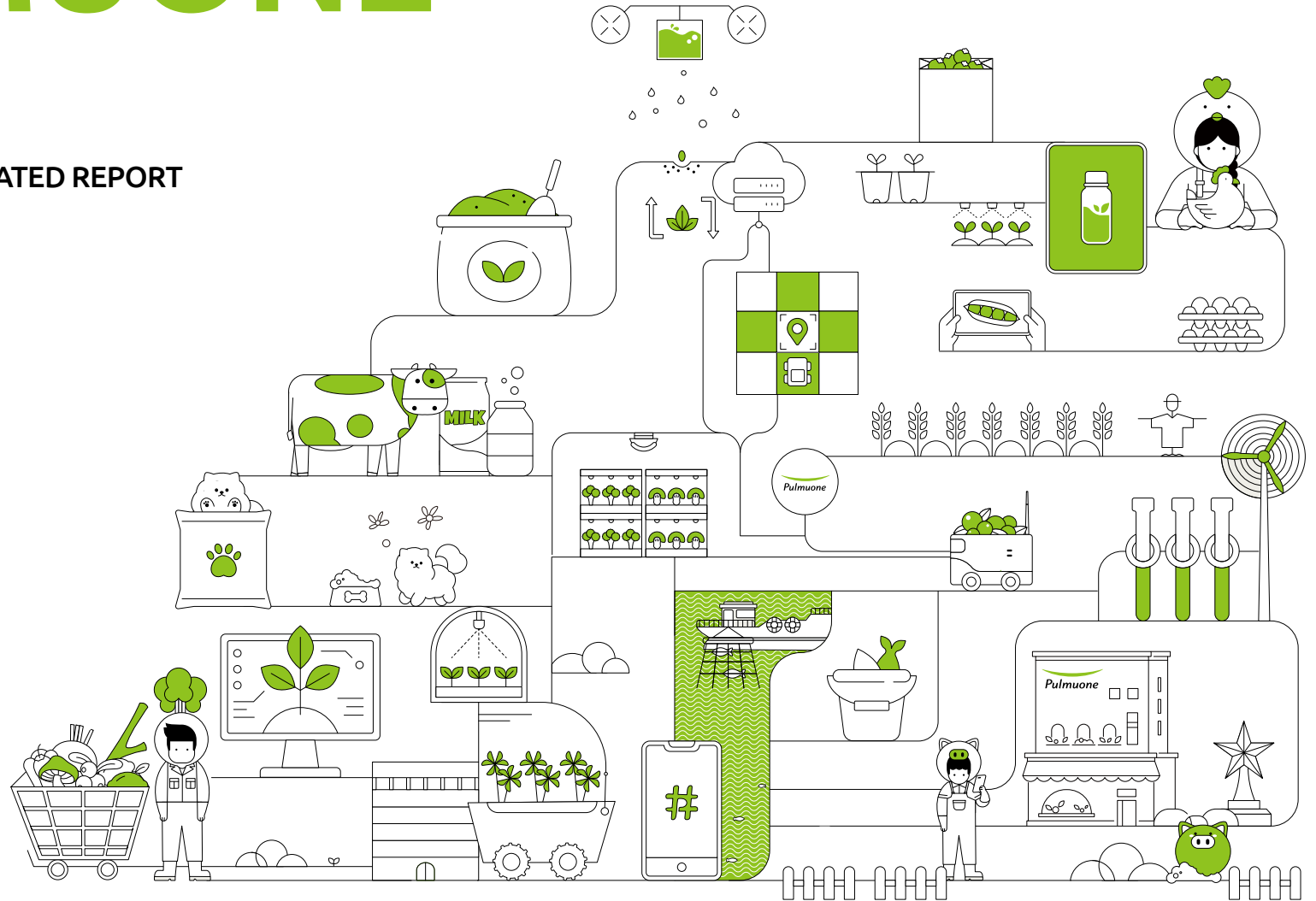


A SUSTAINABLE GROWTH OF

PULMUONE

2024 PULMUONE INTEGRATED REPORT



About this Report



Pulmuone has published its Sustainability Report since 2007 and, in 2014, transitioned to an Integrated Report. Each year, we provide our stakeholders with comprehensive disclosures on both financial and non-financial performance. We are committed to ensuring that the Integrated Report presents a balanced perspective by addressing not only the risks and opportunities associated with material ESG issues, but also the broader impacts of our business activities on society and the environment.



Principles and Standards

This report has been prepared in accordance with the framework of the International Integrated Reporting Council (IIRC) and the Global Reporting Initiative (GRI) Standards 2021. For non-financial disclosures, we have, on a trial basis, applied certain provisions of the Korea Sustainability Standards Board (KSSB) ESG Disclosure Standard No. 2 on climate-related disclosures. In addition, we have incorporated indicators recommended by the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). Financial data has been compiled in accordance with the Korean International Financial Reporting Standards (K-IFRS) for consolidated financial statements. Any significant changes have been annotated with further details.

Reporting Scope and Boundaries

This report covers Pulmuone Corporation and its 31 consolidated subsidiaries, encompassing both domestic and overseas business sites. Any variations in scope have been annotated accordingly.

Reporting Period and Cycle

This report presents our activities and performance for the fiscal year from January 1 to December 31, 2024. Key quantitative data are provided to illustrate trends over the past three years, including the two preceding years. To ensure timeliness, significant activities and performance up to June 2025 have also been included.

Third Party Assurance of the Report

To ensure the objective, fair, and reliable presentation of information in this report, we obtained third-party assurance from BSI Group Korea, an independent verification agency. The assurance statement is provided on pages 165-167 of this report.

Report Publication Date

June 30, 2025



Contact

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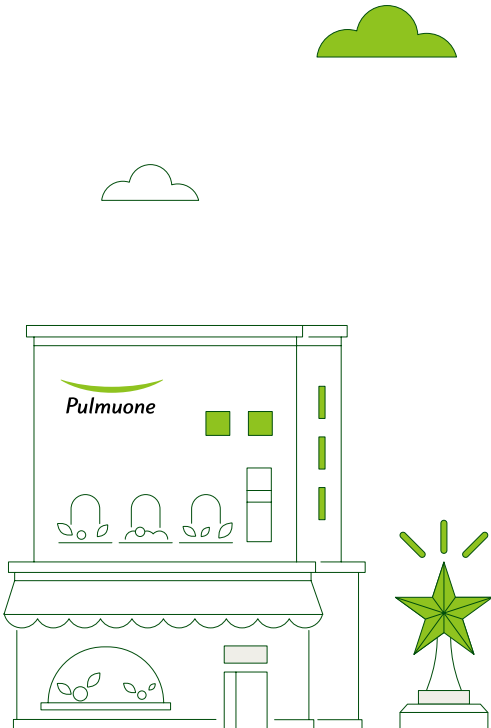
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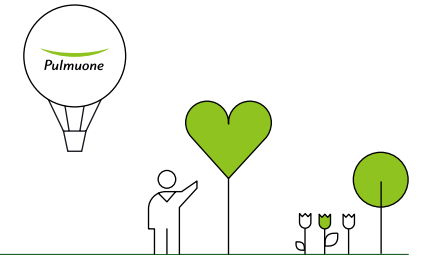


Message from the General CEO



For Me, . For the Planet. .

Pulmuone, paving the way for a sustainable future



Dear Stakeholders,

As we mark 41st anniversary and enters a period of major transformation, we are pleased to present the 2024 Pulmuone Integrated Report, which provides a comprehensive overview of our key achievements from the past year. This Integrated Report is Pulmuone's 18th report since its first publication in 2007. It is designed to help diverse stakeholders easily understand Pulmuone's vision, strategy, and both financial and non-financial performance, with a focus on ESG management activities.

This report is structured around Pulmuone's sustainability strategy and its implementation activities, and is divided into four main sections: About Pulmuone, Key Topics, ESG Fundamentals, and Fact Book.

In the Key Topics section, we focused on material ESG issues, including 'Reducing Waste & Expanding Eco-Friendly Packaging,' 'Enhancing Product Quality Management,' and 'Sustainable Products & Services.' In the ESG Fundamentals section, we covered our strategies and key operations in Environmental, Social, and Governance category. In the Fact Book section, we presented detailed information on five areas: 'Governance & Economic Performance,' 'Environmental Performance,' 'Social Performance,' 'Global Initiatives & Associations,' and 'Awards, Certifications, and Agreements.'

Last year, despite the global economic downturn, Pulmuone achieved a historic milestone by surpassing KRW 3 trillion in total revenue for the first time since its founding, recording both its highest-ever sales and operating profit.

In terms of ESG management, Pulmuone achieved meaningful results by continuously advancing its internal performance management systems. As a result, we were ranked among the global top five in the food sector according to the 2024 Corporate Sustainability Assessment (CSA) released by S&P

Global, one of the world's top three credit rating agencies. Domestically, Pulmuone was also recognized as one of Korea's Most Admired Companies (KMAC) for the 19th consecutive year.

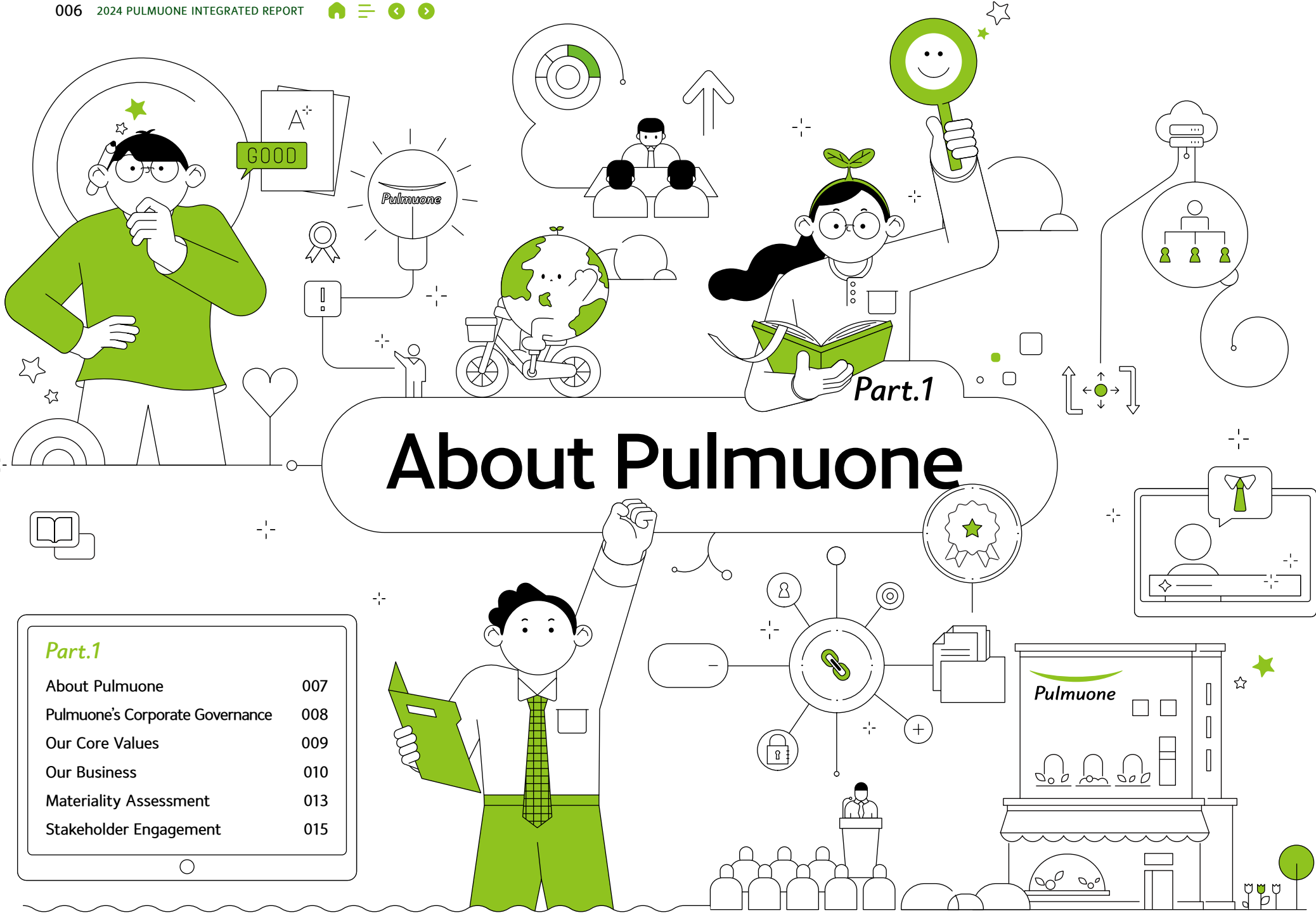
Although the business environment is expected to remain challenging this year, we will continue our unwavering efforts to promote sustainable diet for the health of both people and the planet. To this end, we will pursue sustainable management with a focus on our four key initiatives for 2025: 'Expansion of Sustainable Foods,' 'Global Market Growth,' 'Strengthening ESG Management,' and 'Future Preparedness through Food Tech.' In particular, from an ESG perspective, we are committed to building a sustainable system that harmonizes human rights, environmental stewardship, and economic value creation. By delivering sustainable value throughout the entire value chain—from product development and distribution to consumer engagement—we will continue to fulfill our role as a responsible company to all stakeholders.

Furthermore, in the era of the Fourth Industrial Revolution driven by AI, we will accelerate digital transformation (DX) and process innovation (PI), and actively pursue X&D innovation projects to ensure that Pulmuone becomes a youthful, future-oriented smart company.

This year marks the 41st anniversary of our founding and the beginning of Pulmuone's new journey under its second phase of professional management. With relentless challenge and innovation, Pulmuone will lead the K-Food industry in domestic and global markets and make its second leap forward as the 'Global No.1 Sustainable Food Company' and a 'Sustainable Dietary Lifestyle Company' that delivers health and happiness to people worldwide. We kindly ask for the continued support and encouragement of our stakeholders.

June 2025, Lee Woo-bong,
General CEO of Pulmuone Corporation

이우봉



About Pulmuone

Part.1

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Part.1

Pulmuone

About Pulmuone

Pulmuone is Korea's leading company that provides fresh and authentic wholesome foods centered on tofu and beverages. We operate a sustainable food business in a wide range of fields including health functional foods, meal services and concessions stands, eco-friendly food distribution, drinking spring water, and fermented dairy products. Based on products and services that embody the values of safety, trust, and health, we have grown into a leading comprehensive food company in Korea, recording consolidated annual revenue exceeding KRW 3,213.7 billion as of 2024. Since establishing a U.S. subsidiary in 1991, Pulmuone has expanded globally, entering markets in China (2010), Japan (2014), and Vietnam (2019).

| | | | | | | | |
|-------------------------|--|------------------------------------|----------------------------------|----------------------------------|--|--|--|
| Company Name | Date of Foundation 1984.5.31 | General CEO Lee Woo-bong | No. of Subsidiaries 32 | No. of Employees 7,953 | Key Markets Korea, U.S., Japan, China, Vietnam | HQ Address 730-27 Samyang-ro Daeso-myeon, Eumseong-gun, Chungcheongbuk-do | Website www.pulmuone.co.kr |
|-------------------------|--|------------------------------------|----------------------------------|----------------------------------|--|--|--|

| | | | | | | |
|---|---|--|--|--|--|--|
| Total Assets KRW 2,331.1 billion | 2024 Financial Status | | | | | |
| | Credit Ratings <Pulmuone Corporation> BBB+ <small>(Rated by Korea Investors Service & NICE Investors Service)</small> <Pulmuone Foods> A- <small>(Rated by Korea Investors Service & NICE Investors Service)</small> | Revenue KRW 3,213.7 billion | Operating Profit KRW 91.8 billion | Net Profit of Current Period KRW 34.4 billion | R&D Investment KRW 29.8 billion | |

| | | | | | | |
|--|---------------------------|---------------------|------------------------|---------------------------|----------------------------|----------------------------|
| Recent ESG Rating (2023) | | | | | | |
| Korea Institute of Corporate Governance and Sustainability (KCGS) | | | | S&P Global CSA | CDP | |
| Overall A | Environmental A | Social A+ | Governance A | Top 5% (Global Top 4) | Climate Change B | Water Security A |

View Pulmuone Open Shareholders' Meeting Report

For more information on Pulmuone's 2024 business performance, please refer to the 2025 Pulmuone Open Shareholders' Meeting Report

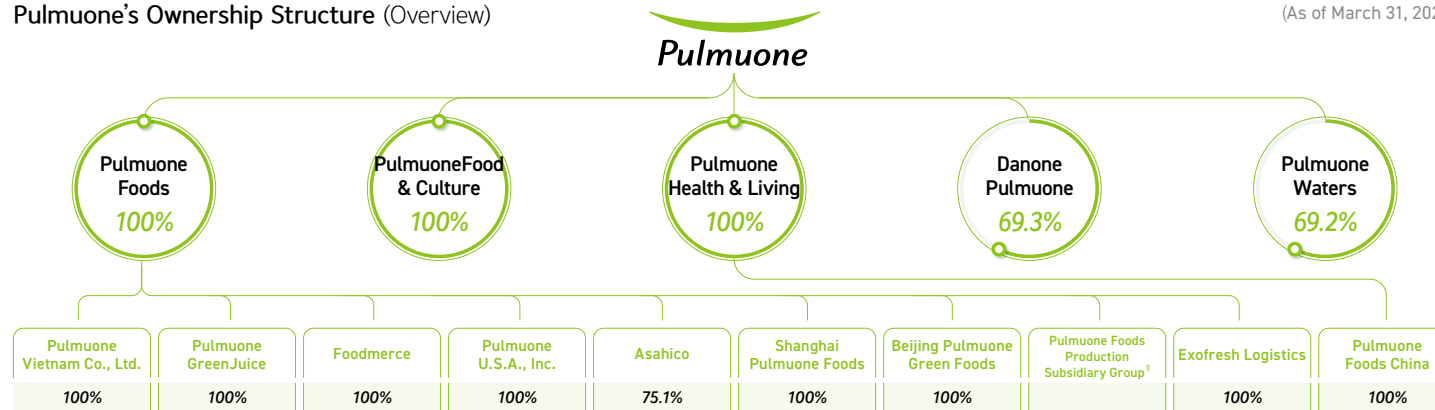
Corporate Governance

Ownership Structure

Pulmuone holds a 100% equity stake in all subsidiaries and sub-subsidiaries, excluding joint ventures, and maintains a single-entity listing structure. This ownership model, as an advanced operating holding company aligned with global standards, facilitates agile and efficient decision-making while minimizing potential conflicts of interest among shareholders. In November 2023, we acquired all of Nestlé’s shares in Pulmuone Waters, and in December, we increased the capital through a third-party allotment, resulting in our shareholding changing to 69.2%.

Pulmuone’s Ownership Structure (Overview)

(As of March 31, 2025)



1) The companies included in Pulmuone Foods' Production Subsidiary Group and the respective shares are as follows: PPEC Chuncheon/Uiryong/Eumseong Fresh Noodle/Eumseong Sprout/Global Kimchi (100%), CAF (100%), Pulmuone Kibun (66%), Sinsun Natto (81%), PTA Agricultural Union Corporation (99.9%), Pulmuone IN (100%)

Share Distribution

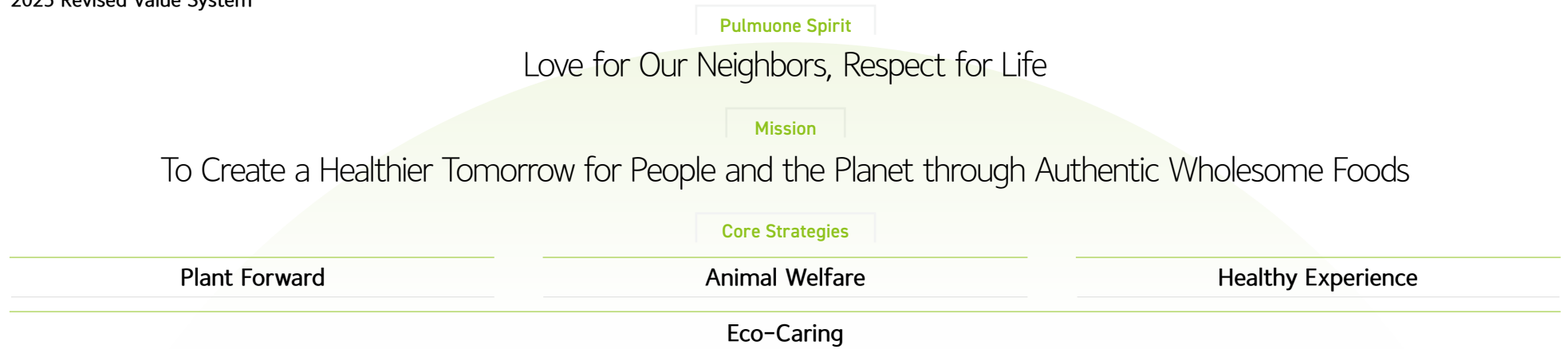
Pulmuone is listed on the stock exchange, with a total of 38,120,542 shares outstanding as of December 31, 2024. Under our Articles of Incorporation, the maximum number of authorized shares is 200,000,000, and the par value per share is KRW 500. Pulmuone's corporate information is disclosed through the company's website, the Financial Supervisory Service's DART (Electronic Disclosure System), and the Korea Exchange's electronic disclosure system.



Our Core Values

Pulmuone, guided by the spirit of ‘Love for Neighbors, Respect for Life,’ strives to become a company that creates a healthier tomorrow for people and the planet through ‘Wholesome Food.’ The core strategies to achieve this mission are ‘Plant Forward,’ ‘Animal Welfare,’ ‘Healthy Experiences,’ and ‘Eco-Caring.’ In 2025, marking our 41st anniversary, we redefined our core values in alignment with our new management declaration, as part of our efforts to drive organizational culture innovation and transform the way we work. Accordingly, the core values have been revised from ‘Trust,’ ‘Passion,’ and ‘Excellence’ to ‘Acting with Integrity,’ ‘Driving Challenge,’ and ‘Growing Together.’ Pulmuone also plans to enhance execution by presenting specific behavioral guidelines aligned with each value.

2025 Revised Value System



Core Values

Acting with Integrity



- We work honestly and transparently
- We treat each other with trust and respect
- We think and act with our customers in mind

Driving Challenge



- We think creatively and seize opportunities
- We embrace challenges boldly without fear of failure
- We make independent decisions and act responsibly to achieve our goals

Growing Together



- We lead healthy lives
- We work together to build a healthy community
- We create a healthier tomorrow for people, the company, and the planet

Our Business

Key Business Areas

Pulmuone's business is structured into five main divisions: Holding Company, Domestic Food Manufacturing & Distribution, Overseas Food Manufacturing & Distribution, Food Service & Distribution, and Healthcare Manufacturing & Distribution. The Domestic and Overseas Food Manufacturing & Distribution divisions focus on producing or sourcing health-oriented fresh foods and beverages, delivering them to customers through both B2C and B2B channels. The Food Service & Distribution division provides freshly prepared meals on-site, primarily through catering and open concession stands. It is also expanding into comprehensive concession outlets by offering differentiated store designs and curated, specialized menus. The Healthcare Manufacturing & Distribution division supports the healthy lives of customers and their families by delivering customized value tailored to customer needs.

Business Activities by Major Subsidiaries

| Pulmuone Foods | Pulmuone Waters | Danone Pulmuone | Pulmuone Foodmerce | Pulmuone Food & Culture | Pulmuone Health & Living | Pulmuone Green Juice | Pulmuone USA | Pulmuone Foods China | Asahico |
|--|---|--|---|--|---|--|--|--|--|
| | | | | | | | | | |
| Division | | | | | | | | | |
| Domestic Food Manufacturing & Distribution Healthcare Manufacturing & Distribution | Domestic Food Manufacturing & Distribution | Domestic Food Manufacturing & Distribution | Domestic Food Manufacturing & Distribution | Food Service & Distribution | Healthcare Manufacturing & Distribution | Healthcare Manufacturing & Distribution | Overseas Food Manufacturing & Distribution | Overseas Food Manufacturing & Distribution | Overseas Food Manufacturing & Distribution |
| Pulmuone's flagship company specializing in the fresh food and beverage business | A company that provides differentiated products and services to support healthy hydration for consumers | A specialized yogurt company established by the joint venture between Danone, the No. 1 company in the field of fermented dairy products, and Pulmuone | A company that provides general food ingredients and brand products tailor-made to fit customers' life cycles | A company that provides healthy experiences in daily life based on the supply of sustainable eating and diverse and happy cultural places | A company that provides lifestyle solutions for healthy living and sustainable values | A company that manufactures and sells natural green juices that provide the nutrition of fresh vegetables and fruits in their natural form | A general food company that produces and sells tofu, soybean, processed food, pasta, sauce, and ready-to-bake products | A general food company that retails fresh refrigerated foods such as soybean foods, noodles, and home meal replacements (HMRs), and room-temperature health-oriented foods such as beverages and snacks throughout China | A fresh food company with the best tofu and fried tofu pouch production expertise in Japan |
| Key Business Areas | | | | | | | | | |
| Manufactures and sells tofu, vegetables, raw noodles and frozen rice, provides logistics services for cold, frozen and room-temperature storage, and delivers personalized diet subscription service | Manufactures and sells drinking spring water products, sells deep-sea mineral water and soft drinks | Manufactures and sells fermented dairy products | Supplies food ingredients to meal services, restaurants and raw material markets | Provides food services and cultural spaces at cafeteria, expressway rest areas, and concession stands to enrich everyday healthy experiences | Sells health functional food, skincare products, kitchen appliances, wellness home appliances, and pet food | Manufactures and sells functional beverages | Manufactures and sells tofu, kimchi, meat alternatives, refrigerated/frozen pastas, sauces, etc. | Manufactures and sells various food products such as noodles, rice cakes, kimchi, frozen dumpling, tofu, beverage, and snacks | Manufactures and sells tofu and fried tofu pouches |
| Key Master Brand & Product Brand | | | | | | | | | |
| | | | | | | | | | |

Overview of Major Business Divisions

* Some business operations within the major business divisions are integrated or separated across subsidiaries.

| Division | Key Business Areas |
|--|--|
| Holding Company | Royalty income and dividend revenue from subsidiaries, among others |
| Domestic Food Manufacturing & Distribution | Manufacturing and distribution of food products through subsidiaries such as Pulmuone Foods and Danone Pulmuone |
| Overseas Food Manufacturing & Distribution | Manufacturing and distribution of food products through overseas subsidiaries including the U.S., China, and Japan |
| Food Service & Distribution | Food service and distribution solutions through subsidiaries such as Pulmuone Food & Culture |
| Healthcare Manufacturing & Distribution | Manufacturing and distribution of healthcare products through subsidiaries such as Pulmuone Health & Living and Pulmuone Green Juice |

Our Business

Key Business Areas

Domestic and Global Network

Korea

Pulmuone holds a 100% equity stake in all subsidiaries and sub-subsidiaries, excluding joint ventures, and maintains a single-entity listing structure. This ownership model, as an advanced operating holding company aligned with global standards, facilitates agile and efficient decision-making while minimizing potential conflicts of interest among shareholders.

