Time	Bronze Award, Branded Contents Category, Seoul Creative Festival	TVCF	Jan. 2025
Wearing Liberation for the First Time	Bronze Award, TV Category, Seoul Creative Festival	TVCF	Jan. 2025
Wearing Liberation for the First Time	Finalist, Craft-Visual Effect Category, Seoul Creative Festival	TVCF	Jan. 2025
Samanco	Grand Prix Award, Food & Beverage Division, Digital Advertising & Campaign Category, A.N.D. Awards	Korea Digital Enterprise Association	Feb. 2025
Banana-Flavored Milk	Winner, Food & Beverage Division, Digital Advertising & Campaign Category, A.N.D. Awards	Korea Digital Enterprise Association	Feb. 2025
Wearing Liberation for the First Time	Good Advertising Award, TV Category, Consumers' Choice Award for Good Advertising	Korea Advertisers Association (KAA), Korea National Council of Consumer Organizations	Feb. 2025
Wearing Liberation for the First Time	Grand Prize, AdTech Category, Advertising Award of the Year	Korea Advertising Society (KAS)	Mar. 2025
Wearing Liberation for the First Time	Silver Award, PR Category, Spikes Asia	Ascential Events	Apr. 2025

Brand Category

Awarded product	Award name	Awarding agency	Date awarded
Banana-Flavored Milk	No. 1 KBPI brand power award in the processed milk category for 15 consecutive years	Korea Management Association Consulting	Apr. 2022
Yoplait	No. 1 KBPI brand power award in the cup-type yogurt category for 16 consecutive years	Korea Management Association Consulting	Apr. 2022
Banana-Flavored Milk	No. 1 KBPI brand power award in the processed milk category for 16 consecutive years	Korea Management Association Consulting	Mar. 2023
Yoplait	No. 1 KBPI brand power award in the cup-type yogurt category for 17 consecutive years	Korea Management Association Consulting	Mar. 2023
Binggrae	Best Marketing of The Year: Company, Effie Awards	Effie Worldwide	Aug. 2023
Banana-Flavored Milk	Best Marketing of The Year: Brand, Effie Awards	Effie Worldwide	Aug. 2023
Clédor Clean Label	2023 Korea Food & Food Tech Awards, Best of 2023, Consumers' Choice	Chosun Biz	Nov. 2023
Banana-Flavored Milk	No. 1 KBPI brand power award in the processed milk category for 17 consecutive years	Korea Management Association Consulting	Mar. 2024
Yoplait	No. 1 KBPI brand power award in the cup-type yogurt category for 18 consecutive years	Korea Management Association Consulting	Mar. 2024
Together	Ice Cream Category, Korea National Brand Award, New York Festival	New York Festival	Apr. 2024
Banana-Flavored Milk	No. 1 KBPI brand power award in the processed milk category for 18 consecutive years	Korea Management Association Consulting	Mar. 2025
Together	Ice Cream Category, Korea National Brand Award, New York Festival	New York Festival	Apr. 2025



Packaging Category

Awarded product	Award name	Awarding agency	Date awarded
Cap that enables drinking without a straw	Korea Packaging Technology Chairperson's Prize, Korea Star Awards	Korea Institute of Industrial Technology/ Packaging Technology Center	Jun. 2022
A Café La Simply	Won in the Brand & Communication category, Red Dot Awards	Design Center, Nordrhein-Westfalen, Germany	Aug. 2022
Together	Won the 17th Korea Packaging Technology Chairperson's Prize	Korea Institute of Industrial Technology/ Packaging Technology Center	Apr. 2023
Yoplait Protein Drink 210ml YOP	Won the 18th Korea Packaging Technology Chairperson's Prize	Korea Institute of Industrial Technology/ Packaging Technology Center	Apr. 2024

Design Category

Awarded product	Award name	Awarding agency	Date awarded
Clédor	Won in the Brand & Communication category, Red Dot Awards	Design Center, Nordrhein-Westfalen, Germany	2022
T'aom	Won in the Brand & Communication category, Red Dot Awards	Design Center, Nordrhein-Westfalen, Germany	2022
A Café La Simply	Bronze Award, Pentawards	Pentawards	Nov. 2023
T'aom	Bronze Award, A.dot Awards	A.dot Awards	2023
Clédor Cartonng Bar	Selected as Excellent Design in the Good Design Awards	Good Design	Sep. 2024
THE:Danbaek Pop Chip	Selected as Excellent Design in the Good Design Awards	Good Design	Sep. 2024

ESG Category

Awarded product	Award name	Awarding agency	Date awarded
Binggrae	Received commendation from the Minister of Environment in the 2023 Contest for Excellent Business on Reducing Disposable Products & Packaging Materials and Promoting Recycling	Ministry of Environment	Sep. 2023
Binggrae	Received a Plaque of Appreciation as an Excellent Company Practicing Net Zero in the 2023 National Competition on Practicing Net Zero	Ministry of Environment/Korea Climate & Environment Network	Dec. 2023
Binggrae	Received the Grand Prize in the Sustainability Report Category of the 2024 Global Standard Management Awards (GSMA)	Korea Management Registrar (KMR)	Nov. 2024
Binggrae	Received a Plaque of Appreciation as an Excellent Company Practicing Net Zero in the 2024 National Competition on Practicing Net Zero	Ministry of Environment/Korea Climate & Environment Network	Dec. 2024



Association Memberships

Organization joined	Description of organization
FKI (Federation of Korean Industries)	Founded in 1961 to help realize upright economic policies and promote the globalization of the Korean economy
KFIA (Korea Food Industry Association)	Founded in 1969 to promote public health and enhance the competitiveness of local food industries
KEF (Korea Enterprises Federation)	Founded in 1970 based on a mission of developing labor-management relations that contribute to industrial peace and win-win prosperity
KLCA (Korea Listed Companies Association)	Founded in 1973 to contribute to the development of the capital market by protecting investors while upholding the rights of exchange-listed companies and promoting friendship
KCCI (Korea Chamber of Commerce and Industry)	Founded in 1884 to contribute to the development of the national economy by leading the enhancement of competitiveness of commerce and manufacturing industries while promoting the rights and interests of business operators
OCAP (Organization of Consumer Affairs Professionals in Business)	Founded in 1984 to contribute to the win-win and coexistence of businesses and consumers
KIRS (Korea IR Service)	Founded in 2009 to realize fair business values and to protect investors
KIRS (Korea IR Service)	Founded in 2009 to realize fair business values and to protect investors
KACRA (Korea Aseptic Carton Recycling Association)	Founded in 2021 to contribute to the development of the aseptic carton recycling business, to preserve the environment, and to improve the quality of life of the people



Smile like Binggrae

So-yoon (Student)

Winner of the Gold Award at the 37th Children's Drawing Contest