U.S.

Since establishing a Los Angeles subsidiary in 1991 to enter the North American tofu market, Pulmuone has expanded operations to four local factories and launched the 'Plantspired' brand to enter the alternative market.

China

After establishing Pulmuone Food subsidiaries in Beijing and Shanghai in 2010, followed by Pulmuone Health & Living in Chongqing in 2013, Pulmuone secured key footholds for entering the Chinese market. Currently, with the Beijing plant and seven partner factories serving as production bases, Pulmuone is accelerating the expansion of fresh convenience food in China.

Japan

In 2014, Pulmuone acquired Japan's leading fried tofu pouch company and the fourth-largest tofu company to develop top-quality products by leveraging the expertise of both countries.

Vietnam

In 2019, Pulmuone established a logistics-focused subsidiary in Vietnam. Pulmuone Zone is now operating in major retail channels across the country, including Lotte Mart, to provide products to customers. Looking ahead, Pulmuone aims to further strengthen its position as a premium food company in the Vietnamese market.



Our Business

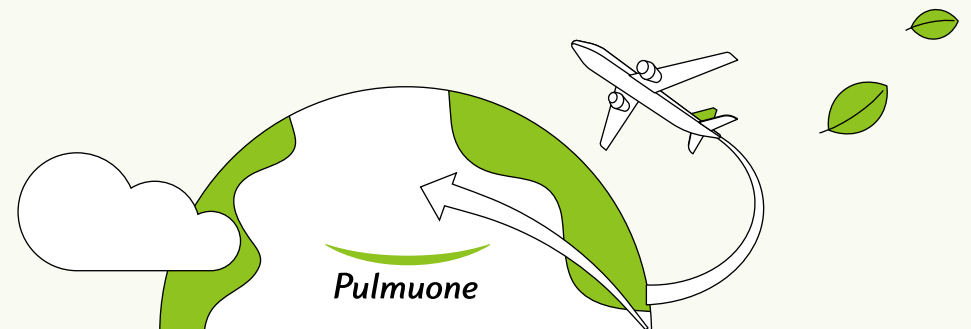
Key Business Areas

Domestic and Global Network

Key Subsidiaries by Country, Locations and Business Areas

| Country | Subsidiary | Location | Business Areas | No. of Employees |
|----------------------|------------------------------------|---|--|------------------|
| Korea | Pulmuone Foods | Eumseong, Chungbuk | Manufacturing of food and beverages | 6,739 |
| | PPEC Chuncheon | Chuncheon, Gangwon | Manufacturing of tofu and other food products | |
| | PPEC Uiryeong | Uiryeong, Gyeongnam | Manufacturing of tofu and other food products | |
| | PPEC Eumseong Fresh Noodle | Eumseong, Chungbuk products | Manufacturing of noodles and other food products | |
| | PPEC Eumseong Sprout | Eumseong, Chungbuk | Cultivation of sprouts | |
| | PPEC Global Kimchi | Iksan, Jeonbuk | Production of kimchi | |
| | Pulmuone Kibun | Eumseong, Chungbuk products | Development and production of fish cake products | |
| | Sinsun Natto | Goesan, Chungbuk | Production and sales of natto | |
| | Exofresh Logistics | Yongin, Gyeonggi | Logistics and warehousing | |
| | Pulmuone IN | Seoul | Service | |
| | Foodmerce | Yongin, Gyeonggi | Retail and grocery | |
| | PTA Agricultural Union Corporation | Goesan, Chungbuk | Production of agricultural products | |
| | Pulmuone Food & Culture | Seoul | Catering, restaurant business | |
| | A-Service | Ansan, Gyeonggi stations | Operation of expressway rest areas and gas | |
| | Danone Pulmuone | Muju, Jeonbuk products | Importation, manufacturing, and sales of dairy | |
| | Pulmuone Waters | Pocheon, Gyeonggi | Manufacturing and sales of bottled water | |
| | Saemsoeul | Miryang, Gyeongnam | Manufacturing of non-alcoholic beverage | |
| | Pulmuone Health & Living | Jeungpyeong, Chungbuk | Health functional food and skincare | |
| Pulmuone Green Juice | Jeungpyeong, Chungbuk | Manufacturing of green juice, beverages, baby food, and personalized products | | |

| Country | Subsidiary | Location | Business Areas | No. of Employees |
|---------|----------------------------------|-----------------------|---|------------------|
| Korea | Pulmuone Together | Yongin, Gyeonggi | Manufacturing of ice packs, repackaging and sales | 6,739 |
| | Pulmuone Academy | Seoul | Real estate rental | |
| | Korea Biotech Investment Capital | Seoul | Business consultation | |
| U.S. | Pulmuone USA, Inc. | Fullerton, California | Manufacturing of food and beverages | 330 |
| | Pulmuone Foods USA, Inc. | Fullerton, California | Manufacturing of food and beverages | |
| | Nasoya Foods USA, LLC | Ayer, Massachusetts | Manufacturing of food and beverages | |
| China | Shanghai Pulmuone Foods | Shanghai | Wholesale, retail, and import/export of agricultural food | 43 |
| | Beijing Pulmuone Green Foods | Beijing | Wholesale, retail, and import/export of packaged food | 209 |
| Japan | Asahico | Saitama | Manufacturing and sales of foods | 451 |
| Vietnam | Pulmuone Vietnam Co., Ltd | Hanoi | Sales and distribution of foods | 18 |

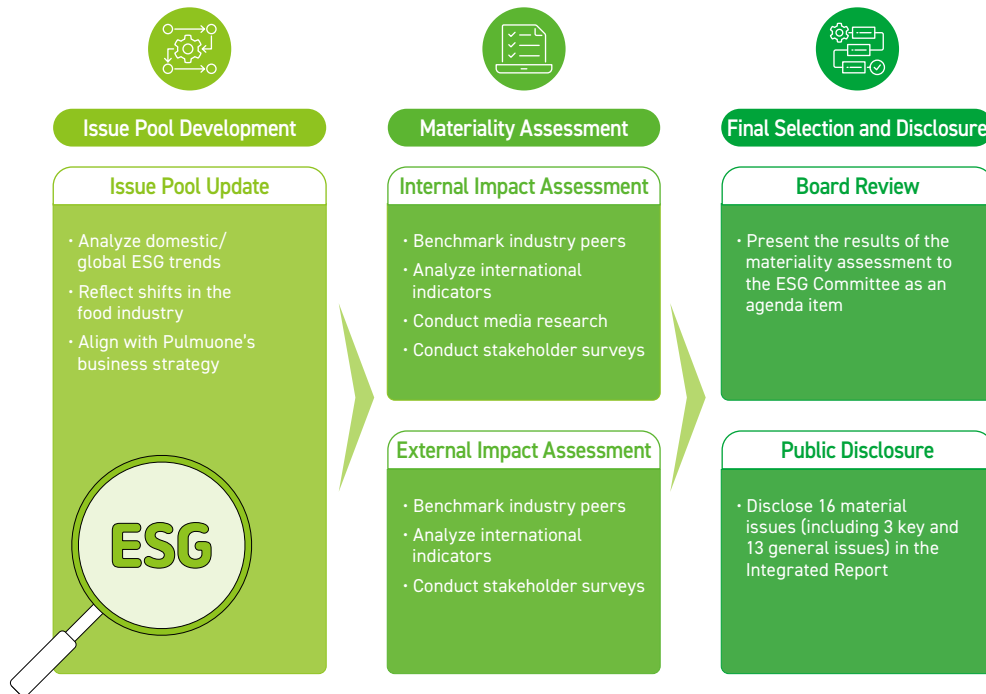


Materiality Assessment

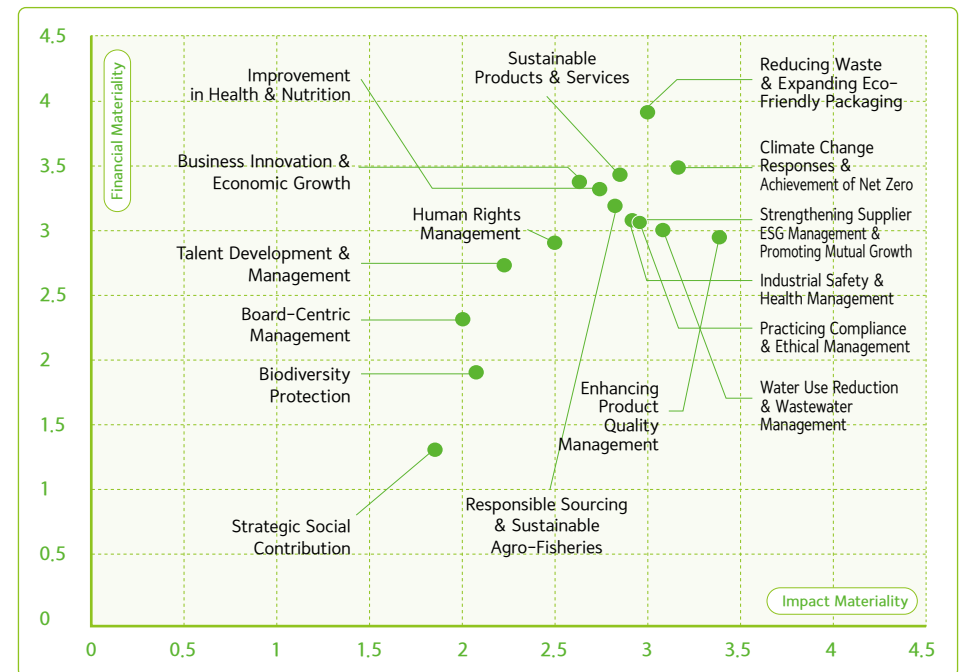
Pulmuone conducts an annual materiality assessment to identify ESG issues that have a significant impact on the company’s management activities (internal impact) as well as ESG issues that significantly affect the surrounding society and environment (external impact),¹⁾ based on the concept of ‘double materiality.’ The 2024 issue pool was developed by reflecting the previous year’s issue pool along with domestic and international ESG trends, changes in the food industry market, and Pulmuone’s management strategies. Each issue’s internal and external impact was then evaluated²⁾ to select 16 material issues. Among these, the top three issues—Reducing Waste and Expanding Eco-Friendly Packaging, Enhancing Product Quality Management, and Sustainable Products and Services—were identified as key priorities for focused management. Related details are provided in Part 2 of this report. Based on the materiality assessment results, Pulmuone develops a mid- to long-term non-financial risk pool and establishes a company-wide risk management plan. The annual review of the materiality assessment results is also presented to the ESG Committee as an agenda item for approval at the end of each year.

1) Refers to the environmental and social impacts resulting from Pulmuone's business activities.
 2) External stakeholders were involved in the evaluation.
 3) The issue of 'Climate Change Response and Net Zero Achievement' is separately presented in Part 3 on a special page.

2024 Materiality Assessment Process



2024 Materiality Matrix



Stakeholder Engagement

Through the Articles of Incorporation, Pulmuone defines customers, shareholders, employees, partner companies, local communities, and the environment as six key stakeholders, and has established specific commitments to each. Pulmuone communicates with stakeholders through various channels, including the corporate website, social media, committees, meetings, and both online and offline consultation channels, while transparently disclosing information related to business activities.

Definition of Stakeholders and Communication Channels

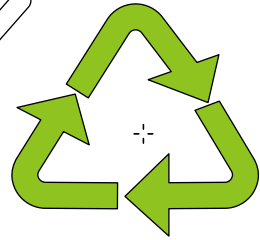
| Category | Definition | Communication Channels | |
|----------------------------|---|--|--|
| | | Individual | Common |
| <p>Customers</p> | <p>Consumers who purchase products and services from Pulmuone</p> | <ul style="list-style-type: none"> • Customer Satisfaction Center • e-Fresh Monitoring • Housemaker Monitoring • Customer Satisfaction Surveys | |
| <p>Shareholders</p> | <p>Individuals and (institutional) investors who hold or plan to hold Pulmuone stock</p> | <ul style="list-style-type: none"> • Open Shareholders' Meetings • NDR/IR Meetings | <ul style="list-style-type: none"> • Website • Social Media¹⁾ • Cyber Audit Office • Periodic and Ad Hoc Disclosures²⁾ |
| <p>Employees</p> | <p>All members of the company who work together to achieve Pulmuone's mission and vision</p> | <ul style="list-style-type: none"> • Company Portal • Labor-Management Council • Open Committee | |

| Category | Definition | Communication Channels | |
|---|---|--|--|
| | | Individual | Common |
| <p>Suppliers</p> | <p>All partner companies and their employees engaged in procurement, manufacturing, sales, transportation, and facility operations related to the production and delivery of Pulmuone products and services</p> | <ul style="list-style-type: none"> • Meetings with Suppliers • Partners' Day • WONDERPUL Partner's Council • Pulmuone Sourcing Portal | |
| <p>Local Communities & Environment</p> | <p>All individuals and institutions that influence or are influenced by Pulmuone's business operations—including the government, government agencies and related organizations, NGOs, volunteer organizations, and residents living near its business sites.</p> | <ul style="list-style-type: none"> • Community Meetings (Regular and Special) • Membership and Participation in Associations and Organizations • Social Contribution Partnerships | <ul style="list-style-type: none"> • Website • Social Media¹⁾ • Cyber Audit Office • Periodic and Ad Hoc Disclosures²⁾ |

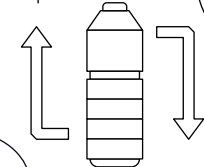
1) Instagram, YouTube, etc.

2) Business Reports, Integrated Reports, Open Shareholders' Meeting Reports, Brochures, etc.

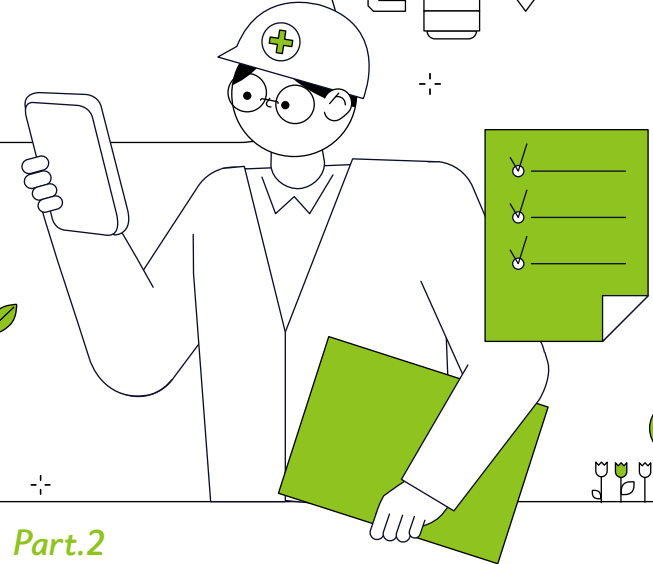
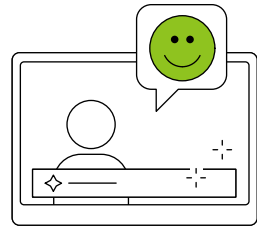
폐기물 감축



Part.2



Key Topics



Part.2



| | |
|---|-----|
| Reducing Waste & Expanding Eco-Friendly Packaging | 017 |
| Enhancing Product Quality Management | 025 |
| Sustainable Products & Services | 030 |

Reducing Waste & Expanding Eco-Friendly Packaging



Management Approach

Materiality

Waste management, as well as the design and management of packaging materials, are critical issues that directly relate not only to environmental risks but also to regulatory risks and stakeholder trust across the food manufacturing industry. In particular, improper waste disposal, the increase in plastic usage, and low recycling rates heighten the risk of violating environmental laws and regulations, negatively impact consumer perceptions of the brand, and erode trust from distribution and supply partners. Moreover, in the global market, there may be restrictions on transactions with countries and companies that prioritize eco-friendly standards.

Conversely, expanding the use of eco-friendly packaging not only mitigates risks but also creates opportunities, such as fostering consumer empathy, enhancing brand trust, and strengthening the capacity to respond to future regulations. Pulmuone continuously improves its packaging processes, from adopting mono-materials for easier recycling to utilizing recycled materials and developing biodegradable materials. Through these efforts, we are significantly strengthening our ESG management practices and enhancing the market competitiveness of our products.

Business Impact



Response Strategies

Promote recognition of food waste as a recyclable resource

- *Analyze types and amounts* of food waste at each business site
- *Review compliance* with Recyclable Resources Certification standards
- *Develop practical solutions* for resource recovery of food waste

Achieve zero food waste

- *Minimize loss* of raw food materials
- *Conduct inventory management* based on expiration dates
- *Reduce food waste* in the meal service sector

Convert food waste into energy

- Promote the production of *biogas from food waste*

Reduce plastic usage

- Remove labels, lighten containers, and optimize film specifications
- Switch plastic and shipping packaging *to paper-based materials*

Strengthen plastic resource

- *Expand use* of Cr-PET, PP, and PE
- *Increase use* of mono-material packaging
- *Design packaging structures and materials* for easy recycling
- *Use* bio-based materials

Enhance eco-friendly partnerships

- *Join* the virgin plastic reduction *partnerships* (e.g., WWF PACT)
- *Use low-VOC* packaging materials (e.g., water-based inks, adhesives)
- *Manage* recycled material *content* in packaging

Reducing Waste & Expanding Eco-Friendly Packaging



Management Approach

Response Goals

| Category | Goal | Performance | Related Management Compensation (reflected in evaluation) | Mid- to Long-Term Goal |
|---|--|-------------------------------------|---|---------------------------------------|
| Waste Reduction¹⁾ | Reduce to 81.89kg per product ton (1% reduction compared to the previous year) | Reduced to 74.45 kg per product ton | 3% for senior executives of subsidiaries ⁴⁾ | Reduce waste intensity by 13% by 2035 |
| Plastic Packaging Reduction²⁾ | Reduce 200 tons | Reduced 325 tons ³⁾ | 3% for senior executives of subsidiaries ⁵⁾ | Reduce plastic usage by 20% by 2035 |

- 1) Since 2024, Pulmuone has implemented target management for overseas manufacturing sites. To enable comparison of reduction rates based on the same standard for both domestic and overseas sites, targets and performance are calculated using the 2023 baseline unit waste intensity of 82.71 kg per ton of product.
- 2) Limited to Pulmuone Foods
- 3) Achieved 162.5% of the goal for 2024
- 4) Pulmuone Corporation, Pulmuone Food & Culture, Pulmuone Waters, Danone Pulmuone, and overseas subsidiaries in the U.S., Japan, and China
- 5) Pulmuone Foods, Pulmuone Waters, Danone Pulmuone, Pulmuone Institute of Technology, and Pulmuone Green Juice



Impact Analysis on External Stakeholders

| Category | Relevance | Cause of Impact | Nature of Impact |
|------------------|---|---|-----------------------|
| Consumers | <p>According to statistics released by the Ministry of Environment in October 2022, the amount of domestic waste in Korea increased steadily from 157 million tons in 2016 to 195 million tons in 2020. In a report published by the U.S. National Academies of Sciences, Engineering, and Medicine (NASEM), the annual per capita plastic waste in Korea in 2021(88 kg) ranked third in the world, indicating a significantly high level.</p> <p>Plastic waste releases harmful substances and toxic gases during the disposal process, negatively impacting the environment. Some of it remains undegraded and accumulates in the natural environment, eventually transforming into microplastics. These microplastics contaminate soil and water systems, infiltrate ecosystems, and not only negatively impact the health of living organisms but also pose a serious environmental issue that can affect human health.</p> <p>According to a report released by the international nonprofit organization Ellen MacArthur Foundation in 2016, only about 14% of global plastic packaging is collected for recycling. This low recycling rate is closely related to the design of plastic products, meaning that addressing the plastic waste issue requires incorporating recycling and reuse considerations right from the product design stage.</p> | Own operations, products and services, supply chain | Positive and negative |



Reducing Waste

Waste Management Policy

Pulmuone strives to minimize environmental impact by systematically managing all types of waste, including food waste generated during the manufacturing process, in accordance with the Environmental, Safety, and Health (ESH) Management Policy.

Our commitment to waste reduction is clearly outlined in our Environmental Management Policy. A dedicated department establishes and implements detailed action plans each year, aligned with both annual and mid- to long-term goals, with progress continuously monitored to ensure effective execution.

We are expanding the scope of target management for company-wide waste reduction. Starting from 2024, with the inclusion of overseas manufacturing sites in the target management process, the waste intensity target for 2024 was set at 81.89 kg per product ton in order to compare reduction rates between domestic and overseas business sites based on the same criteria. As a result, the 2024 waste intensity was recorded at 74.45 kg per product ton, achieving a 9% reduction compared to 2023.

To further reduce waste, we are currently exploring the production of biogas using food waste generated at key domestic logistics sites—Exofresh Logistics and Foodmerce—in collaboration with external specialized companies.

Excerpt from Pulmuone’s Environmental Management Policy

Waste Reduction

We are committed to resource conservation and waste management by establishing a circular waste management system, actively promoting the reduction of food loss and the recycling of waste. We measure and manage the amount of waste according to the lifecycle of each food category and make proactive efforts to reduce it. Additionally, we actively explore ways to recycle waste into valuable resources, and enforce stricter internal standards specifically for food loss and waste.

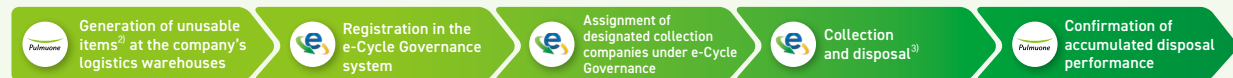
Circular Resource System and Performance

[View Pulmuone’s Environmental Management Policy](#)



Pulmuone has established a system for recycling waste resources generated in the electronic product manufacturing process at Pulmuone Health & Living, which has been in operation since December 2023. The system has also been certified with the e-Cycle Governance¹⁾ certification.

Circular Resource System



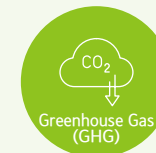
2024 Circular Resource Performance⁴⁾



7,840 kg
Recovered



7,570 kg
Produced



21,717 kgCO₂-eq
Reduced

1) A nonprofit public organization authorized by the Ministry of Environment that fulfills the obligations of the resource circulation system activities.
 2) Items confirmed defective and returned, or unused materials.
 3) The entire waste disposal process carried out by specialized companies is monitored via CCTV, with recycling and resource recovery conducted for each component.
 4) Performance based on the period from December 1, 2023, to November 30, 2024.

Reducing Waste

Waste Management System

Pulmuone systematically manages the generation and disposal of all waste, including food waste, through the Ministry of Environment's integrated waste management platform, the Allbaro System.

The waste management procedure is as follows: An initial report is submitted prior to transferring waste to the designated transport company. Within two days, the transport company records the waste-related information from each business site in the system. The waste processor then records the handover results in the system within two days of receiving the waste. These results are made publicly available to both the Ministry of Environment and Pulmuone. Through this process, all stages of waste generation, quantity, discharge, transport, and processing are recorded and managed on a daily basis.

The Allbaro System is applied uniformly to general waste, designated waste, and food waste. Based on this system, we analyze the generation volume, recyclability, and treatment routes to explore ways to promote recycling. Additionally, when waste is incinerated, we consider the potential for energy recovery and continue to collaborate with waste treatment partners to optimize the process.

For waste transport and treatment companies, we conduct a mandatory evaluation when entering into new contracts to ensure compliance with the Wastes Control Act. The evaluation criteria include transport and treatment capabilities, adherence to environmental compliance, and the occurrence of any major environmental issues. The final decision on the contract is based on the results of this evaluation.

Each year, Pulmuone transparently discloses the total amount of waste generated and the types of recycling in its Integrated Report. Waste is classified as designated waste or general waste, and further categorized into recycling, incineration, and landfill. For incineration, the energy recovery status is also disclosed.

Waste Management Activities

As a part of our commitment to achieving a circular economy, we operate waste reduction programs at each of our business sites. To systematically manage waste generated during the production and distribution processes, we analyze the waste characteristics at each business site, set reduction targets, and regularly monitor progress.

We are also increasing the recycling of organic waste from food manufacturing through feed and composting processes, while maximizing processing efficiency by carefully separating general waste from recyclables.

In addition, to accelerate the transition to a circular economy, Pulmuone is actively utilizing the 'Resource Circulation Recognition System.' Under this system, the government designates recyclable and environmentally benign waste as general resources, thereby contributing to waste reduction and enhanced resource efficiency. Pulmuone has increased resource recovery by obtaining recognition for plant-based residues and used cooking oil from its manufacturing sites as recyclable resources, and is also pursuing recognition for the recycling of waste synthetic plastics.

In addition, we ensure the safety and quality of recyclable resources by strictly complying with relevant laws and regulations and operating a quality management system based on recycling processing standards. Except in unavoidable cases, Pulmuone avoids landfilling and minimizes final landfill volume by prioritizing recycling and incineration where there is no legal obligation for landfill disposal.

Furthermore, regular training and awareness campaigns on waste separation are conducted for employees across all business sites, enhancing company-wide environmental awareness and strengthening waste reduction efforts.

Reducing Waste

Waste Management Activities

Our Efforts to Reduce Food Waste

Step-by-Step Approach to Minimize Food Waste Generation

From sourcing raw materials to final disposal, Pulmuone strives to minimize food waste at every stage of the process. During production, we monitor inventory levels and expiration dates at each stage, using the collected data to maintain optimal stock and prevent unnecessary waste. For products with temporarily fluctuating stock levels, we apply a flexible sales promotion strategy to minimize the root cause of food waste generation.



Food Waste Minimization Program and Performance

Zero Food Waste Program

Since 2020, Pulmuone has been gradually introducing microbial food waste treatment systems as part of our efforts to reduce food waste. These microbial treatment systems use harmless microorganisms to fully decompose food waste. Installing this system is expected to reduce waste treatment costs by 63% annually per business site. As of April 2025, approximately 120 microbial food waste treatment systems have been installed and are in operation at concession stands, rest areas, and meal service sites.

Food Waste Resource Circulation Program

Pulmuone is implementing a resource circulation program to utilize recyclable food waste from manufacturing processes as animal feed and biodiesel raw materials. Starting with the Pulmuone Foods Eumseong Tofu Plant in 2020, as of 2024 a total of six manufacturing sites—Pulmuone Foods' Eumseong Tofu Plant, PPEC Eumseong Fresh Noodle, PPEC Eumseong Uiryong, Pulmuone Green Juice, PPEC Global Kimchi, and Pulmuone Kibun—have registered plant-based residues and used cooking oil under the Ministry of Environment's Resource Circulation Recognition System. In these certified sites alone, 7,768 tons of food waste (as of 2024) have been recognized as alternative resources and recycled, and Pulmuone continues to expand the scope of sites applying the resource circulation program.

Collaborating With Suppliers to Reduce Food Waste

Food waste often results from product defects caused by deviations from standard specifications or packaging issues during production. Pulmuone addresses this by partnering with suppliers on joint R&D to identify the root causes of such defects and implement corrective measures. Through the introduction of new equipment and continuous product quality improvements, we have steadily reduced the defect rate, thereby minimizing food loss and waste generation.

Expanding Eco-Friendly Packaging

Eco-Friendly Packaging Policy

Pulmuone is implementing an eco-friendly packaging policy built on three strategic pillars: ‘Reducing Plastic Use’ during the manufacturing stage, ‘Strengthening Resource Circulation’ by actively developing and applying eco-friendly recycling technologies, and ‘Expanding Eco-Friendly Partnerships’ to accelerate the adoption of sustainable packaging. Guided by the 5R principles—Remove, Reduce, Recycle, Reuse, and Rot—Pulmuone aims to reduce plastic usage by approximately 700 tons by 2025.

The 5R Principles of Eco-Friendly Packaging

Pulmuone’s 5R principles for eco-friendly packaging focus on reducing environmental pollution and waste generation through the following practices

- 1) **Remove** Eliminate unnecessary packaging
- 2) **Reduce** Reduce the use of hazardous materials and plastics through structural and process optimization
- 3) **Recycle** Promote easy recyclability to minimize landfilling and incineration
- 4) **Reuse** Encourage the use of recycled plastics and reusable packaging to promote a circular economy
- 5) **Rot** Use biodegradable materials



Eco-Friendly Packaging Policy: Strategies, Key Actions, and Goals

| | Key Actions | Target Year | Goals |
|------------------------------------|--|-------------|---|
| Reducing Plastic Use | 1. Remove labels 2. Lighten containers 3. Optimize film specifications 4. Replace plastics with paper-based materials | 2024 | <ul style="list-style-type: none"> • Launch label-free bottled water • Use lightweight packaging for 300 g tofu • Switch to paper trays for two-serving noodle products |
| | 5. Switch packaging materials for delivery (e.g., paper boxes, cushioning materials for early-morning deliveries) | 2025 | <ul style="list-style-type: none"> • Apply label-free packaging to Danone Pulmuone yogurt (8-pack beverage) • Implement lightweight packaging for I'm Real products, 1kg tofu, and Saemsoseul bottled water |
| Strengthening Resource Circulation | 1. Expand use of Cr-PET and PP 2. Explore application of Cr-PE 3. Increase use of mono-material packaging 4. Design for recyclability (materials and structure) | 2024 | <ul style="list-style-type: none"> • Apply 100% CR-PET containers for I'm Real beverages • Apply CR-PP for Design Meal lunch boxes • Apply mono-materials for film packaging |
| | 5. Use bio-based materials 6. Develop materials from used cooking oil | 2025 | <ul style="list-style-type: none"> • Explore increased use of mono-material packaging • Validate use of Cr-PE materials |
| Expanding Partnerships | 1. Join the virgin plastic reduction partnerships (e.g., WWF PACT) | 2024 | <ul style="list-style-type: none"> • Expand packaging using water-based ink and adhesives |
| | 2. Use low-VOC packaging materials (e.g., water-based ink and adhesives) 3. Manage recycled material content in packaging | 2025 | <ul style="list-style-type: none"> • Establish a process for managing recycled material content of partner companies and applying Pulmuone's own certification mark |

Expanding Eco-Friendly Packaging

Packaging Management Activities

Reducing Plastic Use

Pulmuone is implementing a multi-faceted strategy to reduce plastic usage in packaging by light-weighting containers, optimizing packaging specifications, and transitioning to paper-based materials.

From 2009 to 2023, Pulmuone Waters made significant progress in lightweight bottle design for its bottled water, by Nature, reducing the weight of 2 L bottles by approximately 21% (from 40 g to 31.6 g), 500 mL bottles from 15 g to 11.1 g, and bottle caps from 2.35 g to 1.4 g through structural improvements.

For flagship tofu containers, a corrugated structure was applied, achieving a weight reduction of about 9%. In addition, the thickness of spoonable yogurt cups was reduced from 1.1 mm to 1.0 mm, advancing lightweight designs across multiple products. These initiatives contribute not only to reducing plastic usage but also to lowering carbon emissions during manufacturing.

We are actively addressing excessive packaging and reducing plastic waste by optimizing packaging film specifications. Initiatives include reducing the size of seasoning sachets in air-dried noodle products and decreasing the film thickness for two-serving refrigerated noodle products, thereby minimizing film waste during manufacturing.

Pulmuone is also intensifying efforts to find plastic alternatives. Plastic trays used in noodle and tteokbokki products have been replaced with paper-based trays, which are now being expanded to B2B meat products supplied to daycare centers. On the online store (#Pulmuone), expandable polystyrene (EPS) boxes have been substituted with paper-based insulated boxes. In addition, paper-based tape and cushioning materials have been adopted, reducing plastic use across the entire delivery packaging process.

Going forward, Pulmuone will continue to develop and apply a wide range of technologies and ideas to expand sustainable packaging, enhance resource efficiency, and contribute to addressing the climate crisis.

Participation in Global Plastic Reduction Initiative

In June 2023, Pulmuone announced its participation in the global plastic reduction program Plastic ACTION (PACT), led by the World Wide Fund for Nature (WWF), the world's largest nonprofit environmental conservation organization. As part of this initiative, Pulmuone has set a goal to reduce plastic usage by 15% by 2030 and to transition product and packaging designs to be reusable and recyclable. Furthermore, we will continue participating in global initiatives to review and strengthen its sustainable packaging policies and strategies.



Expanding Eco-Friendly Packaging

Packaging Management Activities

[Strengthening Resource Circulation](#)

| Developing Eco-Friendly Packaging Materials

Pulmuone is actively developing and adopting various eco-friendly packaging materials to enhance resource circulation. In October 2024, we introduced chemically recycled (CR) plastic containers across all products of our premium fresh fruit juice brand, I'm Real. Chemical recycling is a method of chemically decomposing waste plastics to produce recycled raw materials of the same quality as virgin plastics, and it is gaining attention for enabling high-purity recycling. By adopting this approach, we expect to reduce annual virgin plastic usage by approximately 259 tons.¹⁾

We are also enhancing the eco-friendliness of food container materials. A notable example is our salad containers made with Bio-PET, which contain approximately 30% fermented sugarcane extract. These containers help reduce GHG emissions compared to conventional plastics and, like regular plastics, are 100% recyclable.

Additionally, we are accelerating the development of innovative packaging materials, such as utilizing byproducts from tofu and green juice production for packaging and containers made from biodegradable materials. We are also developing technology to recycle used cooking oil into raw materials for packaging.

1) Based on 2023 production volume of I'm Real, applied to all products except caps and labels.

| Improving Recyclability

To expand resource circulation, Pulmuone is enhancing the recyclability of packaging materials by adopting mono-material packaging for various products. This approach reflects the fact that composite material packaging can hinder the separation and recycling process. Simplifying packaging structures plays a key role in improving separation efficiency and recycling rates. Mono-material packaging has been prioritized for export hotteok products, with plans to expand its application to domestic products, making it easier for consumers to participate in recycling.

In addition, we are continuously redesigning the materials and structures of our packaging to improve recycling rates. For all products under the premium beverage brands I'm Real and I'm Fruit, as well as dressings, labels with mildly alkaline adhesives that dissolve in water have been introduced, allowing easy removal even in hot water at 65°C.

By minimizing the adhesive application area and using synthetic resin labels with a weight ratio of less than 1—designed to separate easily in water—we have further enhanced the efficiency of the recycling process.

[Expanding Eco-Friendly Partnerships](#)

To minimize environmental impact across our entire supply chain, Pulmuone works closely with partners in sourcing, distribution, packaging, and recycling to strengthen the effectiveness of our eco-friendly packaging policies. Our flagship products, such as tofu and air-dried noodles, already use water-based inks, and we plan to expand their use to other products, including Cold Noodles with Broth (two-serving) and YaIP Mandoo (440 g). Water-based ink is an eco-friendly material that uses water as a solvent, reducing the emission of volatile organic compounds and improving the work environment. Pulmuone became the first in the domestic food industry to develop a water-based adhesive in 2011, and in 2013, we applied water-based ink to seasoning pouches and ice pouches. We plan to expand the use of water-based ink to a wider range of products in the future. This policy helps reduce environmental harm in the manufacturing process by encouraging packaging suppliers to use water-based inks, solvent-free adhesives, and water-based adhesives. Additionally, Pulmuone is preparing the *Recycling Supply Chain Responsibility Project* to enhance transparency and accountability in the use of recycled materials. This project initiative includes monitoring the full production process of packaging materials made from certified recycled CR-PET and CR-PP, with the aim of reducing virgin plastic use and strengthening plastic resource circulation.

Enhancing Product Quality Management



Management Approach

Materiality

For food companies, food safety is not merely a matter of quality control—it is a critical management factor directly linked to the survival of the business. Because food products directly affect consumers' health and lives, any safety incident can result not only in significant legal and financial liabilities but also in irreversible damage to consumer trust and brand reputation. In today's fast-paced information environment, even a single incident can swiftly erode public confidence, creating negative ripple effects across the entire product line and tarnishing the company's overall image.

As domestic laws, regulations, and global certifications related to food safety become increasingly stringent, ensuring food safety has emerged as a fundamental prerequisite for accessing both domestic and international markets. From a sustainability management perspective, it is also a core value that aligns with the growing trend of ethical consumption. Therefore, food companies must view food safety not merely as a risk factor but as a strategic asset for securing brand trust and driving long-term growth. Ensuring complete consumer confidence requires proactive and systematic management systems. Pulmuone regards food safety as a top priority and is fully committed to strengthening the safety and reliability of its products across all business areas.

Business Impact



Response Strategies

Conduct Food Safety Management Audits

- *Conduct regular audits* of all production facilities and suppliers *at least once a year*

Obtain HACCP Certification

- Obtain 100% certification for our own food manufacturing plants¹⁾ and suppliers²⁾
 - Obtain certification for *two logistics centers*

Obtain FSSC 22000 Certification

- *Obtain 100% certification* for our manufacturing sites³⁾

Conduct Potentially Hazardous Food Assessments

- *Implement preventive management measures* by proactively identifying and blocking potential hazards of new products, and deriving management solutions

1) Based on 11 business sites.
 2) Based on 240 companies.
 3) Based on 13 business sites.

Response Goals

| Category | Goal | Performance | Related Management Compensation (reflected in evaluation) | Mid- to Long-Term Goal |
|--|-------------------------|---|---|----------------------------|
| Strengthening Food Quality and Safety Management | Zero government recalls | Achieved zero food safety issues related to foodborne illness | 10% for Head of Food Safety Division | Zero food safety incidents |

Impact Analysis on External Stakeholders

| Category | Relevance | Cause of Impact | Nature of Impact |
|-----------|--|-----------------------|-----------------------|
| Consumers | Food safety incidents, such as E. coli outbreaks from hamburgers or recalls due to milk contamination from wash water, can have severe consequences, threatening consumer health and even life with a single mistake. Foodborne illness also remains a significant public health concern. According to the Food Safety Information Portal 'Food Safety Korea' by the Ministry of Food and Drug Safety (MFDS), the number of foodborne illness cases in Korea was 8,789 in 2023 and 7,592 in 2024. The MFDS further reported that the social and economic losses caused by foodborne illnesses in 2022 amounted to approximately KRW 18.532 trillion, with 88.6% (KRW 16.418 trillion) of this burden borne by individuals. These figures underscore the substantial impact that food safety incidents can have on consumers. | Products and services | Positive and negative |

Enhancing Product Quality Management

Food Safety and Quality Management Policy

Pulmuone is committed to delivering safe, high-quality food in line with its 'Principles for Wholesome Foods,' supporting both healthy living and environmental sustainability. We operate a food safety system aligned with Hazard Analysis and Critical Control Points (HACCP) and the Global Food Safety Initiative (GFSI), proactively preventing hazards across the entire production process and ensuring consistent quality in all markets by adhering to global standards. In addition, Pulmuone uses eco-friendly raw materials and maintains transparent communication with consumers, thereby strengthening its position as a trusted brand. We continue to enhance our food safety culture through the adoption of innovative technologies and active employee engagement.

To ensure consistent food quality and safety standards across all products supplied to Pulmuone, we require our partners supplying pet food to comply with the same HACCP standards applied to human food. For agricultural products, seafood, and simple packaged products outside the scope of HACCP certification, food safety is ensured in accordance with ISO 22000 (Food Safety Management System) or GFSI-recognized certification schemes. Additional audits are conducted after confirming compliance with these standards, further strengthening our preventive quality management policy.

For export products and those with potential hazards, we focus on operating a DX-based, contactless, and real-time quality management system, continuously applying policies that reflect the latest food safety trends. Through these efforts, we aim to enhance customer trust and product preference, strengthen our market competitiveness, and establish ourselves as a responsible, healthy food company dedicated to social responsibility.

Pulmuone's Food Safety and Quality Management Policy

Compliance with Regulations and Principles



We place customer health and food safety at the core of our values, strictly adhering to global food safety regulations and principles. These standards are applied consistently from production to the final consumer stage, ensuring that all Pulmuone products comply with relevant laws and regulations.

Compliance with Global Food Safety Standards



We are committed to continuous improvement through global food safety certifications and international standards. To meet our stringent standards across the global supply chain, we continue to expand our food safety management system worldwide. We deliver safe and reliable products by fostering a culture in which every member of our organization understands the importance of food safety and actively puts it into practice.

Development and Implementation of Best Practices



We establish food safety and quality management processes across our supply chain by leveraging the latest technologies. To ensure safe raw material sourcing and sustainable production, we utilize digital solutions to rigorously verify compliance with our quality standards and applicable regulations.

Continuous Improvement and Innovation



To achieve sustainable food safety, we will develop and execute targeted strategies through company-wide meetings and systematically implement improvements. Internal food safety and quality capabilities will be strengthened by providing training programs and sharing essential knowledge and skills with employees across Pulmuone and partner companies through continuous education. Furthermore, we will regularly conduct audits to verify compliance with global food safety standards and drive ongoing improvement.

Strengthening Transparency and Communication



We are committed to ensuring the health of our customers and the safety of our food. We will continue to disclose the production histories of various Pulmuone products and broaden this practice. To make product information more accessible, we are integrating digital technology to provide comprehensive details on quality and safety. We also strive to enhance our products through active communication with customers and by incorporating their feedback.

Enhancing Product Quality Management

Food Safety Management System

Pulmuone goes beyond mere compliance with legal standards for food quality and safety, aiming to deliver reliable products throughout the entire process from product planning to consumer delivery. To achieve this, the Pulmuone Food Safety Management System (PFSMS) is in place to oversee food safety across all operations.

PFSMS is designed to integrate and reflect domestic and international food safety certification requirements, including compliance with Korean food-related regulations and HACCP standards, ISO 22000, the U.S. Food Safety Modernization Act (FSMA), FSSC 22000 (including ISO/TS 22002-1) as a GFSI-recognized scheme, the Safe Quality Food (SQF) certification, and the British Retail Consortium (BRC) Global Standard for Food Safety. This system ensures that Pulmuone's 'Wholesome Food' principles are scientifically and systematically verified.

To enhance the effectiveness of PFSMS, detailed requirements for each section are shared with employees and suppliers. Effective on-site operation is supported through the Food Quality and Safety Conference and capacity-building activities for quality managers.

PFSMS Requirements

- | | |
|--|--|
| 1 Food Safety Management System | 10 Training Requirements |
| 2 Management Responsibility | 11 Rework and recall in the Case of Non-Conformity |
| 3 Work Site Management | 12 Allergy Control |
| 4 Supply of Utilities | 13 Food Defense & Fraud Prevention |
| 5 Maintenance and Prevention | 14 Laboratory Management |
| 6 Receiving, Stocking, Storing, and Transporting | 15 HACCP |
| 7 Prevention of Cross-Contamination | 16 Quality Monitoring Scheme (QMS) |
| 8 Cleaning and Sanitization | 17 Pulmuone's Obligations |
| 9 Pest Control | |

Food Safety Management Activities

PFSMS Audit

To ensure food safety and strengthen preventive quality management at every stage of production and supply, we conduct annual audits of our manufacturing sites and suppliers using PFSMS.

In 2024, we conducted a total of 335 audits using an evaluation system tailored to the characteristics and standards of each food manufacturing facility. For our manufacturing partners, we carried out a global-level evaluation with a detailed checklist comprising 17 sections and 221 items, covering not only quality but also food safety, food defense, and food fraud.¹⁾

Using our PFSMS audit system for both factories and suppliers, we proactively prevent food safety and quality-related risks, thereby enhancing brand trust. We apply the same rigorous procedures to new manufacturing sites, ensuring a consistent safety management framework. In 2024, we focused on key management areas such as Critical Control Point (CCP) monitoring, prevention of foreign material contamination, and calibration management, resulting in notable improvements. Additionally, we provide clear standards for global food safety management requirements, including food defense, food fraud, and allergen control, and support practical implementation at manufacturing sites through capacity-building activities for quality managers.

1) Actions to prevent intentional threats to food safety



Enhancing Product Quality Management

Food Safety Management Activities

[Food Safety Management and Quality Assurance](#)

As part of food safety and quality assurance efforts, Pulmuone applies the Quality Monitoring Scheme (QMS) to all branded products. This system enables detailed and systematic management of the entire process—from raw materials to product shipment and hygiene management—with a strong focus on preventive measures.

Key processes are monitored in real time through the Real-Time Quality Inspection (RTQI) system and a Smart HACCP-based monitoring system, which strengthen overall quality management. For foreign material control and heat treatment, globally recognized guidelines are followed to verify performance and drive continuous improvement.

Pulmuone also proactively responds to domestic and international food safety and quality issues, as well as regulatory changes, focusing on seasonal high-risk products to minimize potential risks. For export products, quality checks and targeted monitoring are conducted in accordance with country-specific standards to ensure compliance with market requirements. In the event of a quality issue, a rapid response system is activated. By applying food science-based technologies—such as foreign matter and microorganism control, advanced monitoring systems, and process improvements—Pulmuone ensures stable product quality while enhancing brand trust.

[Assessment of Potentially Hazardous Food](#)

Within a proactive and systematic risk management framework, Pulmuone conducts evaluations of potentially hazardous foods (PHFs). These evaluations comprehensively assess raw material safety, manufacturing processes, and supply chain reliability to identify and eliminate food safety risks in advance.

PHFs refer to Time and Temperature Control for Safety (TCS) foods that require strict time and temperature management. Examples include dairy products, eggs, meat, poultry, fish, shellfish,

and other foods containing ingredients that can rapidly support the growth of infectious or foodborne pathogens, leading to spoilage. Products requiring temperature control to limit the growth of pathogenic microorganisms or toxin formation are classified as PHFs.

We categorize products into Levels 1, 2, and 3, as well as Low Risk, based on factors such as the use of animal-based ingredients, application of heat sterilization, and method of consumption. According to evaluation results, measures such as on-site management, comprehensive inspections, preventive controls, and real-time monitoring are implemented to prevent foodborne illnesses.

In 2024, a total of 311 products underwent PHF evaluation. By brand, these included 230 products from Pulmuone Foods, 63 from Pulmuone Foodmerce, 17 from Pulmuone Green Juice, and 1 from Pulmuone Health & Living. The results classified the products as follows: 3 in Level 1, 52 in Level 2, 180 in Level 3, and 76 as Low Risk. Based on these results, preventive measures were applied in advance to address potential hazards.

[Strengthening Food Quality and Safety Capabilities](#)

We ensure the effective implementation of quality, hygiene, and safety management at food manufacturing sites, while continuously maintaining and enhancing the auditing (inspection) capabilities of our Quality Assurance (QA) personnel. To this end, we operate an internal learning and evaluation system designed to assess employees' job performance against predefined standards and procedures, and to link these assessments to training, feedback, and improvement activities. Quality Assurance (QA) personnel play a critical role in fostering a quality culture within the organization through regular inspections. To support professional growth, Pulmuone provides opportunities to obtain FSSC 22000 auditor certification or equivalent external qualifications, ensuring the development of both field-based expertise and a strong sense of ethical responsibility.

Enhancing Product Quality Management

Food Safety Management Activities

Strengthening Food Quality and Safety Capabilities

Food Quality and Safety Management Guidelines



The event featured sessions on 'Responding to Global Food Safety Trends and Regulations' and 'Sustainable Food Manufacturing and Quality Management,' designed to strengthen Pulmuone's capacity to respond swiftly and effectively to evolving global food safety trends. Practical strategies were also shared to support the maintenance of brand reputation, productivity, and product safety.

Capacity Building of QA Personnel from Suppliers

To elevate the overall level of food safety management and achieve sustainable supply chain management, an online training program is provided for QA personnel from suppliers, focusing on maintaining and improving the Pulmuone Food Safety Management System (PFSMS). The content and delivery methods are continuously refined to enhance accessibility and effectiveness.

Food Quality and Safety Management Conference

We regularly host the Food Quality and Safety Management Conference to share the latest trends in food quality and safety management with our suppliers, fostering mutual growth and enhancing our competitiveness in the global market. The conference brings together quality managers from both Pulmuone and our suppliers, helping to establish a sustainable quality management foundation and prepare for the advancement of future food quality and safety systems through DX.

The 2024 Food Quality and Safety Conference was held under the theme 'Challenges and Opportunities for Sustainable Food Safety and Quality Culture.' The event was attended by approximately 200 quality managers from our factories and supplier organizations.

In 2024, to improve suppliers' understanding of international food safety standards, we delivered FSMA-related training through an online learning community, strengthening their ability to respond to global regulatory changes. Additionally, we offered online training on technology protection, covering topics such as the responsibilities of large companies in safeguarding SMEs' technologies, SMEs' understanding of technology protection, intellectual property rights protection, and strategies for resolving technology disputes. These initiatives enhanced suppliers' capacity to protect intellectual property.

Through these online training programs, we are reinforcing suppliers' capabilities in autonomous quality management and technology protection. Building on this foundation, we aim to create a virtuous cycle that raises food safety standards across the supply chain. These efforts directly contribute to a sustainable value chain, and as part of our ESG management, we will continue to expand this training-based collaborative model for mutual growth.

Sustainable Products & Services



Management Approach

Materiality

As demand for sustainability continues to grow, food companies that delay the transition to sustainable products and raw material sourcing may face significant risks. With increasing public awareness of environmental protection and ethical consumption, products that fail to incorporate sustainability considerations risk consumer rejection, leading to customer churn, decreased revenue, and a loss of brand trust.

In addition, environmental challenges such as climate change, soil depletion, and water shortages can disrupt the stable supply of raw materials. Unsustainable sourcing practices, including deforestation and human rights violations, can further damage corporate reputation and increase regulatory pressure.

Conversely, transitioning to a business model that incorporates sustainability—such as offering plant-based foods, low-carbon products, and responsibly sourced raw materials—creates opportunities to capture new market demand. It also strengthens relationships with ethically conscious consumers, enhancing both brand image and customer loyalty. Furthermore, these initiatives can build trust with ESG-focused investors, bolster supply chain resilience, and increase the company's long-term value.

Business Impact



Response Strategies

Expand Sustainable Foods

- Expand offerings of plant-based and plant-forward foods through the discovery of new ingredients and technologies

Promote Sustainable Diet

- Secure health improvement effects of sustainable diets based on the 211 diet
 - Apply sustainable diets in meal services and expand consumer communication

Increase sustainable sourcing of raw materials

- Develop plant-based and animal welfare supply chains
 - Participate in pilot smart farm projects

Enhance raw material traceability

- Operate a mobile (QR-based) food traceability system

Response Goals

| Category | Goal | Performance | Related Management Compensation (reflected in evaluation) | Mid- to Long-Term Goal |
|--|------------------------------|-------------------------------|---|--------------------------------------|
| Sustainable Food Revenue ¹⁾ | Achieve 57% of total revenue | Achieved 56% of total revenue | 3% for General CEO | Achieve 65% of total revenue by 2027 |
| Transition to Animal Welfare Eggs | Achieve 34.3% conversion | Achieved 30.3% conversion | 12% for Head of Food Materials Department | Achieve 100% conversion by 2028 |

1) Based on the integrated food MBU revenue, excluding non-brand products

Trend in Sustainable Food Revenue

(Unit: KRW)



Impact Analysis on External Stakeholders

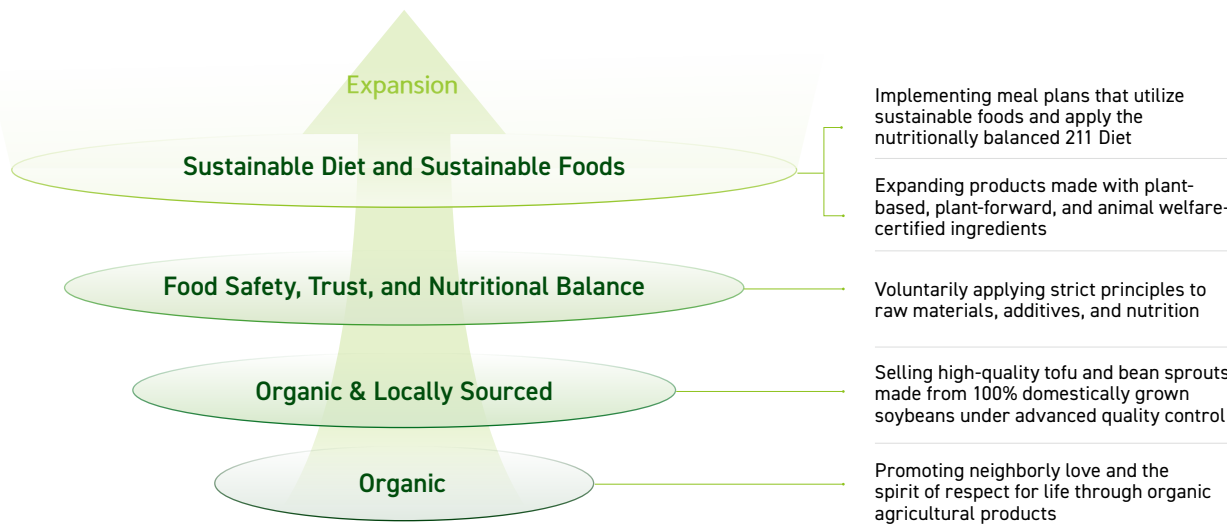
| Category | Relevance | Cause of Impact | Nature of Impact |
|-----------|--|-----------------------|------------------|
| Consumers | According to the Korea Agro-Fisheries & Food Trade Corporation (aT), the global plant-based alternative food market is expected to grow by approximately 81.7%, from USD 60.71 billion in 2020 to USD 110.33 billion by 2025. At the Consumer Electronics Show (CES) 2024, one of the world's largest technology trade events, food technology emerged as a key theme, with rising interest not only in the development of sustainable foods but also in enhancing product transparency and traceability. This trend is driven by increasing consumer demand for foods that address both environmental and health considerations. | Products and services | Positive |
| Suppliers | Pulmuone's Sustainable Raw Material Policy contributes to strengthening ESG capabilities across the entire supply chain and is expected to have a positive mid- to long-term impact on our suppliers. Requiring sustainability certifications for raw materials encourages suppliers to establish procurement systems that incorporate environmental and social responsibilities. This, in turn, serves as a competitive advantage, enabling them to respond effectively to global market trends and regulatory changes both domestically and internationally. Furthermore, the Digital Trust Ecosystem Project which emphasizes transparent information management, is expected to enhance suppliers' digital capabilities and quality control standards. Technological collaborations, such as the dissemination of smart farm technologies, will serve as a foundation for mutual growth, going beyond transactional relationships, while also improving both the productivity and sustainability of suppliers. | Products and services | Positive |

Sustainable Products

Sustainable Foods and Sustainable Diet Policy

Pulmuone’s Authentic Wholesome Foods philosophy is rooted in the pursuit of health and sustainability for both people and the planet. Emphasizing safety and trust, this philosophy has evolved to encompass sustainability alongside health and nutrition, expanding into the broader ideas of Sustainable Foods and Sustainable Diet—areas where we aim to lead the food industry forward.

Expansion of Pulmuone’s Authentic Wholesome Foods Philosophy



Pulmuone’s Sustainable Attributes



Expansion of Sustainable Foods and Sustainable Diet

Sustainable Foods

Pulmuone defines Sustainable Foods as products that promote human health, nutrition, and environmental sustainability by increasing the use of plant-based ingredients and incorporating animal welfare-certified ingredients. A plant-based diet provides essential nutrients that support health while helping reduce carbon emissions and water usage, thereby contributing to a sustainable planet. Even when animal-based ingredients are used, Pulmuone selects ethically sourced meat and seafood, such as products that meet animal welfare standards or ASC/MSC certifications.¹⁾ This approach helps reduce health risks from harmful substances and is more beneficial to the planet’s environment.

We have set a goal to increase the share of sustainable food sales to 65% of our total revenue by 2027.²⁾ Thanks to the growing recognition and sales of the flagship sustainable food brand Jigusikdan, sustainable foods accounted for 56% of total revenue in 2024. In the same year, Pulmuone successfully launched *Garden Me*, a new plant-based health food brand, further expanding the sustainable food portfolio.

1) A global certification awarded by the Aquaculture Stewardship Council (ASC) and the Marine Stewardship Council (MSC) for seafood produced through sustainable aquaculture and fishing practices.

2) Target based on Pulmuone Foods’ revenue.

Sustainable Products

Expansion of Sustainable Foods and Sustainable Diet

Sustainable Foods

Pulmuone's Sustainable Food System

| | |
|-------------------|--|
| <p>Plant 100%</p> | <p>Plant-Based Foods</p> <p>Foods made entirely from plant-based ingredients, in which animal-based components are replaced with plant-based alternatives and advanced technology is applied to enhance nutritional value.</p> |
| | <p>Plant-Forward FRM</p> <p>FRMs that primarily feature plant-based ingredients while including limited animal-based components. The type and amount of animal-based ingredients are strictly controlled, with a progressive shift toward certified animal welfare sources.</p> |
| | <p>Animal Welfare Foods</p> <p>Products made using animal welfare-certified meat, poultry, and eggs as main ingredients, with ongoing efforts to gradually reduce the use of high carbon-emission animal-based ingredients.</p> |
| | <p>Sustainable Seafoods</p> <p>Products that use ASC-MSC-certified fish and seafood as primary ingredients, offering certified raw materials, primary processed products, and FRM options.</p> |
| | <p>Sustainable Health Foods</p> <p>Health foods made exclusively from plant-derived ingredients that provide functional benefits, offering positive impacts for both people and the planet.</p> |
| | |

Pulmuone's Flagship Sustainable Food Brand: Jigusikdan

Jigusikdan is our first sustainable food brand. Since its launch in August 2022, it has grown into Korea's leading brand for plant-based and plant-forward FRM solutions.

Leveraging Pulmuone's technical expertise, the brand has expanded its portfolio to include plant-based alternative meats such as Luncheon Meat and plant-based ice cream Planto, nutritionally focused products like Dubu Myeon (Tofu Noodles) and Silky Duyu Myeon (Soy Milk Noodles), as well as plant-forward FRMs such as Isul Mandu and Burrito. This diverse range meets the needs of a wide spectrum of consumers—from strict vegans and flexitarians exploring plant-based eating, to millennials and Gen Z pursuing a more sustainable, value-driven lifestyle.

As part of our efforts to enhance consumer engagement, we participate in various festivals where we operate promotional booths for Jigusikdan. We are also expanding our campaign initiatives, including operating pop-up stores, launching restaurants, and collaborating with popular local stores in trendy areas.

풀무원 지구식단



Meat Alternatives



Plant-Based Nutritional Food



Plant-Based & Plant-Forward Food

Sustainable Products

Expansion of Sustainable Foods and Sustainable Diet

Sustainable Diet

A sustainable diet is a meal plan and service based on the 211 Diet, which consists of vegetables, low-saturated-fat proteins, and whole grains.

Modern diets, which are often high in refined carbohydrates, are digested and absorbed quickly, causing rapid spikes in blood sugar levels and increasing the risk of obesity and chronic diseases. Pulmuone's 211 Diet is a meal method that begins with vegetables, followed by low-saturated-fat protein foods, and then whole grains, consumed slowly in that order. This approach reduces carbohydrate intake, increases dietary fiber, and ensures sufficient protein consumption, thereby enhancing satiety and helping stabilize blood sugar fluctuations.

Pulmuone is promoting sustainable eating habits by conducting clinical studies and applying sustainable foods and the nutritionally balanced 211 Diet across food service operations, restaurant businesses, Design Meal lunchbox offerings, and B2C meal kit product lines.

Ways to Practice Sustainable Diet

| | | |
|----------|-------|--|
| 211 Diet | | Each meal should meet your calorie needs and consist of vegetables, protein, and whole grains in a 2:1:1 ratio. Eat plenty of low-carb stems and leafy greens. Choose protein foods low in saturated fat, such as beans, tofu, oily fish, and eggs, along with minimally processed whole grains that are high in fiber. Whenever possible, choose sustainable food ingredients. |
| | 2:1:1 | <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>2 Fill about half of your plate with vegetables</p> </div> <div style="text-align: center;"> <p>1 Include plant-based proteins or those low in saturated fat to make up roughly one-quarter of your meal</p> </div> <div style="text-align: center;"> <p>1 Reduce refined carbohydrates and include more whole grains to make up roughly one-quarter of your meal</p> </div> </div> |
| Practice | | Adopt a reverse order of eating |
| | | Eat a Well-Rounded Diet |
| | | Opt for Mild Flavor |
| | | Eat Slowly |
| | | Break the habit of starting your meal with rice. |
| | | To ensure an adequate intake of essential nutrients and phytochemicals, eat a variety of foods, including colorful vegetables across a wide range of hues. |
| | | Eat with less salt and sugar than before, aiming for a milder flavor. Use recipes that reduce sodium and sugar, limit the salt content in soups, and serve soups in smaller bowls to help control portion sizes. |
| | | Spend at least 20 minutes on each meal and chew each bite more than 30 times. This helps prevent overeating and stabilizes blood sugar levels. |

Pulmuone Food & Culture's Healthy Day Initiative

In 2024, Pulmuone Food & Culture expanded the *Healthy Day Marketing Campaign* based on the nutritionally balanced 211 Diet. The initiative was held once a week at 346 business and office dining locations, including six sites using the Wonder-Pul app¹⁾, serving a total of 224,000 meals during the year. Reviews collected via the app showed an average satisfaction score of 4.56 out of 5 (91%), which was comparable to the app's overall menu rating of 4.53 (90.6%). Starting in 2025, Pulmuone plans to further strengthen its marketing by promoting a reverse eating order and increasing the use of plant-based ingredients, supporting both health and sustainability. As part of this effort, a quiz event introducing the nutritionally balanced 211 Diet was held at selected Wonder-Pul business sites at the end of 2024.

1) Wonder-Pul is Pulmuone Food & Culture's mobile app designed to explore consumer needs and support better eating habits. The name combines "Wonder" (curiosity) and "Pul" (from Pulmuone).

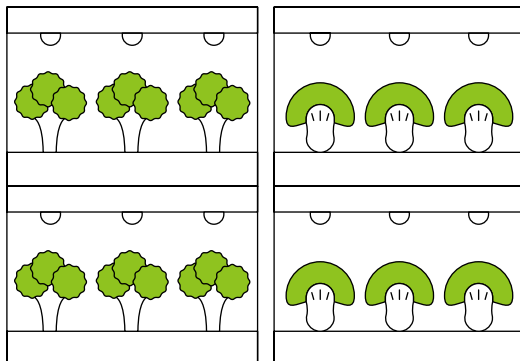
Sustainable Raw Materials

Sustainable Raw Material Policy

Pulmuone promotes a Sustainable Raw Material Policy¹⁾ grounded in the principles of social, environmental, and ethical responsibility across the supply chain. We are gradually increasing the use of sustainable raw materials and enhancing transparency by publicly sharing ingredient information and strengthening traceability. These efforts not only build trust with customers but also help farms and contracted suppliers within the Pulmuone supply chain meet their social, environmental, and ethical obligations.

As part of our efforts, we have identified key raw materials based on their prevalence in our main products and purchase volume. Building on this, we are establishing the scope and criteria for managing sustainability certifications for these materials. We are gradually increasing the proportion of plant-based and animal welfare-certified ingredients in our products and will continue to expand the use of certified sustainable ingredients. In addition, we have been operating our own traceability system since 2006 to systematically manage raw material information, and we are preparing to develop a supply chain data management system in collaboration with domestic food companies.

1) Our Sustainable Raw Materials Policy applies to Pulmuone and our domestic and international subsidiaries. We encourage all raw material-supplying farms and secondary suppliers to voluntarily participate in and comply with this policy.



Strengthening Sustainable Sourcing and Traceability

Sustainable Sourcing

Strengthening Sustainability in Raw Material Sourcing

To ensure a more sustainable supply of raw materials, Pulmuone is developing smart farming technologies for crops with high carbon emissions or significant energy requirements. While smart farming is gaining attention as a solution for maintaining stable crop production amid increasingly erratic weather conditions caused by climate change, it has been considered less profitable due to high initial investment costs and labor-intensive processes. To address these challenges, Pulmuone is integrating automated robotics-similar to those used in Amazon's logistics centers-into smart farms to increase productivity per unit area and reduce labor costs by replacing repetitive manual tasks.

We plan to share the robotic smart farm technology we have developed with local farmers through collaborations with local governments. Crops grown in these farms will be used directly in our products, helping strengthen the sustainability of our ingredient supply. In addition, we plan to apply biochar²⁾, a unique carbon storage method in agriculture, to the production of our key raw materials.

2) Biochar is a charcoal-like substance produced by pyrolyzing biomass at high temperatures under limited oxygen conditions. Known for its ability to sequester carbon and enhance nutrient use efficiency, it is increasingly recognized as a key contributor to achieving agricultural carbon neutrality.

Expanding the Use of Sustainably Certified Ingredients

Pulmuone verifies sustainability certifications when sourcing raw materials. Sustainability certification refers to recognition granted by domestic and international governments or accredited third-party organizations, based on relevant laws and global standards, to assess the environmental impact and safety of raw materials. We consider sustainability and eco-friendliness from the contracting and purchasing stages, requiring raw material producers with relevant certifications to submit the corresponding documents. We are working to increase the proportion of certified ingredients, particularly among key raw materials, and plan to gradually expand the scope of management, starting with direct sourcing. In 2024, product-level reference data was established to expand the use of certified raw materials. This year, Pulmuone plans to define standards for responsible sourcing through the establishment of formal regulations.

Sustainable Raw Materials

Strengthening Sustainable Sourcing and Traceability

Sustainable Sourcing

Status of Raw Materials with Sustainability Certification

| Category | Certification Type | Certifying Body | Category | Certification Type | Certifying Body |
|-------------|----------------------------------|---|--------------|--------------------|---|
| Plant-based | Organic | Ministry of Agriculture, Food and Rural Affairs | Animal-based | Non-Antibiotic | Ministry of Agriculture, Food and Rural Affairs |
| | Non-Pesticide | Ministry of Agriculture, Food and Rural Affairs | | Organic Livestock | Ministry of Agriculture, Food and Rural Affairs |
| | GAP (Good Agricultural Practice) | Ministry of Agriculture, Food and Rural Affairs | | Animal Welfare | Ministry of Agriculture, Food and Rural Affairs |
| | Non-GMO | Third-Party Certification Body | | ASC Certification | Third-Party Certification Body |

Proportion of Raw Materials with Sustainability Certification¹⁾

(Unit: %)

| Category | 2023 | 2024 | |
|--------------------------------|--------|------|------|
| Soy ²⁾ | 30.8 | 32.9 | |
| Cereal ³⁾ | 32.8 | 33.1 | |
| Livestock Products | Cattle | 12.2 | 12.1 |
| | Swine | 19.2 | 22.4 |
| Poultry Products ⁴⁾ | 84.1 | 97.4 | |
| Aquaculture Products (Seaweed) | 9.4 | 8.8 | |

1) Pulmuone does not directly source or produce palm oil, cocoa, coffee, cotton, or tobacco.
 2) Includes soybean sprouts, mung beans, white beans, and others.
 3) Includes rice, wheat flour, and corn (starch and starch syrup).
 4) Includes chicken meat and eggs.

Link to Animal Welfare Livestock Farm Certification Procedure by the Animal and Plant Quarantine Agency ▶



Pulmuone's Animal Welfare Principles

Since becoming the first company in the Korean food industry to introduce the concept of animal welfare in 2007, Pulmuone has been working closely with our suppliers to build a strong foundation for animal welfare. To this end, we have established principles for animal welfare and the production of safe livestock products, and we operate a management system to ensure that these principles are consistently applied across the entire value chain. We regularly check the animal welfare certifications⁵⁾ of our supplier farms and conduct on-site visits—including internal audits—to ensure compliance. As part of our commitment to transition 100% of our egg purchases to cage-free and free-range eggs by 2028, we support poultry farmers who wish to build European-style open housing systems, contributing to the creation of a more sustainable livestock farming environment.



Freedom from hunger and thirst



Freedom from discomfort



Freedom from pain, injury, or disease



Freedom to express normal behavior



Freedom from fear and distress

5 Freedoms of Animal Welfare



Preventing antibiotics



Preventing growth promoters or other hormones



Printing laying-date



Preventing genetically modified and cloned animals

Principles of Safe Livestock Products

5) The Animal and Plant Quarantine Agency regularly checks whether certified farms continue to meet animal welfare standards, conducting follow-up inspections at least once a year.

Sustainable Raw Materials

Strengthening Sustainable Sourcing and Traceability

Sustainable Sourcing

Operation of Food Traceability System

Since the introduction of the Production History Information System for organic tofu and bean sprouts in 2006 under the principles of Authentic Wholesome Foods, a first for Korea, we have been steadily expanding the scope of its application. In 2021, we launched a mobile version of the system, enabling consumers to easily access details via QR codes on product packaging. The system currently provides information on production processes and product specifications, along with practical recipes for soybean tofu, organic tofu, seaweed (Noeul Haesim), eggs, and water.

Building a Blockchain-Based Digital Trust Ecosystem in the Food Industry

Pulmuone is continuously working with domestic food companies to establish a Digital Trust Ecosystem (DTE) aimed at enhancing the transparency and reliability of the entire food supply chain. The DTE leverages blockchain-based decentralized technology to enable all supply chain participants to transparently manage food safety-related data without the risk of tampering. It also allows SME suppliers to easily manage and share data on a shared platform, helping to improve overall trust in industry data.

In 2024, we hosted an informational session to strengthen public-private collaboration. As a result, two public institutions—the Korea Agency of HACCP Accreditation and Services and the Korea Food Research Institute—and eight suppliers of raw, semi-finished, and finished products confirmed their participation. The DTE Project was selected by the Ministry of Science and ICT as a supported initiative titled 'Digital Blockchain Traceability Platform for Food Safety and Mutual Growth.' The project aims to build a minimum viable ecosystem and conduct pilot tests in 2025. Moving forward, Pulmuone aims to lead innovation in the food industry's digital trust infrastructure by expanding participation from institutions and companies, advancing technology, and refining operational systems.

Supporting Sustainable Agriculture and Fisheries

Pulmuone's Sustainable Raw Material Policy is applied across the entire organization, including its domestic and international subsidiaries. We encourage all farms and secondary suppliers that provide raw materials to comply with this policy, and we operate various support programs to facilitate compliance.

Minimizing Environmental Impact

We encourage farmers to reduce their environmental footprint during the cultivation stage and support efforts to cut GHG emissions by using less energy.

Expanding GAP¹⁾-Certified Infrastructure to Improve Crop Residues

As part of our Low Input Sustainable Agriculture (LISA) practices, we are increasing the purchase and retail of GAP-certified agricultural products and are committed to expanding the GAP-certified agricultural supply infrastructure. Since participating in a pilot *GAP Certification Project* in 2006, Foodmerce, our food material distribution subsidiary, has expanded its lineup of certified products to 14.

To ensure ongoing compliance and safety, the Food Safety Team at the Pulmuone Institute of Technology—qualified as a GAP certification assessor—conducts annual on-site inspections at farms. These visits assess hygiene and sanitation practices, compliance with the Positive List System (PLS), and the safe use of pesticides. The team also performs safety evaluations in accordance with GAP standards.

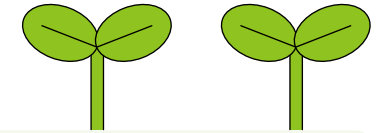
Since 2016, we have been providing our in-house developed GAP Farm Journal app free of charge to production farms. Designed with standardized templates and based on public data, the app enables producers to manage their production records in real time with ease. The app has been recognized for its effectiveness, receiving the Silver Award at the 2023 GAP Best Practice Contest and the Excellence Award at the Startup Competition for the Use of Agricultural and Public Big Data organized by the Ministry of Agriculture, Food and Rural Affairs.

1) A certification system that manages the agricultural environment and monitors harmful residues in soil and water, covering the entire process from the production of agricultural products to post-harvest management and distribution.

Sustainable Raw Materials

Strengthening Sustainable Sourcing and Traceability

Sustainable Sourcing



Supporting Sustainable Agriculture and Fisheries

Minimizing Environmental Impact

Implementation of Training Programs for Sprout Soybean Farmers

Pulmuone provides training for sprout soybean farmers on Pulmuone's cultivation processes and quality standards, stable cultivation techniques for high-yield and high-quality production, and safe pesticide use.

Improving Water Use Efficiency

For farming areas with high water risk, we support local farmers in improving water efficiency by providing access to water-saving technologies and offering increased financial assistance.

Implementation of Water Resource Risk Assessments at Raw Material Production Sites

We conduct assessments of tofu bean, sprout soybean, and natto bean sources in Korea and other countries using the WWF Water Risk tools. These assessments analyze risks related to water availability, quality, regulations, and reputation in each country to identify appropriate mitigation measures.

Protection of Soil Conditions

Expansion of Organic Fertilizer Use

Pulmuone Green Juice sources organic raw materials free from pesticides and chemical fertilizers through long-term contractual partnerships with local farms. These farms use organic-certified livestock manure, free from antibiotics, to support crop growth. In addition, the Pulmuone Institute of Technology conducts regular on-site visits to perform pesticide

residue testing and provide facility support. These efforts not only secure safe raw materials but also help maintain healthy soil ecosystems and promote sustainable agricultural practices.

Managing Biodiversity

We work closely with our raw material producers to share biodiversity-related information and prioritize sourcing certified ingredients that ensure sustainable production. This approach helps us better understand and manage the impact of our sourcing practices on the broader ecosystem.

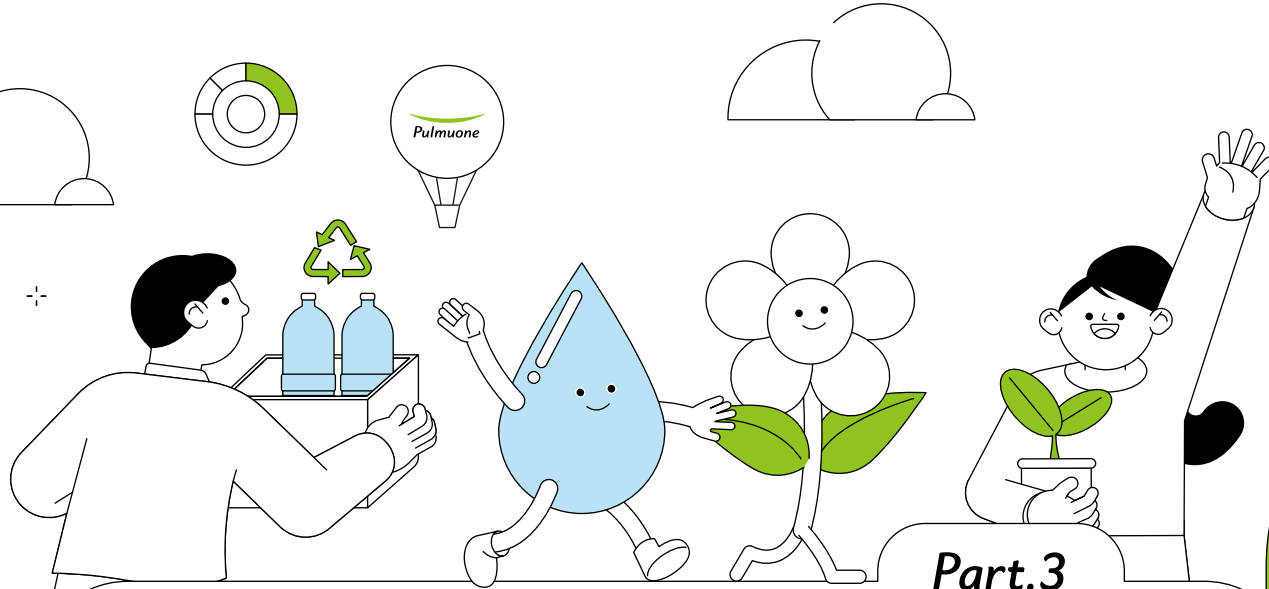
Expansion of ASC Certification

Pulmuone was the first in the world to receive ASC certification for a seaweed product with Noeul Haesim and has since expanded the ASC-certified range to include shrimp, salmon, and other products. ASC certification is awarded only to seafood that meets rigorous global standards for sustainable farming, including clean water, biodiversity protection, and local community support. We are committed to minimizing our impact on the marine ecosystem by analyzing marine biology and developing manuals on endangered species near Buan-gun, Jeollabuk-do, where the Noeul Haesim farm is located.

Implementation of Biodiversity Risk Assessments

We actively conduct natural capital and biodiversity risk assessments on key suppliers and production areas using the WWF Risk Filter tools. In areas identified as high risk, we plan to strengthen biodiversity management practices to protect local ecosystems.

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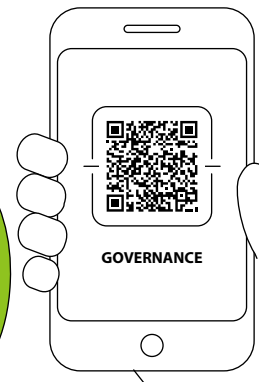
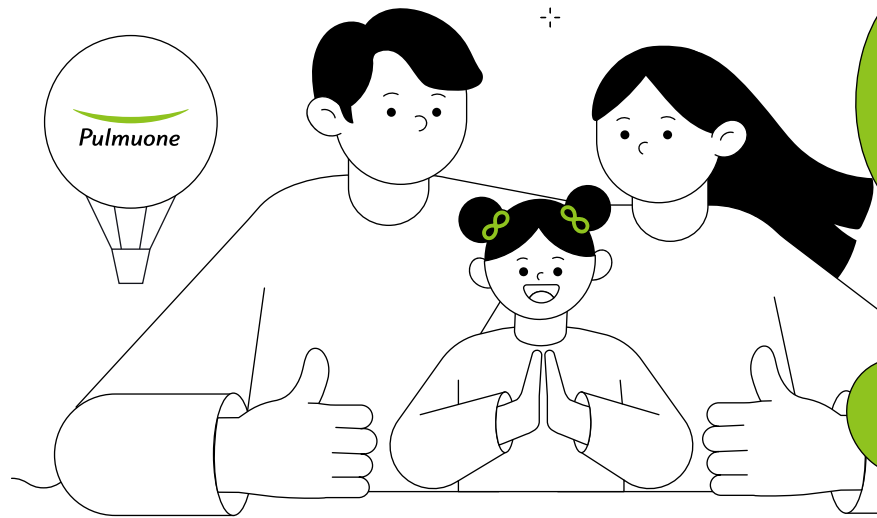


G

ESG Fundamentals

Part.3

S



| | |
|---------------|-----|
| <i>Part.3</i> | |
| Environmental | 039 |
| Social | 067 |
| Governance | 109 |





Environmental



Environmental Management Framework

Environmental Management System

We maintain an environmental management system certified under ISO 14001, the global standard for environmental management systems, and ISO 45001, the global standard for health and safety management systems. Both standards, established by the International Organization for Standardization (ISO), provide guidelines for corporate operations, including management systems, production, and services in the areas of environment, safety, and health (ESH).

The pathways and quantities of air pollutants, toxic chemicals, and waste generated by operations are regularly monitored, with associated risks managed by the Integrated Steering Committee. Emission control has also been systematized by expanding environmental management facilities, implementing continuous improvement activities, and incorporating environmental metrics into performance indicators for evaluating business units.

ISO 14001 certification was obtained for Pulmuone's manufacturing and logistics subsidiaries and the Pulmuone Institute of Technology in 2015, followed by ISO 45001 certification in 2018, both of which have been maintained to date. As of 2024, a total of 18¹⁾ business sites (representing 58.47% of revenue²⁾), including Pulmuone Corporation, the Pulmuone Institute of Technology, and manufacturing and logistics sites, have acquired ISO 14001 certification.

- 1) Although multiple meal service sites are certified, they are consolidated under the single entity Pulmuone Food & Culture for reporting purposes.
- 2) Although the number of certified business sites increased by one from the previous year, the certification ratio declined due to the calculation method based on revenue.



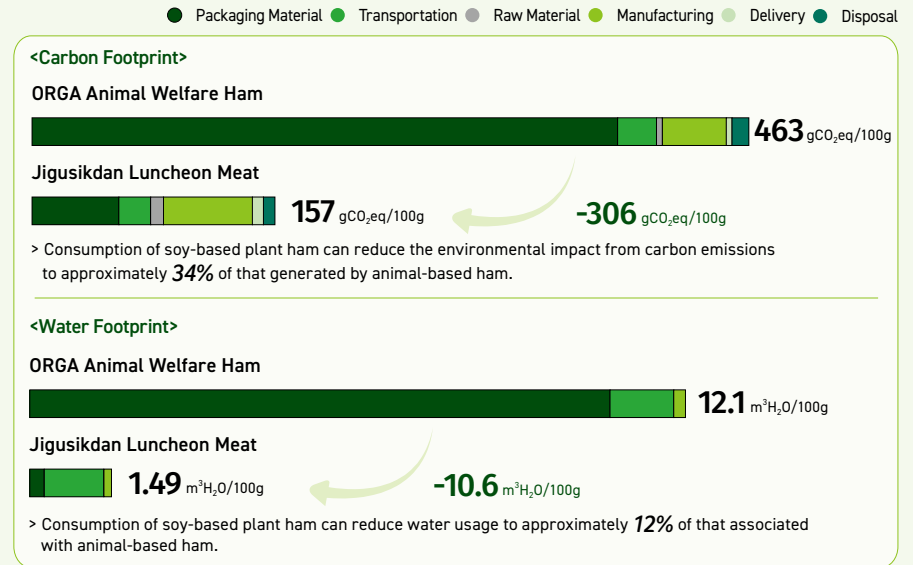
Eco-Friendly Product Certifications

Pulmuone is committed to developing environmentally friendly products and continues to pursue official certifications that objectively assess environmental impact and strengthen consumer trust.

Environmental Product Declaration Certification: Plant-Based vs. Animal-Based Ham

The Environmental Product Declaration (EPD) program quantifies and discloses the environmental impact of products throughout their entire life cycle—from raw material sourcing to production, transport, use, and disposal—to help consumers make environmentally responsible choices. In 2024, we obtained EPD certification from the Ministry of Environment for our plant-based *Luncheon Meat* product, which was found to generate only 34% of the carbon footprint and 12% of the water footprint compared with its animal-based counterpart.

Carbon and Water Footprint Comparison of Pulmuone Ham Products



Environmental Management Framework

Environmental Management System

Eco-Friendly Product Certifications

Low-Carbon Product Certification for Pulmuone Waters

Pulmuone Waters obtained low-carbon product certification from the Ministry of Environment for its 500 mL and 2 L products by adopting lightweight caps and ultra-lightweight containers as part of its ongoing efforts to reduce packaging weight. These certified products emit less carbon than the average of comparable products with EPD certification. The sales of these products in 2024 resulted in a greenhouse gas reduction of 5,226 tCO₂eq.

Pulmuone Waters' GHG Reduction Performance

| Product Name | Avoided Emissions (Unit: tCO ₂ eq) | | | Revenue Share from Low-Carbon Products ¹⁾ (Unit: %) |
|---------------------------|---|-------|-------|--|
| | 2022 | 2023 | 2024 | |
| Pulmuone Waters by Nature | 4,697 | 4,026 | 5,226 | 24.90 |

1) Data calculated based on Pulmuone Waters' 2024 revenue.



Environmental Management Strategies

In 2024, marking our 40th anniversary, we established the Eco-Caring Strategy, a comprehensive sustainable and eco-friendly management framework. The strategy encompasses two primary goals: Net Zero, which focuses on managing GHG emissions to limit global temperature rise to within 1.5°C, and Nature Positive, which aims to minimize environmental impacts by reducing water and plastic usage. This strategy applies to all products, services, and business operations, both domestic and international, and is implemented based on a Life Cycle Assessment (LCA) approach. We regularly monitor progress and update action plans to ensure continuous improvement in environmental performance.

Pulmuone's Eco-Caring Strategy

| Goal | Net Zero | Nature Positive | | |
|----------------------|--|---|---|--|
| Category | GHG Emission Reduction | Sustainable Water Resources | Zero Waste | Expansion of Sustainable Foods |
| Directions | <ul style="list-style-type: none"> Transition to sustainable energy - Expand solar power generation, convert organic waste into energy, and adopt hydrogen energy Improve energy efficiency Increase adoption of eco-friendly vehicles | <ul style="list-style-type: none"> Reduce water usage - Improve process water efficiency - Build water reuse systems Manage water pollutant discharge - Expand wastewater treatment facilities | <ul style="list-style-type: none"> Strengthen resource circulation - Utilize chemically recycled plastics (CR-PP, CR-PET) - Expand the use of mono-material films Reduce waste - Expand certification for resource circulation Reduce plastic use - Implement container lightweighting | <ul style="list-style-type: none"> Increase the proportion of plant-forward and animal welfare-certified raw materials Develop production methods for low-carbon raw materials Establish and expand a product carbon footprint calculation system Establish and expand a product carbon footprint calculation system |
| Target ²⁾ | <ul style="list-style-type: none"> Reduce GHG by 20% by 2035 Achieve Net Zero by 2050 | <ul style="list-style-type: none"> Reduce water usage by 13% by 2035 | <ul style="list-style-type: none"> Reduce plastic usage by 20% by 2035 | <ul style="list-style-type: none"> Reduce carbon footprint of sustainable foods by 50% by 2035 |

2) The targets for GHG emissions, water use, and plastic consumption are based on 2022 levels; the sustainable food carbon footprint target is based on 2024 levels.

Environmental Management Framework

Environmental Governance

Environmental Management Framework

Pulmuone has established a governance structure in which the Board of Directors serves as the highest decision-making body for environmental management. At the beginning of each year, progress, goals, and plans are reported to the Board, while the ESG Committee discusses and approves environmental policies, risks, and strategies. To facilitate implementation, Session D—a CEO council on social responsibility and environmental management—is convened twice a year. The Integrated Steering Committee, composed of the CEO and executives, meets quarterly to determine the detailed direction of the environmental management plan approved by the Board. In addition, company-wide Environment, Safety, and Health (ESH) Key Performance Indicators (KPIs) are managed by the Integrated Steering Committee to ensure goal-oriented environmental management.

Pulmuone’s Environmental Management Structure

| Category | Eco-Caring Opportunity Factors | Eco-Caring Risk Factors | Key Roles |
|-------------------|---|--------------------------------------|--|
| Committee | Strategy Committee | ESG Committee | <ul style="list-style-type: none"> Reviews strategies and risks related to Eco-Caring Makes decisions on key policies, projects, and regulations concerning Eco-Caring |
| CEO Council Body | Investment Review Committee, Session D, Integrated Steering Committee | | <ul style="list-style-type: none"> Discusses Eco-Caring issues at the company-wide level Monitors the progress of strategic implementation for Eco-Caring |
| Executive Officer | COO | | <ul style="list-style-type: none"> Implements Eco-Caring strategies and tracks progress |
| Working Group | ESH Department | Sustainability Management Department | <ul style="list-style-type: none"> Establishes strategic action plans and sets agendas for Eco-Caring Analyzes trends and monitors risks related to climate change, water resources, and waste (plastics) management |
| Business Unit | Working-level units | | <ul style="list-style-type: none"> Executes Eco-Caring initiatives Conducts self-assessments of risks associated with climate change, water resources, and waste(plastics) |

2024 Board Reports & Reviews on Environmental (Climate Change) Issues

| Date | Type | Agenda | Resolution Status |
|------------|-----------------------------------|---|-------------------|
| 2025.02.29 | First Regular Board Meeting | <ul style="list-style-type: none"> Report on environmental management¹⁾ performance and implementation plan | N/A ²⁾ |
| 2024.06.28 | Third Extraordinary Board Meeting | <ul style="list-style-type: none"> Summary of the First Regular ESG Committee Meeting | N/A |
| 2024.12.06 | Fifth Regular Board Meeting | <ul style="list-style-type: none"> Summary of the Second Regular ESG Committee Meeting | N/A |
| | | <ul style="list-style-type: none"> Summary of the Fourth Regular Strategy Committee Meeting | N/A |

1) Includes performance on Net Zero (GHG reduction) and Nature Positive (sustainable water resources, zero waste, and sustainable foods) strategies.

2) Agenda item for reporting only (voting outcome not applicable).

2024 Board Committee Reports & Reviews on Environmental (Climate Change) Issues

| Date | Type | Agenda | Resolution Status |
|------------|---|---|------------------------|
| 2024.06.20 | First Regular ESG Committee Meeting | <ul style="list-style-type: none"> Amendment of ESG Operational Regulations | Amended |
| | | <ul style="list-style-type: none"> Issuance of the Integrated Report Mandatory ESG (Environmental) disclosure and Pulmuone’s response | N/A |
| 2024.09.26 | Third Regular Strategy Committee Meeting | <ul style="list-style-type: none"> Direction for Pulmuone Institute of Technology’s food tech initiatives (future preparedness) | N/A |
| 2024.11.28 | Second Regular ESG Committee Meeting | <ul style="list-style-type: none"> Materiality assessment (draft) for 2024 Integrated Report | Conditionally Approved |
| | | <ul style="list-style-type: none"> Response to mandatory ESG information disclosure 2024 ESG management performance and 2025 plan | N/A |
| 2024.11.28 | Fourth Regular Strategy Committee Meeting | <ul style="list-style-type: none"> Definition of sustainable foods and sustainable diet | N/A |
| | | <ul style="list-style-type: none"> Performance and future plans for sustainable foods | N/A |

Environmental Management Framework

Environmental Governance

Linking Environmental Management Performance with Employee Compensation

We establish and manage environmental management targets and performance indicators, including climate change mitigation, as key performance indicators (KPIs) for management, responsible officers, and the climate change risk management department. These KPIs serve as core evaluation criteria when determining the annual salary increase for the following year. Each business division annually presents the Environment & Safety Award and the Environment & Safety Best Practice Award to employees who demonstrate outstanding performance in addressing climate change, thereby fostering active engagement. In 2024, contributions and effectiveness were evaluated based on the criteria of continuous improvement activities and scalability, with a total of 14 employees recognized.

Related Management Compensation

| KPI | Target | Type of Compensation | Compensation Ratio (reflected in evaluation) |
|---|---|----------------------|--|
| Strengthening ESG Management and Maintaining a Top-tier Position in Global ESG Ratings (with a focus on improving environmental scores) | General CEO | Monetary | 3% |
| Reducing GHG Emissions, Waste and Water Usage, and Plastic Consumption ¹⁾ | Senior executives of subsidiaries ²⁾ | Monetary | 2-4% |

1) Specific targets are set based on the characteristics of each subsidiary.
 2) Pulmuone Corporation, Pulmuone Foods, Pulmuone Food & Culture, Pulmuone Green Juice, Pulmuone Health & Living, Pulmuone Waters, Danone Pulmuone, and overseas subsidiaries in the U.S., Japan, and China.

Environmental Safety Management Incentives for Employees

| Category | Target | Criteria | Type of Compensation | Details |
|----------------------------|---|--------------------|----------------------|---|
| Environment & Safety Award | Operations & Field Management Positions | Emission reduction | Monetary | <ul style="list-style-type: none"> Annual rewards (KRW 500,000 per person) for individuals who contribute to reducing emissions from products, packaging, and business sites, or to improving safety culture |

| Category | Target | Criteria | Type of Compensation | Details |
|--|--------------|--|----------------------|---|
| Environment & Safety Best Practice Award | Team Members | Participation in eco-friendly initiatives and environmental risk identification, prevention, and response activities | Monetary | <ul style="list-style-type: none"> Occasional rewards (KRW 1 million for business sites, KRW 300,000 per person) for employees who actively participate in eco-friendly initiatives, such as climate change mitigation This includes identifying and preventing risks in advance, as well as taking prompt measures when such risks arise |



Environmental Management Framework

Eco-Friendly Investment

Assessing Environmental Risks and Opportunities During Investment Decision-Making

Pulmuone identifies priority areas for GHG reduction (Scope 1 and Scope 2) and operates an internal carbon pricing system to quantitatively evaluate the economic feasibility and ESG impact of low-carbon investments. For each proposed investment, we estimate the potential change in emissions and the associated costs, using this data to assess the carbon impact during the review process. This approach enables early identification of potential environmental risks and opportunities, ensuring that investment decisions are aligned with our sustainability goals.

Internal Carbon Pricing System

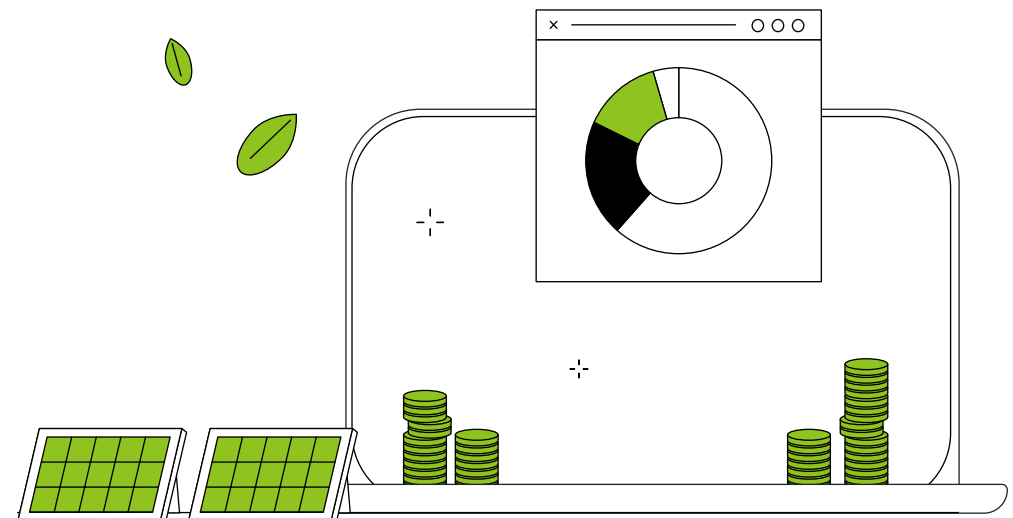
| Category | Details |
|-------------------------|--|
| Purpose | <ul style="list-style-type: none"> Preliminary economic assessment of low-carbon investments Quantification of ESG impact Determining priorities for GHG reduction |
| Scope of Application | <ul style="list-style-type: none"> Investments aimed at reducing Scope 1 and Scope 2 emissions Investments in new facilities or factories |
| Calculation Method | <ul style="list-style-type: none"> Based on the Marginal Abatement Cost (MAC, shadow pricing) and planned emission reduction investments through 2027 Anticipated required investment ÷ Reduction volume (tCO₂eq), discounted to present value * Discount rates applied: 10%, 12% |
| Price Level | <ul style="list-style-type: none"> KRW 117,000 / tCO₂eq (at 10% discount rate) KRW 115,000 / tCO₂eq (at 12% discount rate) |
| Monitoring & Evaluation | <ul style="list-style-type: none"> Regular monitoring: Implement a reporting system to track reduction performance and costs Cost-efficiency evaluation: Compare the unit cost of reductions by activity Incorporation of external data: Utilize carbon credit market prices, policies, and industry benchmarks |

What is Internal Carbon Pricing?

Internal carbon pricing is a tool we use to manage GHG emissions (Scope 1 and Scope 2) from our business sites. It entails assigning an estimated carbon cost to each site in advance and applying this cost during investment review processes. Our internal carbon price is determined based on the anticipated investment costs required for future GHG reductions, reflecting the present value of those costs.

Implementation of Eco-Friendly Investments

In 2024, we expanded our renewable energy initiatives by installing solar and small-scale hydropower systems with a total capacity of 276.1 kW at our domestic manufacturing sites and the Pulmuone Institute of Technology. The total investment amounted to KRW 350 million, and these systems are now operational. Additionally, we invested approximately KRW 400 million at our manufacturing sites in Japan to replace boiler fuel from heavy oil to LPG, as part of our transition to cleaner, more sustainable energy sources.



Environmental Management Framework

Environmental Management Training

To fulfill the mission of 'Creating a Healthier Tomorrow for People and the Planet through Authentic Wholesome Foods,' Pulmuone provides lifestyle training for employees at the Pulmuone Academy in Goesan, Chungcheongbuk-do.

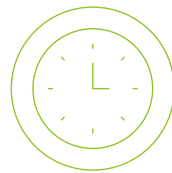
The program is designed to help employees understand our mission, strategies, and core values, and to put them into practice. It focuses on five key lifestyle habits: dietary, physical, emotional, environmental, and learning.

In 2024, to strengthen environmental habits, we conducted sessions on the impact of plastic pollution, ways to reduce plastic in daily life, and a hands-on workshop on making EM soap¹⁾. A total of 280 employees participated, enhancing their awareness of sustainable living and laying the foundation for long-term action.

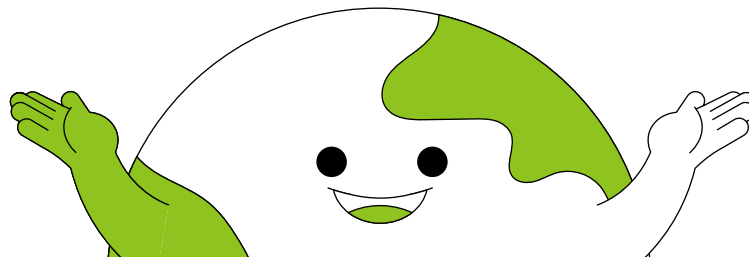
1) An eco-friendly soap made using effective microorganisms (EM) that helps improve environmental conditions.



Participants: **280** employees



Training Hours: **420** hours



Compliance with Environmental Laws and Regulations

As part of our ESH risk management efforts, we have established policies, regulations, procedures, and standards, embedding them into our organizational culture to achieve outcomes that go beyond legal requirements.

The Energy & Environmental Planning Team, ESG Management Team, and Legal Team work in close collaboration to continuously monitor ESH-related laws and regulations. We conduct both regular and ad hoc compliance reviews at domestic and overseas business sites. When new regulatory risks are identified, the Crisis Management Committee or Integrated Steering Committee promptly update relevant policies and regulations to mitigate potential risks.

Joining Environmental Initiatives

We actively respond to information disclosure requests from the Carbon Disclosure Project (CDP), a global nonprofit organization, to enhance transparency and credibility in our climate change mitigation efforts. CDP is an international initiative that evaluates and discloses GHG emissions, reduction plans, and climate risk response strategies for companies and cities worldwide. We participate in both the Climate Change and Water Security programs of CDP, systematically calculating our total GHG emissions (Scope 1, 2, and 3) and transparently reporting on reduction targets and progress. Through our participation, we strengthen climate risk management capabilities and foster trust-based ESG communication with global investors and stakeholders. As part of these efforts, we also implement Net Zero strategies, such as conducting LCA-based carbon emissions calculations and expanding the transition to renewable energy.

In addition, we participate in PACT, a plastic action initiative led by the global environmental organization WWF, to reduce plastic use and promote the transition to a circular economy. Through our participation in PACT, we are increasing the proportion of r-PET recycled material in beverage containers, expanding lightweight packaging and label-free products, and converting plastic trays to paper-based trays, thereby contributing to the development of eco-friendly products and the establishment of a circular plastic system.

Response to Climate Change



Governance

Roles of the Highest Decision-Making Body

Recognizing the critical importance of climate change response to sustainable management, we have established a company-wide system for overseeing climate-related risks, led by the Board of Directors. The Board reviews climate-related issues both on a regular basis and as needed. Detailed matters are managed by the ESG Committee, while issues closely tied to business operations are addressed by the Strategy Committee. The ESG Committee supports the ongoing execution of our climate strategy by approving environmental policies, monitoring major climate risks and opportunities, reviewing key risk assessments, setting and approving climate goals and strategies, and tracking progress toward these goals. The Strategy Committee reviews sustainable business strategies and major investment decisions.

Roles of Board Committees in Climate Change Response

| Category | ESG Committee | Strategy Committee |
|-----------|--|---|
| Approvals | <ul style="list-style-type: none"> Environmental policies Climate change response and adaptation strategies and targets | - |
| Reports | <ul style="list-style-type: none"> GHG emissions monitoring results Scenario analysis results Climate-related risks and opportunities Key items related to disclosures | <ul style="list-style-type: none"> Annual internal carbon price Business execution plans for identified opportunities |

Composition of the ESG Committee

The ESG Committee is composed of four independent directors who bring diverse expertise from industry, academia, finance, and public institutions to guide Pulmuone's sustainable management strategies. The committee is structured to oversee all aspects of ESG comprehensively, including climate change mitigation and adaptation, by leveraging each director's specialized knowledge in areas such as ESG, environment, information security, and risk management.

Pulmuone plans the composition of board candidates and committees based on the 'Board Skill Matrix,' ensuring that the ESG Committee includes directors with expertise in ESG and environmental matters. The committee is restructured annually at the first board meeting following the shareholders' meeting, taking into account each director's area of expertise. In addition, independent directors participate in at least one training session each year to enhance their climate-related competencies.

Climate Change Capacity-Building Training for the Board of Directors

| Date | Title | Details |
|------------|---------------------------------|--|
| 2024.10.31 | Key ESG Trends and Implications | <ul style="list-style-type: none"> Trends in mandatory climate disclosure Climate risks and GHG emissions Proposed measures to mitigate climate risks |

Assistance Provided to the ESG Committee

The ESG Committee receives reports at least twice a year from the Sustainability Office, which serves as the secretariat, and the ESH office, which is responsible for implementing climate change initiatives, to manage and oversee climate-related risks and opportunities. To ensure the committee has sufficient time to review the agenda, pre-meeting reports are provided at least one week in advance, with additional materials supplied as needed to enhance understanding. In addition, the ESG Committee may, when necessary, seek external expert advice at the company's expense, as stipulated in the regulations of the Board of Directors and the ESG Committee.

Roles of the Management

Pulmuone's management plays a central role in integrating climate response into overall business strategy. Reduction plans are established and regularly updated to achieve the net zero target, with internal carbon pricing leveraged to support financially informed decision-making. From a company-wide perspective, initiatives include improving energy efficiency and expanding renewable energy, with implementation progress monitored on a regular basis. In addition, GHG reduction is driven through product and process innovation, while communication strategies are managed to effectively convey actions to consumers and the market.

All these efforts are reviewed twice a year at Session D¹⁾, one of the CEO council bodies, while the Integrated Steering Committee²⁾ oversees GHG emissions management and reviews performance four times a year. To better prepare for climate risks related to new facility or plant construction, the Investment Review Committee conducts advance reviews, thereby strengthening our company-wide climate response system.

1) Session D is chaired by the General CEO, who oversees Pulmuone's overall management, with participation from the heads of each business division, ESG management executives, and ESH management executives.
 2) The committee, chaired by the Director of the Integrated Steering Center (a senior-level executive), includes senior executives from each manufacturing division.

Response to Climate Change



Governance

Roles of the Highest Decision-Making Body

Management of Climate Change-Related Risks and Opportunities

Pulmuone's management recognizes climate change as a critical business issue and systematically manages its related risks and opportunities. In 2024, we revised our Environmental Safety Management Policy by dividing it into two separate policies: Environmental Management and Safety Management. The new Environmental Management Policy provides clear guidance on responding to climate change and has been formally communicated across the company. We also continue to highlight climate change issues in key management messages and internal communications.

The entire process—from goal setting and strategy implementation to performance monitoring—is regularly overseen by management, with the ESH Office taking the lead in execution. Major risks that could affect goal achievement are proactively identified and assessed by each business division, and response plans are established based on internal and external conditions to ensure effective implementation.

Strategy

Climate Change Scenario Analysis

To guide our strategic decisions toward reaching the Net Zero target by 2050, we carried out a climate change scenario analysis in 2023. This analysis looked ahead to the years 2025, 2030, 2040, and 2050, covering both our entire organization and the main areas where we source raw materials.

The key scenarios used in the analysis are the transition scenarios (1.5°C and 3°C pathways) proposed by the Network for Greening the Financial System (NGFS), and the Representative Concentration Pathways (RCP) scenarios from the Intergovernmental Panel on Climate Change (IPCC). Among the six NGFS scenarios, we primarily focused on the Orderly Net Zero 2050¹⁾ scenario, as it closely aligns with national policy directions. The RCP scenarios were applied to quantitatively assess physical risks, based on the correlation between GHG concentrations and temperature increases.

1) According to the NGFS analysis, the estimated physical loss costs under the 1.5°C and 3°C pathways were approximately KRW 48.2 billion and KRW 74.6 billion, respectively.

Key Assumptions of Scenario Analysis

| Category | Details |
|------------------|--|
| Policy | <ul style="list-style-type: none"> Accelerated decarbonization in industry and transition sectors to achieve the national Net Zero target by 2050 <ul style="list-style-type: none"> Strengthened GHG emission regulations for companies are anticipated (e.g., expansion of Emissions Trading Scheme or Target Management Scheme), but Pulmuone is expected to be exempt due to its relatively low emissions Relaxation of market regulations for voluntary participation in Emissions Trading Scheme is anticipated (e.g., external reduction projects) Introduction of new regulations on energy use and resource circulation <ul style="list-style-type: none"> Introduction of new regulations on energy use and resource circulation Expansion of incentives for renewable energy <ul style="list-style-type: none"> Strengthening of support systems for renewable energy and energy efficiency improvement projects is anticipated Implementation of strategies to build a hydrogen economy <ul style="list-style-type: none"> Mid- to long-term cluster plans for hydrogen supply, distribution, and utilization are anticipated |
| Energy Market | <ul style="list-style-type: none"> Levelized cost of energy (LCOE) for renewable energy outlook: Rapid decline from 2027 to 2030, followed by a gradual decrease until 2050 <ul style="list-style-type: none"> Solar power (Unit: KRW/kWh): (2022) 138.6, (2030) 102.4, (2035) 89.3, (2040) 79.3 Fuel cell (Unit: KRW/kWh): (2022) 197.3, (2030) 173.0, (2035) 166.9, (2040) 151.9 Domestic hydrogen price (Unit: KRW/kg): (2022) 6,000, (2030) 4,000, (2040) 3,000 Price gap between power purchase cost and PPA cost (Unit: KRW/kg): (2024) 10, (2030) 11.1, (2035) 10.1, (2040) 3.7 |
| Macroeconomics | <ul style="list-style-type: none"> [IEA] Global GDP growth outlook (Unit: %): (2010-2022) 3.0, (2022-2030) 3.0, (2030-2050) 2.5 |
| Country & Region | <ul style="list-style-type: none"> [MSCI] Analysis regions set based on domestic city and county units, focusing on Pulmuone's manufacturing and logistics sites [NGFS] Net Zero 2050 scenario |
| Energy Mix | <ul style="list-style-type: none"> Achieving targets outlined in the National Carbon Neutrality and Green Growth Basic Plan 10th Basic Plan for Electricity Supply and Demand |

Response to Climate Change



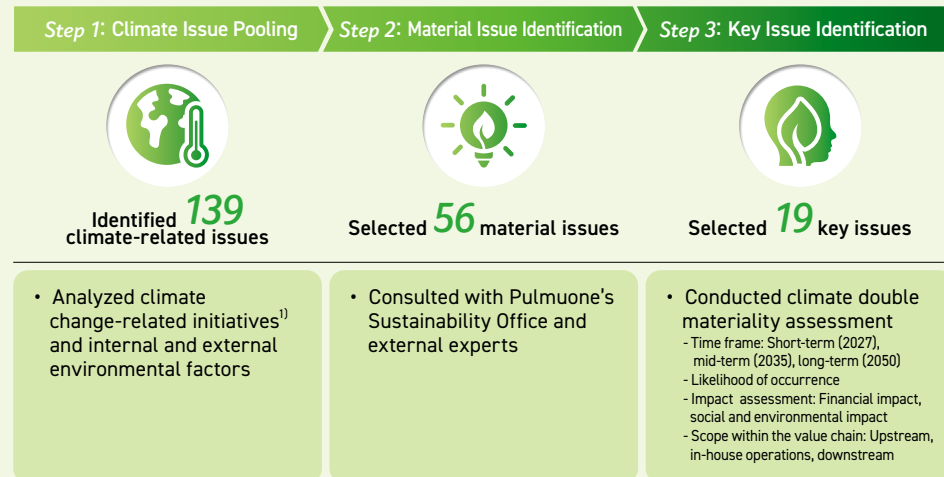
Strategy

Identifying Climate Change-Related Risks and Opportunities

Pulmuone identifies climate-related risks and opportunities that are reasonably expected to impact our business outlook, managing a total of 139 items as a long list. Every year, we update this list based on the implementation guidelines of IFRS S2, SASB indicators, and the MSCI Climate Value at Risk (VaR) tool. We also incorporate global trends, industry insights, and expert opinions both within and outside our company. From this long list, key risks are prioritized and consolidated into a short list for focused management.

Climate materiality assessments classify the scope of impact for key risks into upstream, in-house operations, and downstream. These assessments are conducted from short-, mid-, and long-term perspectives, considering the likelihood of occurrence, financial impact, and social and environmental impact. The principle of double materiality is applied, and assessments are conducted biennially.

Climate Materiality Assessment Process



1) Implementation guidelines of IFRS S2, SASB, and MSCI Climate VaR

Decision-Making Time Frame

To develop a well-structured climate strategy, we assess the impact of climate-related risks and opportunities by categorizing them into short-term (2027), mid-term (2035), and long-term (2050) periods. These categories are not merely based on timelines—they reflect our strategic decision-making framework, which incorporates major investment plans, the energy transition roadmap, external environmental analysis, and the national GHG reduction targets (Nationally Determined Contribution; NDC).

In the short term, we aim to strengthen our internal reduction capacity by improving energy efficiency and expanding solar energy infrastructure. By 2035, we plan to advance a structural transition through scaling up renewable energy use and commercializing green hydrogen. In the long term, we will continue enhancing our reduction strategies to remain aligned with the global Net Zero target.

Impact of Climate-Related Risks and Opportunities on Our Business Model and Value Chain

Pulmuone is a comprehensive food company generating revenue across multiple sectors of the food industry. The core businesses of its consolidated subsidiaries focus on domestic food manufacturing, distribution, and related services. Our major revenue streams come from the production and sale of home meal replacements (HMRs), plant-based protein products, eco-friendly foods, and fresh food items, with the majority of manufacturing facilities and logistics infrastructure located in Korea. We source key raw materials globally, including from the United States, China, Canada, and Türkiye.

Considering Pulmuone's business structure and value chain, climate change affects both the company and its entire value chain through uncertainties in raw material supply sources and timing, rising energy costs, and changes in climate-related regulations. These impacts are expected to intensify in the future.

Mitigating Disruptions and Volatility in Raw Material Sourcing

Abnormal temperatures and shifting rainfall patterns caused by climate change are already affecting the stability and productivity of crops, livestock, and seafood. Key raw materials such as soybeans, cabbage, and seafood are particularly sensitive to these changes. As a result, we face tangible risks, including delayed cultivation periods, reduced yields, and rising raw material costs.

Response to Climate Change



Strategy

Impact of Climate-Related Risks and Opportunities on Our Business Model and Value Chain

For certain items, annual losses are estimated at approximately KRW 40 million, potentially resulting in inventory write-downs and sales disruptions. To mitigate these risks, we are implementing strategies such as diversifying our supply chain and adopting smart farming technologies, which also serve to enhance long-term competitiveness and create new revenue opportunities.

In the future, company-wide emissions may increase due to production expansion, new production lines, or mergers and acquisitions. In the medium to long term, there is a possibility that Pulmuone as a whole may be brought under greenhouse-gas-related laws and regulations, should such requirements be further strengthened. In addition, the introduction of new schemes in Korea—such as a Renewable Energy Use Recognition Scheme—is expected to entail financial implications.

Rising Energy Costs

With the increasing frequency and intensity of extreme weather events, such as heatwaves and cold snaps, our manufacturing facilities are using more energy to maintain stable temperature and humidity levels. This has resulted in higher electricity and fuel expenses, contributing to an increase in the cost of goods sold. Given that temperature control is critical to preserving food quality and safety—particularly in food manufacturing—rising energy costs are recognized as an unavoidable financial risk.

Rising Facility and Infrastructure Costs in Supply Chain and Logistics Management

Extreme weather and shifting rainfall patterns are impacting not only raw material sourcing but also our logistics operations. Delays caused by flooding, road washouts, and other disruptions—along with the need to ensure the safety of storage facilities—have become critical business continuity concerns. Consequently, investments to strengthen risk response capabilities at logistics hubs, reinforce infrastructure, and implement smart logistics systems have become unavoidable. These measures increase logistics operating costs and entail a significant CAPEX burden at the time of investment.

Expansion of Investments in Renewable Energy

A core strategy for achieving Net Zero emissions in Scope 1 and Scope 2 by 2045 is to expand investment in renewable energy. In the short term, we are installing solar power systems, while in the medium to long term, we plan to adopt power purchase agreements (PPAs) and introduce hydrogen energy. Although these initiatives may temporarily increase capital expenditures (CAPEX) and depreciation costs, we expect them to reduce operational expenditures (OPEX) and improve cash flow over the medium to long term through lower energy costs.

Employee Health and Safety-Related Risks

Increasingly frequent extreme weather events—such as heatwaves, cold snaps, and typhoons—driven by climate change are heightening health and safety risks for employees at our manufacturing sites. Extended working hours, exposure to extreme temperature environments, and other factors reduce worker efficiency and raise the likelihood of industrial accidents. Consequently, there is a growing need to increase manpower and upgrade facilities to strengthen industrial safety management. Investments in enhanced heating, ventilation, and air conditioning (HVAC) systems, as well as in expanded safety infrastructure, could lead to higher facility and maintenance costs in the future.

Increasing Costs for Regulatory Compliance

Currently, Pulmuone does not face direct financial risks from GHG regulations. All business sites, including those of our consolidated subsidiaries, emit less than 15,000 tons of GHG annually, placing them outside the scope of the Emissions Trading Scheme and the Target Management Scheme. However, PPEC Eumseong Fresh Noodle, a subsidiary of Pulmuone Foods, may fall under the Target Management Scheme in the short term due to the expansion of its third plant and the resulting increase in production capacity.

Growing Climate Change-Related Investment Costs

As climate change risks continue to affect our entire value chain, we are strengthening internal management efforts to build and operate a company-wide response system. Initiatives include upgrading systems to integrate ESG practices, establishing internal carbon accounting frameworks, providing employee training, and developing response toolkits. These efforts require additional investments in personnel and budget, resulting in higher fixed costs and an ongoing need to allocate resources for ESG disclosures and certification compliance.

Response to Climate Change



Strategy and Decision-Making

We are shifting our focus toward sustainable foods and diets to capture opportunities driven by increasing consumer preference for eco-friendly products and market growth. To this end, we are diversifying our product portfolio and strengthening brand awareness in the marketplace. To address risks associated with unstable raw material supplies, we are broadening our sourcing channels and promoting the development of climate-resilient agricultural technologies, such as smart farming and onshore seaweed farming. We are also increasing the use of certified sustainable raw materials. In 2023, we developed our Net Zero Strategy to address rising energy costs and tightening climate-related regulations. The Board of Directors and ESG Committee approved our targets, reduction portfolio, and roadmap.

* For details on our sustainable foods, diets, and raw material strategies, see pages 30-37 of this report.

* For details on our Net Zero Strategy, see pages 52-53 of this report.

Climate Materiality Assessment Results

| Category | Type | Risk | Value Chain | Financial Impact | Expected Impact Period | | | | | | Strategy and Decision-Making | | | |
|----------------------------|-----------|----------------------|---|---|--------------------------|------------------|--------------------------|------------------|--------------------------|--|--|--|--|--|
| | | | | | Short-term | | Mid-term | | Long-term | | Present | Future | | |
| | | | | | Likelihood of Occurrence | Degree of Impact | Likelihood of Occurrence | Degree of Impact | Likelihood of Occurrence | Degree of Impact | | | | |
| Physical Risks | Acute | Heatwaves | Upstream | Sourcing disruption, increased costs | H | M | H | H | H | H | <ul style="list-style-type: none"> Replace outdated equipment with energy efficient systems Introduce green-certified buildings | Expand HVAC automation and implement power peak management systems | | |
| | | | Pulmuone | Increased energy cost for temperature control | H | M | H | M | H | H | | | | |
| | | | Pulmuone | Employee health and safety risks | H | M | H | M | H | M | | | | |
| | | Cold snaps | Upstream | Sourcing disruption, increased costs | H | M | H | M | H | M | | | <ul style="list-style-type: none"> Replace outdated equipment with energy efficient systems Introduce green-certified buildings | Expand cold-resistant facilities and operate them based on heating energy demand forecasts |
| | | | Pulmuone | Increased energy cost for temperature control | H | M | H | M | H | M | | | | |
| | | Typhoons | Upstream | Sourcing disruption, increased costs | H | M | H | M | H | M | | | <ul style="list-style-type: none"> Diversify sourcing channels Launch smart farming pilot projects | <ul style="list-style-type: none"> Strengthen the structural resilience of production facilities and logistics hubs Implement disaster recovery response systems |
| | Wildfires | Upstream | Sourcing disruption, increased costs | M | H | M | H | M | M | <ul style="list-style-type: none"> Diversify sourcing channels Launch smart farming pilot projects | <ul style="list-style-type: none"> Regularly monitor climate risks in sourcing regions Expand R&D on agricultural technologies to address the climate crisis | | | |
| | Chronic | Abnormal temperature | Upstream | Sourcing disruption, increased costs | H | M | H | H | H | H | <ul style="list-style-type: none"> Replace outdated equipment with energy efficient systems Introduce green-certified buildings | <ul style="list-style-type: none"> Introduce demand and facility optimization systems based on climate change forecasts Expand HVAC automation | | |
| | | | Pulmuone | Increased energy cost for temperature control | H | M | H | M | H | H | | | | |
| | | | Upstream, midstream | Rising costs for facilities and infrastructure in supply chain management and logistics | H | M | H | M | H | H | | | | |
| Shifting rainfall patterns | | Pulmuone | Decrease in production due to a decline in factory utilization rate | M | M | M | M | M | M | <ul style="list-style-type: none"> Conduct groundwork maintenance around the business site | | | <ul style="list-style-type: none"> Upgrade water intake forecasting systems Expand flood prevention infrastructure for extreme rainfall events | |

Response to Climate Change



Strategy and Decision-Making

Climate Materiality Assessment Results

| Category | Type | Risk | Value Chain | Financial Impact | Expected Impact Period | | | | | | Strategy and Decision-Making | |
|------------------|-----------------------|---|-------------|--|--------------------------|------------------|--------------------------|------------------|--------------------------|------------------|---|---|
| | | | | | Short-term | | Mid-term | | Long-term | | Present | Future |
| | | | | | Likelihood of Occurrence | Degree of Impact | Likelihood of Occurrence | Degree of Impact | Likelihood of Occurrence | Degree of Impact | | |
| Transition Risks | Policy | Strengthened carbon emission regulations | Pulmuone | Rising costs for regulatory compliance | M | M | H | H | H | H | · Strengthen GHG data management | · Establish scenarios based on regulatory simulations |
| | | Mandatory climate disclosure and stricter regulations on greenwashing | Pulmuone | Rising costs for regulatory compliance | M | M | H | H | H | M | · Strengthen GHG data management | · Develop a dedicated ESG disclosure system · Enhance third-party assurance to ensure disclosure reliability |
| | Market | Stricter carbon management requirements from clients | Pulmuone | Expanding investment in renewable energy | M | M | H | H | H | H | · Strengthen GHG data management | · Expand low-carbon product lines based on LCA |
| | Tech-nology | Accelerated shift to renewable energy | Pulmuone | Rising climate change-related investment costs | M | M | H | M | H | M | · Monitor LCOE when adopting renewable energy | · Launch pilot projects for new technologies such as biogas and hydrogen · Expand use of PPAs |
| | Reputation | Rising expectations from stakeholders | Pulmuone | Rising climate change-related investment costs | M | M | M | H | M | H | · Ensure transparent disclosure of information | · Strengthen board oversight of climate-related risks |
| Opportunities | Eco-friendly products | Rising preference for low-carbon and eco-friendly products | Pulmuone | Increased sales of sustainable foods | M | M | M | H | H | H | · Launch low-carbon products · Expand lowcarbon packaging · Diversify raw material sourcing | · Expand environmental labeling based on LCA · Increase sustainable raw material sourcing |
| | | Growth of low-carbon and eco-friendly food tech markets | Pulmuone | Increased sales of sustainable foods | M | M | M | M | H | M | · Implement smart farm pilot projects · Assess sourcing regions based on climate risk analysis | · Expand adaptive cultivation technologies · Introduce disaster-resistant seeds |
| | Resilience | Introduction of climate-adaptive agricultural technologies | Pulmuone | Reduced volatility in raw material sourcing | M | M | H | H | H | H | · Enhance crop breeding · Introduce land based aquaculture for seafood | · Promote global dissemination of best practices |

Scenario Analysis and Climate Resilience Assessment

We utilized the multi-model structure of the NGFS scenario to incorporate highly uncertain factors—such as policy effects, technology diffusion rates, and climate sensitivity—into our scenario analysis. Based on this approach, we comprehensively evaluated the adaptability and responsiveness of our strategy against the key risk factors identified through the materiality assessment.

As part of our climate resilience assessment, we examined our capacity and preparedness to respond flexibly to climate change, guided by long-term strategic goals such as increasing the share of renewable energy to 50% by 2035; maintaining zero emissions for new and expanded facilities; expanding the use of eco-friendly raw materials; and achieving 80% eco-friendly vehicle ratio.

Uncertainty in Climate Resilience Assessment

Our climate resilience assessment reflects scenario-based assumptions drawn from sources such as NGFS, IPCC, and IEA. However, factors such as changes in policy direction, the timing of technology commercialization, and future trends in renewable energy and carbon credit prices remain highly uncertain, meaning that the assessment results may evolve over time. For example, sharp increases in PPA and Renewable Energy Certificate (REC) prices, delays in hydrogen energy commercialization, or an expansion of the paid allocation ratio for carbon credits could all influence the execution of our Net Zero Strategy. Such changes could serve as significant adjustment triggers for both our financial strategy and overall business plans.

Response to Climate Change



Risk and Opportunity Management

At Pulmuone, we integrate climate risks into our company-wide risk management system, operating a comprehensive response framework that spans from proactive prevention to emergency response planning. We continue to strengthen management-led oversight and control.

Our climate change response follows a structured, management-driven process. Each year, management reviews the climate-related risks and opportunities identified in the previous year to establish strategic priorities. Based on these priorities, we set goals and KPIs and develop department-specific action plans. To ensure effective execution, we assign clear responsibilities and allocate the necessary resources. During implementation, we conduct regular monitoring and performance reviews, enabling management to provide guidance in line with progress toward goals, changes in risks, and both internal and external evaluations.

These procedures are embedded into key management cycles—including medium- and annual planning, ESG Committee reporting, Session D meetings, and Integrated Report disclosures—providing a foundation for both strategic agility and operational effectiveness in addressing climate risks.

Climate Change Risk Management Process

| Category | Task |
|---------------------|---|
| Risk Identification | <ul style="list-style-type: none"> Identify physical and transition risks Identify the source of risks |
| Risk Assessment | <ul style="list-style-type: none"> Develop risk management projects Measure emissions and conduct scenario analysis |
| Risk Management | <ul style="list-style-type: none"> Evaluate the level of risk management Check the validity of assessment |
| Disclosure | <ul style="list-style-type: none"> Prepare and publish the Integrated Report Prepare and publish the TCFD Report Disclose information for CDP Climate Change and Water |

* For more information on our risk management process and assessment methods, see pages 119-121 of this report.

Target and Performance

Net Zero Target

As part of our climate action strategy, we have set a company-wide target to achieve Net Zero emissions by 2050. As an interim milestone, we aim to reduce Scope 1 and Scope 2 emissions by 20% by 2035 compared with 2022 levels, and to reach Net Zero for these scopes by 2045. Ultimately, our goal is to achieve Net Zero across the entire value chain, including Scope 3 emissions, by 2050.

This target reflects the regional conditions for energy transition and the regulatory environments across our business sites. GHG emissions are measured in tCO₂e and are calculated using the consolidated control approach.

Net Zero Strategy and Implementation Plan

Approximately 75% of Pulmuone's Scope 1 and Scope 2 emissions are generated from electricity consumption and boiler fuel usage, primarily from electricity use and LNG/LPG-based boilers. To address this, we are implementing the following key strategies: transitioning to renewable energy sources such as solar power and RECs; converting LNG and LPG boilers to biomass or green hydrogen fuels; adopting high-efficiency equipment with smart sensor control systems; recovering waste heat and improving HVAC efficiency; and decarbonizing logistics operations by introducing electric vehicles and optimizing transportation routes.

To reduce Scope 3 emissions, we developed a carbon footprint tracking system in 2024 based on Life Cycle Assessment (LCA), in accordance with ISO 14067 standards. This system has been integrated into our Net Zero platform, enabling systematic management of emissions across the entire product lifecycle—from raw material sourcing and manufacturing to distribution and disposal. In March 2025, third-party verification was completed for two products, tofu and udon, further strengthening the credibility of our data.

Response to Climate Change



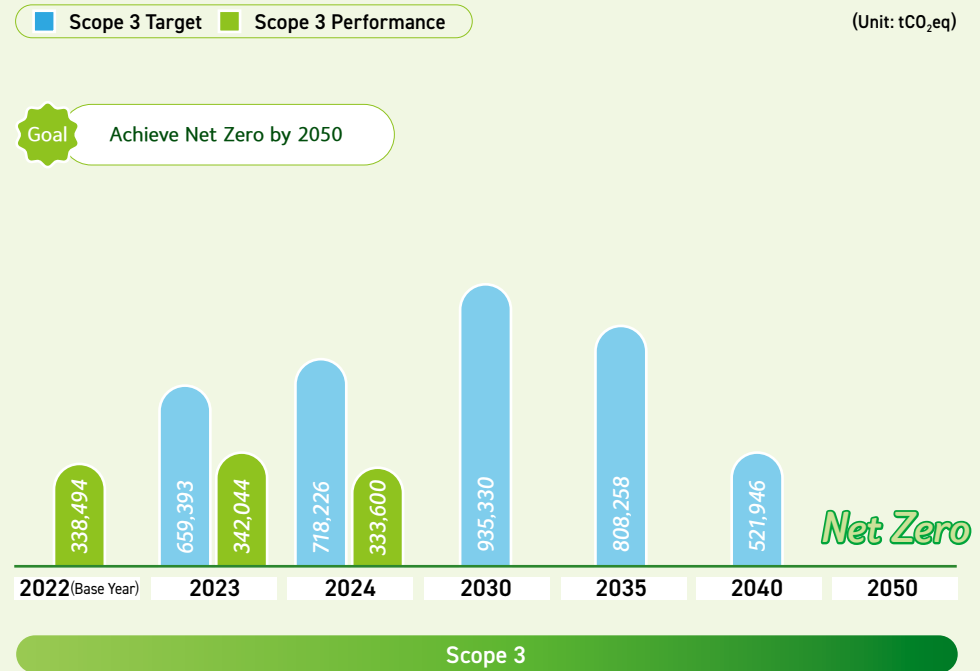
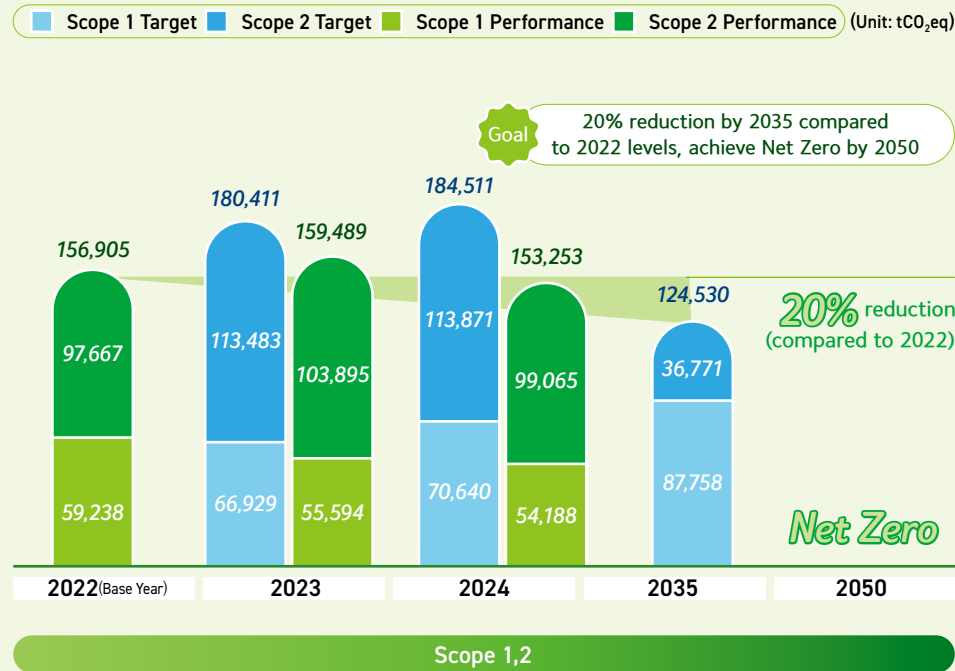
Target and Performance

Net Zero Strategy and Implementation Plan

Moving forward, we will leverage this system to guide our carbon reduction strategies across all stages of the product lifecycle—from raw material selection and packaging improvements to energy-efficient production and optimized logistics—tailored to each business unit and production site.

Net Zero

GHG Reduction Targets for Net Zero¹⁾



¹⁾ Targets for 2023 and 2024 were established based on 2022 baseline data and may differ from current figures. Adjusted targets will be reflected in the next Integrated Report.

Response to Climate Change



Target and Performance

Net Zero Strategy and Implementation Plan

2024 GHG Reduction Performance

Performance Against Targets

Pulmuone has been working to limit the increase in GHG emissions resulting from expanded production facilities and increased product output at Pulmuone Foods by improving manufacturing efficiency and expanding the use of renewable energy. In 2024, we set a 4.2% reduction target in GHG emissions intensity for domestic and international manufacturing sites, but this goal was not achieved. Moving forward, we plan to broaden the scope of our reduction targets and transition from managing emissions based on intensity to managing them by total volume. To support this shift, we are currently updating and refining our GHG reduction roadmap and portfolio.

Progress on the Disclosed Plans

(Unit: tCO₂eq, %)

| Category | 2022 (Base Year) | 2024 |
|-------------|------------------|-----------|
| | | Emissions |
| Scope 1+2+3 | 495,399 | 486,853 |
| Scope 1 | 59,238 | 54,188 |
| Scope 2 | 97,667 | 99,065 |
| Scope 3 | 338,494 | 333,600 |

Activities Toward Achieving the Targets

Reducing Scope 1 & 2 Emissions

Sustainable Energy Expansion and Energy Efficiency Improvements

To achieve our Scope 1 and Scope 2 GHG emissions reduction targets, we are continuously expanding solar power systems and enhancing energy efficiency within our processes. In 2024, we installed a new 224.8 kW solar power system at our domestic manufacturing facilities, contributing to an annual reduction of approximately 6,396 tCO₂eq in GHG emissions across both domestic and international manufacturing sites. In 2025, we plan to install an additional 246 kW of solar power systems by utilizing unused land and rooftops at our domestic sites. Furthermore, by improving process yield, replacing outdated equipment, and enhancing solar power efficiency, we are working toward achieving our 2025 GHG emissions reduction target of 1,594 tCO₂eq.

Reducing Scope 3 Emissions

Sustainable Raw Materials

To build a more sustainable raw material supply chain, we are expanding the use of plant-based ingredients as well as animal welfare-certified eggs and livestock products. We are also developing and preparing to introduce smart farming technologies to secure low-carbon raw materials. In addition, we aim to reduce packaging material usage by 20% by 2035 through the development of low-plastic packaging and the increased use of recycled plastics.

Response to Climate Change



Target and Performance

[Net Zero Strategy and Implementation Plan](#)

Activities Toward Achieving the Targets

Reducing Scope 3 Emissions

Sustainable Logistics and Transportation

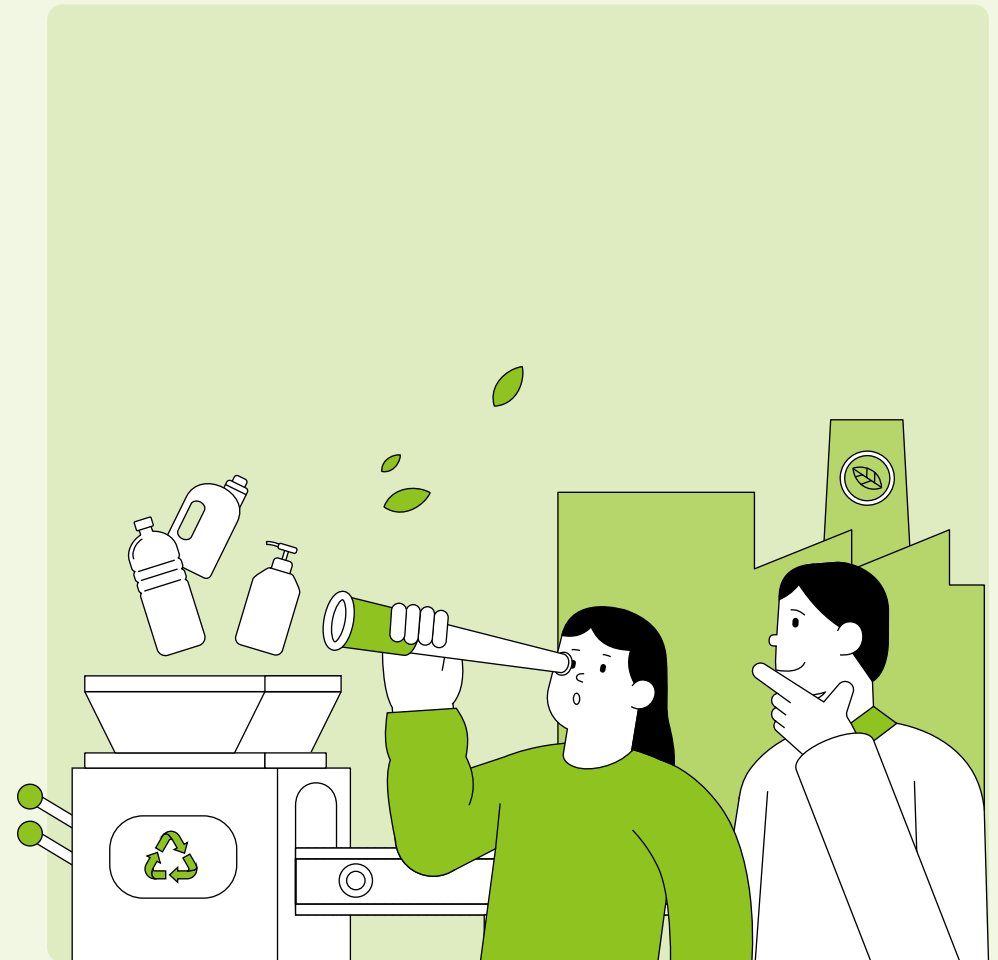
Pulmuone systematically manages GHG emissions from distribution by integrating data with suppliers. Hydrogen and electric vehicles have been introduced on key logistics routes, with the transition partially completed. Going forward, their use will be expanded to further reduce carbon emissions in the logistics sector. Logistics efficiency is also being improved through route optimization and the implementation of an integrated transportation system.

Sustainable Waste Management

To reduce waste generated during production, Pulmuone analyzes root causes and enhances process efficiency. Pulmuone Waters is advancing the concept of circular resources for plastic waste and working to improve packaging recyclability, while fundamentally reducing waste generation by expanding the use of recycled materials such as r-PET, simplifying packaging structures, and standardizing materials.

Partnerships

We operate the Net Zero Cloud (NZN) portal to support carbon emission calculation and management, thereby strengthening supply chain sustainability. The portal enables suppliers to independently monitor and manage their carbon emissions. We will continue to provide training and support to promote broader and more effective use of the portal.



Energy Management

Energy Management Policy and Targets

Recognizing the importance of environmental management across all our business activities, we implement various initiatives to reduce energy consumption. By 2035, we aim to reduce the energy intensity (GJ/product ton) from non-renewable energy use at our domestic food manufacturing facilities by 1% annually. To achieve this goal, we have introduced and are operating a range of energy management programs. In 2024, the scope of management was expanded to include overseas manufacturing facilities. However, due to the impact of external environmental changes, the energy intensity for both domestic and overseas sites increased by 1.0% compared to the target, reaching 3.06 GJ/product ton. Despite this, we continue to lay the groundwork for sustained improvements by establishing a mid- to long-term roadmap for energy efficiency and strengthening equipment optimization strategies.

2024 Energy Management Targets and Performance

| Category | Unit | Base Year | Reporting Year | | 2025 Target |
|--------------------------------|----------------|-----------|----------------|-------------|-------------|
| | | 2023 | Target | Performance | |
| Energy Intensity ¹⁾ | GJ/product ton | 3.06 | 3.02 | 3.06 | 3.03 |

1) Since 2024, Pulmuone has implemented target management for overseas manufacturing sites. To enable comparison of reduction rates on the same basis between domestic and overseas sites, targets and performance are calculated using the newly established 2023 baseline unit energy intensity of 3.16 GJ per ton of product.

Energy Management Activities

Energy Audits and Implementation of Improvement Investments

In accordance with Article 32 (Energy Audit) of the Energy Use Rationalization Act, Pulmuone conducts regular energy audits and uses the results to develop improvement and investment plans. After implementation, the effectiveness of these investments is continuously monitored, outcomes are analyzed, and additional energy-saving measures are taken as needed. The following summarizes key energy audits and improvement investments through 2024.

Energy Audits Conducted in the Past Five Years

| Year | Target | Key Improvement Investments |
|------|-------------------------------------|---|
| 2024 | Danone Pulmuone | • Improvement investments—such as adjusting boiler air ratios, optimizing steam pressure, and replacing transformers—are currently under review and planning |
| | PPEC Eumseong Fresh Noodle | • Improvement investments—such as adjusting boiler air ratios and replacing outdated air compressors—are under review and planning, with short-term initiatives already in progress |
| 2023 | Pulmuone Waters | • Establishment of a utility motor power-saving system and the promotion of solar power generation system implementation underway |
| 2020 | Pulmuone Institute of Technology | • Introduction of Building Energy Management System (BEMS) for heating, cooling, and peak load control |
| | Danone Pulmuone | • Replacement of high-efficiency boilers and the introduction of a solar power generation system |
| | Exofresh Logistics' Eumseong Center | • Establishment of a temperature control system for office heating and cooling units |
| | Pulmuone Foods' Eumseong Tofu Plant | • Expansion of solar power generation system |

Expanding Renewable Energy Use

Since 2017, Pulmuone has steadily expanded the installation of renewable energy systems at manufacturing sites and logistics centers nationwide. Rooftop solar power systems are operated at each site, along with geothermal heat pumps and wood pellet boilers for cooling, heating, hot water, and steam supply. As a result of these initiatives, a GHG emissions reduction of 6,869 tCO₂eq was achieved as of 2024.

2024 GHG Reduction Performance

| Category | Unit | Solar Power | Solar Thermal | Small Hydro | Wood Pellet | Boiler Replacement |
|------------|---------------------|-------------|---------------|-------------|-------------|--------------------|
| Reductions | tCO ₂ eq | 1,296 | 725 | 11 | 4,720 | 117 |

Energy Management

Energy Management Activities

Expanding Renewable Energy Use

Renewable Energy Facility Installation Status

| Category | Energy Source | Installed Site |
|-------------------|--------------------------|--|
| Electricity | Solar Power | • Pulmuone Foods' Eumseong Tofu Plant, PPEC Chuncheon, PPEC Eumseong Fresh Noodle, PPEC Eumseong Sprout, Sinsun Natto, PPEC Uiryeong, Pulmuone Kibun, PPEC Global Kimchi, Pulmuone Health & Living, Pulmuone Green Juice, Exofresh Eumseong Center, Danone Pulmuone, Pulmuone Institute of Technology, Pulmuone Together, Beijing Pulmuone Green Foods |
| | Small Hydro | • PPEC Eumseong Sprout |
| | Solar Thermal Collector | • PPEC Chuncheon, PPEC Eumseong Sprout, PPEC Uiryeong, Pulmuone Kibun |
| Thermal | Geothermal Heat Pump | • Pulmuone Academy, Pulmuone Institute of Technology |
| | Wood Pellet | • Pulmuone Foods' Eumseong Tofu Plant, PPEC Eumseong Fresh Noodle, PPEC Uiryeong, Pulmuone Kibun |
| Energy Efficiency | Waste Heat Recovery Pump | • PPEC Eumseong Sprout, PPEC Eumseong Fresh Noodle |

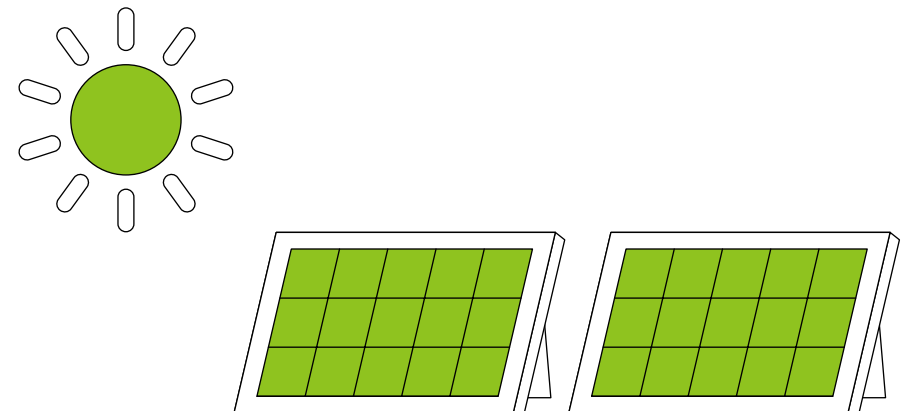
At the PPEC Eumseong Fresh Noodle site, energy control is integrated by applying capacity control and learning-based operation logic to HVAC systems, supported by a dual backup system to manage key variables by zone. The central disaster control room continuously monitors these systems in real time, enabling simultaneous management of energy consumption and the production environment.

1) This includes the Pulmuone Institute of Technology, PPEC Global Kimchi, PPEC Eumseong Fresh Noodle, Sinsun Natto, Exofresh Logistics' Eumseong Center, and Foodmerce Yangji Center.

Other Efforts to Save Energy

We have introduced an Energy Management System (EMS) across our manufacturing sites, logistics centers, and Pulmuone Institute of Technology¹⁾ to monitor energy use in real time and identify areas for improvement.

Pulmuone Institute of Technology has achieved reductions in equipment-specific electricity consumption ranging from as little as 4% to as much as 67% by optimizing the control of heating, cooling, and air conditioning systems. Based on operating data by work hours, heating and air conditioning schedules are adjusted accordingly, while lighting is automatically turned on or off depending on occupancy and dimmed or brightened to maintain optimal efficiency.



Water Resource Management

Water Resource Management Policy

Pulmuone has established a company-wide policy for sustainable water resource management and is actively implementing the United Nations Sustainable Development Goals (SDGs). In alignment with specific SDG targets, we set appropriate water intake volumes and define water resource management tasks for each business site and its local community. Our water resource management is divided into two areas: risk management tasks for reducing water intake, and measures for improving wastewater quality and minimizing environmental impact. We are committed to ensuring that all stakeholders—not only those within our business sites and surrounding areas but also across the wider community—can access safe and sustainable water resources.

Pulmuone’s Commitment to Water for Authentic Wholesome Foods

- 1 Pulmuone is committed to ensuring that all stakeholders—including our business sites, nearby communities, supply chains, business partners, and local residents—have access to safe and sustainable water resources.
- 2 Each year, we conduct water risk assessments, establish and implement management tasks to reduce water consumption, and expand recycling and reuse, with the aim of building a circular water system.
- 3 In compliance with the Water Environment Conservation Act and other relevant national laws, Pulmuone operates strict water quality management systems for each site. Our internal guidelines require that final effluent from facilities meet less than 50% of the legal pollutant limits and comply with agricultural water quality standards.
- 4 To minimize impacts on the environment and biodiversity, we manage chemical substances through a dedicated process, conducting regular monitoring to reduce usage and replacing hazardous substances with less harmful alternatives.
- 5 Pulmuone promotes internal awareness of the water-related impacts of our operations, manages water risks among high-risk suppliers, and conducts regular evaluations to ensure transparent reporting to all stakeholders.
- 6 To uphold our Commitment to Water, we collaborate with various associations and local communities to conduct research on sustainable water use and engage in collective actions that promote responsible water stewardship.

Collective Action for Our Commitment to Water

Pulmuone is collaborating with various external associations and local community stakeholders to advance its Commitment to Water. As part of these efforts, on April 6, 2021, Pulmuone Waters became the first company in the domestic bottled water industry to obtain Alliance for Water Stewardship (AWS) certification, earning recognition for its sustainable water resource management capabilities. AWS is a global organization composed of diverse members—including businesses, non-profit organizations, public institutions, and educational institutions—dedicated to promoting the responsible use of freshwater for the benefit of society, the economy, and the environment. To further strengthen its management practices, Pulmuone Waters renewed its AWS certification in 2024.

Water Resource Management Goal

We have set a target to reduce our annual water-use intensity by 1% each year through 2035. In 2024, following the expansion of our management scope to include overseas manufacturing sites, we set a target of 8.05 m³ per product ton. Despite our active reduction initiatives, our actual water intensity reached 8.14 m³ per ton, falling short of the target by 1.1%.

2024 Water Resource Management Targets and Performance

| Category | Unit | Base Year | Reporting Year | | 2035 Target |
|----------------------------------|-----------------------------|-----------|----------------|-------------|-------------|
| | | 2023 | Target | Performance | |
| Water Intensity ^{1, 2)} | m ³ /product ton | 8.13 | 8.05 | 8.14 | 8.05 |

1) Since 2024, Pulmuone has implemented target management for overseas manufacturing sites.

To enable comparison of reduction rates on the same basis between domestic and overseas sites, targets and performance are calculated using the 2023 baseline unit water intensity of 8.13 m³ per ton of product.

2) For PPEC Chuncheon (tofu and ice production), performance was calculated based on the actual volume of water used in production.

Water Resource Management

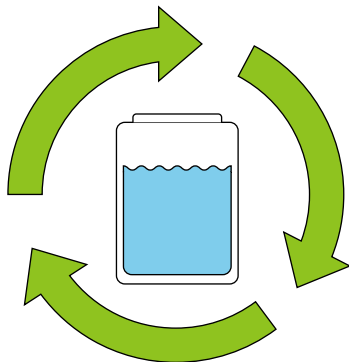
Water Resource Management Activities

Water Recycling and Reuse

Due to the characteristics of the food manufacturing industry, it is difficult to use recycled water directly in product processing. However, Pulmuone continues to increase water reuse in non-production areas such as utilities, cleaning, and restroom facilities. In 2024, overall water consumption was reduced by improving efficiency across manufacturing sites, including upgrades to Clean-In-Place (CIP) systems, enabling the achievement of the water intensity reduction target. For 2025, a further reduction of 1,576 m³ is planned through the adoption of water-saving technologies, expansion of water reuse, and continued CIP efficiency improvements.

Wastewater Management

We source water from municipal supplies, groundwater, and river water at our business locations. We implement strict wastewater management practices to prevent negative impacts on the natural ecosystem. All wastewater is treated through physical and chemical processes and discharged at levels less than 50% of the legal limit. To maintain this standard, we conduct regular water quality testing and implement ongoing initiatives to reduce wastewater generation.

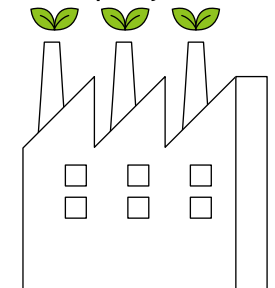


Water Risk Identification and Management

Pulmuone conducts an annual analysis of both physical and regulatory water risks, using the results to develop targeted risk mitigation measures and response plans. Physical risks are assessed with the World Resources Institute (WRI) Aqueduct and WWF Water Risk Filter, which evaluate factors such as water supply variability, surrounding water quality, and policy uncertainties, while considering water usage ratios and projected environmental conditions. Regulatory risks are managed through continuous real-time monitoring of wastewater discharged into water systems, coupled with annual in-depth inspections to ensure strict compliance. In anticipation of stricter regulations, Pulmuone systematically manages water quality-related costs and capital investments and continuously upgrades water and wastewater facilities. We also conduct annual water risk assessments across all business sites, evaluating not only operational water usage risks but also the vulnerability of local ecosystems in the relevant water systems—enabling proactive risk management.

In our supply chain, we perform surveys and PFSMS¹⁾ evaluations to manage water-related risks. For high-risk suppliers, we collect detailed data on: water intake and discharge volumes by source; discharge methods and pollutant profiles, including hazardous substances; wastewater monitoring frequency; and planned changes to water sources. This approach allows us to identify both current and potential water resource risks. The PFSMS tool is also used to monitor supplier compliance on an ongoing basis, support corrective actions, and review environmental regulatory compliance, as well as the impacts of wastewater treatment on water quality.

1) Pulmuone Food Safety Management System.



Water Resource Management

Water Risk Identification and Management

Results of the 2024 Internal Water Risk Assessment

Assessment Frequency and Methods

At Pulmuone, we assess water-related risks across all business sites annually using a 5-point scale. The assessment incorporates the WRI Aqueduct and WWF Water Risk Filter Suite to analyze regional water use ratios and projected future conditions, evaluating factors such as water supply variability, surrounding water quality pollution, policy uncertainties, and access to safe water.

The WWF Water Risk Filter is specifically applied to conduct a comprehensive evaluation of physical risks (including water scarcity, water pollution, and source risks), regulatory risks (such as wastewater quality and compliance with water-related regulations), and reputational risks (stakeholder perception and exposure to water-related issues). In addition, this tool is used to assess the ecological vulnerability of water systems in the regions where our business sites operate.

Risk Assessment Results and Response Actions

Physical Risks

Risk Assessment Results

Analysis for the period 2030–2050 showed that the average physical water risk across all Pulmuone operations was 2.92 on a five-point scale, indicating a moderate risk level. Among all business sites, the Fullerton and Beijing facilities were identified as facing the highest water scarcity risks.

Water shortages can exacerbate drought conditions and lower crop yields, potentially having a direct impact on operations—particularly at manufacturing sites where large volumes of water are essential for food production. Flooding was also identified as a significant risk at most sites, with a high average risk score of 3.9. Flood events could damage facilities and assets and disrupt the sourcing of agricultural raw materials or the transportation of goods due to logistical interruptions.

Response Actions

We conduct proactive risk management at business sites with high water resource risks. To prepare for potential challenges in securing a stable water supply—such as during dry seasons or in the event of water quality issues—we diversify our water sources. We also actively manage the quality and flow rates of groundwater intake wells to ensure operational stability, while expanding water reuse initiatives. In addition, to minimize water pollution from production activities, we perform technical assessments of environmental facilities and monitor water quality on an ongoing basis. For sites requiring increased treatment capacity, we invest in wastewater treatment plant infrastructure to enhance processing efficiency and environmental performance.

Regulatory Risks

Risk Assessment Results

Strengthening Water Quality Management Standards

For business sites in Korea, since 2022, the legal indicator for managing organic substances in effluent has shifted from Chemical Oxygen Demand (CODMn) to Total Organic Carbon (TOC). As a result, managing organic substance emissions and ensuring compliance with the new standards has become more complex and challenging than in the past. In particular, at direct discharge facilities equipped with Tele-Monitoring Systems (TMS), the burden of complying with the new TOC standards has significantly increased, thereby heightening potential regulatory risks. Similarly, for the Ayer site in the U.S., a new legal requirement for turbidity in effluent quality came into effect in 2024. This standard is more stringent than the previous organic substance indicators, such as Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS), resulting in an increased compliance burden. Furthermore, at the Fullerton facility in the U.S., potential regulatory risks are emerging as new pollutants, including micro-pollutants and Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS), are expected to be added to future wastewater discharge regulations. In addition, there is a possibility of more stringent self-monitoring requirements across different industries. Therefore, it is essential to continuously monitor these potential regulatory risks.

Water Resource Management

Water Risk Identification and Management

Results of the 2024 Internal Water Risk Assessment

Risk Assessment Results and Response Actions

Regulatory Risks

Risk Assessment Results

Increase in Water and Sewage Charges

Rising water and sewage charges in Korea have been identified as a regulatory risk. In particular, Eumseong-gun plans annual increases of 7.1% for water supply and 24.1% for sewage from 2023 onwards, which is expected to place an increasing operational cost burden on Pulmuone's business sites in the medium to long term.

Response Actions

Strengthening of Water Quality Standards

PPEC Eumseong Fresh Noodle, a direct discharge facility equipped with TMS, has faced a greater burden in complying with the TOC standards. However, by optimizing the operating conditions of its wastewater treatment facility and continuously monitoring TOC discharge levels in real time, the site has consistently met Pulmuone's stricter internal standards, which exceed legal requirements.

Similarly, the Ayer facility upgraded its outdated biological treatment system in 2024, enhancing overall wastewater treatment efficiency. This upgrade effectively addressed the newly introduced turbidity discharge standards and mitigated compliance risks associated with relevant legal regulations.

Increase in Water and Sewage Charges

Our three major manufacturing sites—PPEC Eumseong Sprout, PPEC Eumseong Fresh Noodle, and Pulmuone Foods' Eumseong Tofu Plant—are all located in the Eumseong region. This area accounts for approximately 59% of the total water usage across all domestic manufacturing sites, with 2,058 tons of water being used. To minimize the impact of rising water and sewage charges, we are actively promoting water reduction initiatives. In particular, for PPEC Eumseong Sprout, which has the highest water intake among all business sites, a pilot test for water reuse began in 2024. Once fully implemented, it is expected to reduce water intake by up to 50%.

Results of the 2024 Supply Chain Water Risk Assessment

Physical Risks

Pulmuone conducts surveys targeting high-risk suppliers to analyze water intake and discharge volumes by source, discharge methods, presence of pollutants and specific hazardous substances in wastewater, and monitoring frequency. We also examine suppliers' plans for changes in water sources to assess the current and future risk levels related to water quality and quantity. Additionally, to build sustainable partnerships and improve product safety and risk management capabilities, we regularly inspect our suppliers through the PFSMS. Using the PFSMS assessment tool, we evaluate suppliers' utility supply systems, as well as issues related to water quality and quantity. Based on these evaluations, we request improvements and continuously monitor and address potential risks.

Regulatory Risks

We analyze the potential impact of physical, chemical, and biological factors on downstream water quality for high-risk suppliers. We evaluate factors such as the location of pollutant discharge, direct discharges into water bodies, the inflow to wastewater treatment plants and sewage treatment plants, and outsourced treatment methods. This helps assess the risk levels associated with regulatory changes. Through this process, we verify the status of water sources and intake volumes, while reviewing the level of water supply risk and the adequacy of response measures.

Risks from Stakeholder Conflicts







To prevent conflicts with stakeholders, Pulmuone verifies whether our suppliers comply with environmental laws and regulations, such as the Water Environment Conservation Act and the Wastes Control Act. In addition, potential risks related to suppliers' legal violations are minimized, thereby enhancing the overall sustainability of the supply chain.

Chemical Management

Chemical Management Policy

Pulmuone rigorously manages chemical substances throughout the entire process of product manufacturing, production, and sales. We regularly review all chemicals used at our business sites and work to reduce chemical concentrations or replace them with substances proven to be non-hazardous. Furthermore, to proactively mitigate risks related to product quality, customer safety, and environmental pollution caused by chemicals, we have established internal preventive principles and operate a strict approval process for the use of new chemicals. All chemicals used at Pulmuone business sites comply fully with relevant laws and regulations on storage, use, and disposal, while additional internal standards are applied to ensure safety.

Chemical Management Process

| Process | Key Work Process |
|--|--|
| 1 Purchase Purchase of Chemicals  | <ul style="list-style-type: none"> • Manage the list of chemicals • Obtain Material Safety Data Sheets (MSDS) and chemical certificates |
| 2 Environment & Safety Hazard & Legal Assessment  | <ul style="list-style-type: none"> • Check legal requirements and select protective gears • Conduct chemical hazard assessments and register them in the internal system |
| 3 Production & Technology Use of Chemicals  | <ul style="list-style-type: none"> • Comply with facility and management standards, and provide MSDS safety training to personnel in charge • Manage the distribution of protective gear and monitor chemical handling status |
| 4 Contracting Contractor Work Approval Management  | <ul style="list-style-type: none"> • Conduct health and safety assessment and manage work permits • Obtain subcontract approval from the Ministry of Employment and Labor, and provide risk-related information prior to commencing work |
| 5 Environment & Safety Compliance Management  | <ul style="list-style-type: none"> • Measure the work environment and provide special health checks for employees. • Comply to the Chemical Substances Control Act |
| 6 Plant Operation Inspection Management  | <ul style="list-style-type: none"> • Measure the work environment and provide special health checks for employees. • Manage and report according to the Chemical Substances Control Act |

Plans to Reduce and Replace Hazardous Chemicals

To minimize environmental and health risks, Pulmuone limits the use of hazardous chemicals, applying them only in small amounts and at selected business sites. In particular, low-concentration chemicals have been adopted in the CIP cleaning process, with continuous oversight maintained. This approach effectively reduces both environmental impacts and human exposure risks associated with hazardous chemicals. These efforts are recognized as indirect actions for the reduction and substitution of harmful chemicals. Going forward, Pulmuone will continue to rigorously comply with relevant laws and regulations and further minimize environmental impacts during production by safely handling chemicals and continuously improving management practices.



Biodiversity Management

Biodiversity Protection Policy

In 2023, Pulmuone established the Nature Positive pledge to conserve biodiversity and prevent deforestation, which was approved by the Board of Directors. In 2024, the pledge was updated to reinforce commitments and broaden its scope of application.

[View Pulmuone's Nature Positive Policy](#)



Biodiversity Protection Activities

Reduce

[Reducing Impact on Marine Biodiversity through the Use of ASC-Certified Products](#)

Pulmuone, guided by our corporate philosophy of 'Love for Our Neighbors, Respect for Life,' is committed to developing authentic, wholesome, and responsible foods for the well-being of people and the planet. To achieve this, we strive to provide sustainable food that benefits both human health and the environment, going beyond safety and reliability standards. We are expanding the use of ASC-certified seafood ingredients, and in 2024, ASC-certified seaweed accounted for 5.1% of our total seaweed procurement. We also developed an analysis and management manual for the habitats of endangered marine species near the Noeul Haesim raw material farm located in Buan-gun, Jeollabuk-do. This initiative aims to minimize the impact on the marine ecosystem.

[Odaecheon Endangered Wildlife \(Manchurian Trout\) Breeding and Restoration Project](#)

Regenerate

We collaborate with local communities and relevant organizations near the Chuncheon Tofu Plant to continuously promote the breeding and restoration of the endangered Manchurian trout (Class II). Since initiating the restoration project in Odaesan Gaejanigol in 2013, we released approximately 150–200 Manchurian trout into the Odaecheon Stream (Bangadari Valley) in Pyeongchang, Gangwon-do Province, in 2024.



[Pulmuone Peace Forest Creation and Management](#)

Restore

In 2021, Pulmuone launched the *Peace Forest Project* by planting 1,000 trees in the Heyri area of Paju, near the border between North and South Korea, to help restore the local ecosystem and protect biodiversity. This effort reflects our core philosophy of respecting life and is part of our ongoing commitment to sustainable forest conservation. Unfortunately, around 90% of the trees died due to drought and the spread of invasive species such as ragweed. In response, we partnered with the Northern Regional Office of the Korea Forest Service and the Peace Forest Work Organization in 2024 to set up a systematic post-management system and began full-scale restoration work. In 2024, we focused on the practical reforestation of the Peace Forest and the restoration of biodiversity by removing dead trees, clearing harmful plants, and planting native species. This restoration process involved support from the Korea Forest Service for tree species selection, voluntary participation from the direct sales team LOHAMI, and collaboration with local residents and related organizations. This initiative has developed into a multi-stakeholder, mutually beneficial model. Going forward, Pulmuone plans to expand partnerships with clients, local governments, and suppliers through the *Peace Forest Project*. We also plan to build a sustainable social contribution model by linking consumer participation-based donation campaigns, working alongside local communities.

[Forest Creation in Collaboration with the Central Regional Office of the Korea Forest Service](#)

Transform

Since signing an MOU with the Korea Forest Service in 2013 under the Forest for the People Initiative, Pulmuone Academy has continuously engaged in forest creation activities. The 14-hectare national forest near the Academy has become a place where we practice forest protection activities—including planting trees, maintaining trails, cleaning up the environment, and preventing forest fires. To make these efforts more impactful, we have assigned certified forest trail guides who lead a range of hands-on forest healing programs. We also co-host regular tree-planting events with the Korea Forest Service, helping to foster greater public awareness of forest conservation.

Biodiversity Management

Biodiversity Protection Activities

Forest Creation in Collaboration with the Central Regional Office of Forest Service

Jirisan National Park Conservation

Reduce & Transform

In January 2025, Pulmuone signed a Memorandum of Understanding (MOU) with the Korea National Park Service to promote the sustainable preservation and ESG activation of Jirisan National Park. We have launched various social contribution activities aimed at ecological restoration in the park and promoting community coexistence. A signing ceremony was held at the Gyeongnam Office of Jirisan National Park, with around 40 attendees, including Pulmuone management, officials from the Korea National Park Service, and Jirisan volunteers. Through this agreement, Pulmuone plans to actively promote activities focused on conserving the natural environment, increase volunteer participation, and engage in ESG practice exchange initiatives.

Building on these efforts, in March 2025, Pulmuone also launched emergency relief activities to aid recovery from the large-scale wildfires that occurred in Jirisan and the Gyeongsangbuk-do regions. Approximately 25,000 relief items, including ready-to-eat meals, beverages, and health supplements, were quickly delivered to the Jirisan firefighting teams and park officials. Additionally, through the Hope Bridge Korea Disaster Relief Association, we provided 35,000 bottles of Pulmuone Waters to disaster victims, firefighters, and volunteers in the Gyeongsangbuk-do area, actively participating in nationwide disaster response efforts.

A Shift Toward Sustainable Foods and Diet

Restore & Transform

According to the Food and Agriculture Organization (FAO) of the United Nations, GHG emissions from the livestock sector account for approximately 14.5% of global GHG emissions, with 65% coming from methane gas released during the digestive process of cattle.

In 2008, the Netherlands Environmental Assessment Agency (PBL) reported

that if the global population were to switch to a plant-based diet, approximately 80% of existing pastureland could be restored to forests and grasslands. While a global shift to vegetarianism may be unrealistic, even expanding plant-based food consumption to the levels recommended by the World Health Organization (WHO) could reduce GHG emissions from the food sector by around 30%.

To fulfill our Nature Positive commitment, we are expanding our lineup of sustainable foods and diets. Through the sustainable food brand Jigusikdan, the benefits of plant-based diets for both people and the planet are highlighted, with opportunities provided for consumers to experience these meals through pop-up booths and both online and offline events. In April 2025, we opened the third branch of our vegan restaurant PLANTUDE, making it even easier for customers to enjoy plant-based meals. We also run various engagement programs, such as *Healthy Day*, to promote the sustainable eating method known as the 211 Diet among our customers.

Biodiversity and Natural Capital Risks Identification and Management

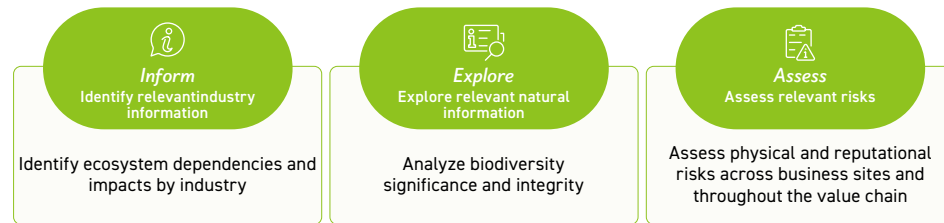
The food industry is one of the sectors with both high dependence on and significant impact on natural capital. At Pulmuone, we recognize the importance of natural capital and undertake various efforts to conserve natural resources and manage biodiversity risks.

To help manage risks related to nature and biodiversity, we use the Taskforce on Nature-related Financial Disclosures (TNFD) framework along with the WWF Risk Filter Suite to identify and respond to ESG-related issues more effectively. Additionally, through Session D, Pulmuone's highest decision-making body for environmental and social responsibility, roles and responsibilities related to biodiversity activities, management strategies, and risk response are carried out. These efforts are part of our company-wide ESG risk management system. Moving forward, we plan to continuously enhance our natural capital and biodiversity risk assessments and response activities.

Biodiversity Management

Biodiversity and Natural Capital Risks Identification and Management

Biodiversity and Natural Capital Risk Assessment Process



2024 Biodiversity and Natural Capital Risk and Impact Assessment Results

Risk Assessment

In 2024, Pulmuone conducted a biodiversity and natural capital risk assessment covering 115 business sites and regions in six countries using the WWF Biodiversity Risk Filter Suite. Based on the Locate, Evaluate, Assess, and Prepare (LEAP) framework developed by the TNFD, this tool supports a location-specific risk analysis approach, using latitude, longitude, region, and watershed-level data to assess site-specific vulnerabilities and impacts.

Physical risk is evaluated across five categories: (1) Provisioning Services; (2) Regulating & Supporting Services – Enabling; (3) Regulating Services – Mitigating; (4) Cultural Services; and (5) Biodiversity Pressure. Reputational risk is evaluated based on three factors: (6) Environmental Factors; (7) Socioeconomic Factors; and (8) Additional Reputational Factors. Final risk scores are determined by aggregating both physical and reputational risks on a five-point scale, with higher scores indicating greater risk severity.

According to the 2023 assessment, regions with high risk levels (scoring 3.4 and

above) were primarily concentrated in Korea. Out of 115 locations assessed, 67 sites—classified as either High or Very High risk—were identified. Among these, 16 sites were evaluated as having both high physical and reputational risks. Two business sites were identified as having very high physical risk: a soybean supplier in Cheongju and a packaging material supplier in the Gyeonggi region. No sites were found to have very high reputational risk.

Impact Assessment

Pulmuone evaluates the extent to which our business sites rely on and affect protected areas and Key Biodiversity Areas (KBAs) by using Environmental Factors (Category 6) in our risk assessment. In the 2023 assessment, 21 business sites were identified as having high or very high levels of dependency and impact on these areas.

To identify our impact on protected and conserved areas, we conducted the assessment using the World Database of Protected Areas (WDPA) from the UNEP World Conservation Monitoring Centre (WCMC). In this process, risks were analyzed for both terrestrial and marine units based on the International Union for Conservation of Nature (IUCN) protected area categories I–IV and unclassified protected areas. The IUCN protected area categories range from I (strict nature reserves) to IV (habitat and species management areas), reflecting the level of natural conservation. Areas with higher protection levels have greater conservation value, and development activities are strictly restricted.

In the *Results of Risk and Impact Assessments* table, business sites with more than 30% overlap with protected areas in categories I–IV were classified as very high risk and included in the aggregated results.

Biodiversity Management

Biodiversity and Natural Capital Risks Identification and Management

2024 Biodiversity and Natural Capital Risk and Impact Assessment Results

Impact Assessment

Results of Risk and Impact Assessments

| Value Chain | Category | Unit | Target Sites (Entire Business Sites) | Risk Assessment ¹⁾ | | | Impact Assessment | | |
|--------------|----------------------------|------|--|----------------------------------|--------------------------------------|---|---|---|--|
| | | | | Sites with High Physical Risk | Sites with High Reputational Risk | Sites with High Physical and Reputational Risks | Sites Identified as Having Significant Impact on Protected Areas | Sites Identified as Having Significant Impact on KBAs | Sites Identified as Having Significant Impact on Protected Areas and KBAs |
| Upstream | Origin of Raw Materials | Site | 32 | 31 | 14 ³⁾ | 13 | 25 | 8 | 8 |
| | Suppliers | | 18 | 9 | 0 ⁴⁾ | 0 | 6 | 1 | 1 |
| Pulmuone | Domestic Business Sites | | 15 | 9 | 0 ⁵⁾ | 0 | 5 | 0 | 0 |
| | Overseas Business Sites | | 11 | 7 | 2 ⁵⁾ | 2 | 6 | 0 | 0 |
| Downstream | Stores | | 22 | 0 | 0 ⁶⁾ | 0 | 0 | 0 | 0 |
| | Logistics Centers | | 17 ²⁾ | 16 | 1 ⁷⁾ | 1 | 16 | 12 | 12 |
| Total | | | | 115 | 72 | 17 | 16 | 58 | 21 |

1) Includes our business sites and adjacent areas.

2) - 7) Figures corrected from the previous year due to data aggregation errors.

Detailed Risk and Impact Assessment Results for Our Business Sites

| Category | No. of Companies | No. of Sites | Land Area (Unit: ha) |
|---|------------------|------------------|----------------------|
| Total Companies and Business Sites¹⁾ | 33 | 72 | 142.2 |
| Companies and Business Sites Assessed for Biodiversity Impact²⁾ | 29 | 65 ⁵⁾ | 137.4 |
| Companies and Business Sites Identified as having Significant Impact on Protected Areas and KBAs³⁾ | 1 | 12 | 1.8 |
| Companies and Business Sites with High Impact on Protected Areas and KBAs⁴⁾ that Have a Management Plan | 1 | 1 | N/A ⁶⁾ |

1) - 4) Includes only downstream and Pulmuone business sites for which land area data is available.

5) Figures corrected from the previous year due to data aggregation errors.

6) Land area could not be measured, as the management plan encompasses a broad area surrounding the business site.

Social



Talent Acquisition and Development

Employee Competency Development

Company-wide Training System

Pulmuone is committed to supporting employee growth by providing a variety of learning opportunities. Online and offline training programs are tailored to job functions and seniority. Offline courses strengthen job-specific expertise and general competencies, while the e-learning platform enables flexible, anytime-anywhere learning. Each year, we provide up to KRW 1.2 million per employee in education support and further offer a self-development program that includes job-related training and language courses. These initiatives are designed to enhance both individual growth and job capabilities.

In 2024, to strengthen company-wide DX capabilities, various AI-related training programs were launched to meet job-specific needs. These included AI training for marketing, generative AI-based Excel training for the sales, DX project-based education focused on solving real business problems, and Robotic Process Automation (RPA) training to improve work efficiency. We also offer optional public training on generative AI, helping employees build the skills needed to adapt to digital environments and drive innovation in their work.

Company-Wide Training System

| Category | Onboarding | Leadership Competence | DX Competence | Job Competence | Self-Development | Other |
|-----------------------|----------------------------------|--|--|---|--|--|
| Executives (O-E0) | | Executive Leadership Course | | Business Program Course | | |
| Middle Managers (M-S) | OJT by Tier Core Value Course | Leadership Pipeline Course | Sharing Company-Wide DX Vision & Way of Working DX Trends & Core Technologies DX Job Training DX E-learning | On-the-job Specialization Course Company-wide Marketing Course | Business Trend Course Self-development Training (Job Skills & Foreign Language) | Humanities, Liberal Arts & Trend Course Statutory Training & Safety and Health Training |
| Practitioners (P1-P3) | | Leadership Communication Course Successor & Key Talent Training | | | | |

Key Training Programs

Leadership Development Program

Coaching

Pulmuone offers leadership development programs based on a company-wide leadership pipeline, designed to match each stage of career growth. The programs are structured into leadership preparation and enhancement tracks, all based on a coaching-style leadership model that helps leaders communicate effectively and achieve better results with their teams.

Our New Team Leader Program is designed to help employees step confidently into their first leadership role, covering key areas such as understanding leadership responsibilities, coaching-based communication, and team management capabilities. Our New Executive Program is focused on strengthening strategic leadership by enhancing the ability to guide organizational direction and lead teams effectively, with a strong emphasis on achieving goals through coaching.

In 2024, we introduced a new Successor Development Program for our future executive leaders. This program helps potential next-generation business leaders clearly recognize the roles and core competencies expected of them within the organization, and supports the strengthening of their leadership identity and execution capabilities based on self-driven leadership. Over the course of a year, participants undergo leadership assessments, develop personalized growth plans, and receive one-on-one coaching to drive self-awareness and behavioral change. The program is closely coordinated with the HR Planning Division to ensure readiness for General CEO and key executive succession.

Talent Acquisition and Development

Employee Competency Development

Key Training Programs

| Cultural Training

Network

We run a bi-monthly Digital Organizational Culture Program based on eight core technologies—Big Data, AI, Cloud, IoT, VR/AR, Robotics, Mobile Apps, and RPA—to help employees embrace digital transformation and internalize digital literacy.

The program is designed not just to impart technical knowledge, but to provide cultural experiences that enable learning and spread awareness across the organization. In 2024, various experiential activities centered around generative AI were organized. To celebrate the first anniversary of Pulmuone's digital learning platform, Digital Academy, an AI Mascot Contest was held to encourage employee participation. In addition, events such as DX Movie Day, the AI Music Concert, and the AI Christmas Party—featuring AI-generated movie and music content—were organized to help employees engage with and experience AI technology in their daily work.

A total of 325 employees participated in these organizational culture programs and provided positive feedback, noting that they gained practical insights into how digital technologies can be applied in their roles. Moving forward, Pulmuone plans to further expand the experiential learning environment, ensuring that digital technologies go beyond knowledge acquisition to become naturally integrated into the organizational culture.

| Career Transition Training

Coaching

Pulmuone offers a variety of e-learning programs to help employees transition smoothly into retirement. These programs provide online content on topics such as job-related skills, certification preparation, personal development, and global competencies, creating a learning environment that supports employees throughout their career lifecycle.

In 2024, courses such as business video production, basic investment, and an introduction to real estate—which are particularly useful for daily life—showed high participation rates. In 2025, we plan to continuously update and expand course offerings to further enhance training support, aiming to provide practical assistance for life after retirement.

| DX Training

Network

Strengthening Generative AI Competence

As AI becomes part of daily life, Pulmuone is helping all employees build their generative AI skills through training and organizational culture programs. In 2024, for senior management, ChatGPT prompt-writing training sessions were conducted with the goal of making the use of ChatGPT a habitual part of their workflow. To ensure practical application of learning, an idea competition on the theme of Pulmuone's 40th anniversary was held. Voluntary participation was encouraged among general employees through open training and e-learning, while data analysis training was provided for those engaged in DX projects. Job-specific training was also offered for employees in marketing and sales. In 2025, we plan to further advance our training programs for all team leaders and employees, both domestic and global.

DX Innovation Task Research Group

Pulmuone operates the DX Innovation Task Research Group Program to enhance organizational understanding of DX technologies and strengthen capabilities for identifying and implementing innovation tasks across the divisions. This program was initially designed for executives in 2022–2023, and since 2024, it has been expanded to include team leaders. The program has been refined to focus on identifying tasks based on practical issues arising in the field.

In 2024, a total of 81 executives and team leaders from R&D, marketing, sales, and logistics divisions participated in the program. A post-program satisfaction survey recorded an average score of 4.6 out of 5, reflecting strong approval for the program's enhanced relevance and applicability to actual business operations. Since 2022, the program has generated 33 innovation projects, with around 9 of them directly or indirectly implemented as DX execution initiatives. In 2025, we plan to expand the program to include senior managers, helping to spread digital literacy and strengthen execution capabilities across the company.

Talent Acquisition and Development

Employee Competency Development

Key Training Programs

RPA Training Program for Embedding DX Automation

To help employees better understand RPA and apply automation technologies in the workplace, Pulmuone provides an RPA Training Program for our employees. The program includes two stages: group training sessions led by instructors (Stage 1), followed by hands-on task execution with one-on-one coaching (Stage 2). Through this program, we aim to empower our employees to become Citizen Developers who actively bring automation into their daily roles.

In 2024, a total of 11 members from Pulmuone Corporation successfully developed automation tasks, achieving an annual work efficiency improvement of approximately 1,088 hours. This resulted in a cost-saving effect of around KRW 40 million in labor expenses.¹⁾ Moving forward, automation task identification and implementation are expected to expand, driven by employees who have completed the training. In 2025, Pulmuone plans to further advance internal automation by extending the program to additional business units.

¹⁾ Based on the median employee salary, the annual number of working days per employee in 2024 is 194.

Other Programs

Network

Pulmuone operates a company-wide Marketing Training Program to strengthen collaboration between the marketing, sales, and research divisions. This program covers a comprehensive understanding of various aspects of marketing, including environmental analysis, new product planning, branding, and digital marketing, as well as work processes based on DX and the use of generative AI. The program aims to enhance mutual understanding between marketing and related divisions and improve overall organizational work efficiency.

The expected outcomes of this program include the enhancement of product development and improvement capabilities, as well as long-term revenue growth. In 2024, participants gave an average rating of 4.7 out of 5 in a follow-up survey, highlighting its practical applications in tasks such as new product development.

2024 Key Training Program Outcome

| Program | Category | No. of Participants | No. of Graduates |
|--------------------------------|--|---------------------|------------------|
| Leadership Development Program | Leadership Preparation | 55 | 55 |
| | New Team Leader Program | 26 | 26 |
| | New Executive Program | 9 | 9 |
| | Successor Development Program | 10 | 10 |
| Cultural Training | Digital Organizational Culture Program | 325 | 325 |
| Career Transition Training | e-Learning Program | 302 | 302 |
| DX Training | Strengthening Generative AI Competence | 277 | 277 |
| | DX Innovation Task Research Group | 81 | 81 |
| Other Programs | Marketing Training Program | 33 | 32 |

Talent Acquisition and Development

Employee Evaluation and Compensation

Employee Evaluation and Compensation System

Pulmuone conducts annual organizational and individual evaluations to promote a performance-based organizational culture and support employee growth. The organizational evaluation is based on each unit's KPI achievement, while the individual evaluation is a comprehensive assessment that distinguishes annual work performance from job execution capabilities.

Employee Evaluation

Individual evaluations are conducted under the program called *Communication for Success* (CfS), which is designed based on the philosophy that the company and supervisors work together to help employees achieve their goals and develop their skills. CfS is continuously managed through a cycle of goal setting, progress review, and result confirmation. Organizational goals, aligned with the company's annual business plan, are cascaded to individuals through the division, office, and team levels.

To enhance the objectivity and effectiveness of the evaluation, mid-term assessments and regular feedback are conducted. For promotion assessments and position evaluations of managerial-level employees (management, team leaders), 360-degree feedback from superiors, peers, and subordinates is incorporated. Additionally, Communication Leaders (CL) play a key role in helping employees systematically manage their goals and develop their strengths by supporting the formulation and execution of strategies.

Employee Evaluation Criteria

Pulmuone does not assess performance solely by results but manages both individual and organizational performance based on clear milestones and goals. The evaluation includes not only quantitative indicators such as revenue, profit, and costs, but also qualitative factors such as strategic and operational tasks that are difficult to quantify. These qualitative goals are set in consultation with CLs to support the achievement of practical outcomes by considering the nature of the work and operational circumstances.

Employee Compensation

In line with its performance-based HR principles, Pulmuone links employee compensation to individual job competencies and performance. Compensation consists of base salary and performance-based bonuses. The base salary structure incorporates performance differentials to strengthen employee motivation, while bonuses are calculated based on organizational evaluation results and the achievement rate of organizational goals. Performance-based bonuses are generally paid in the year following the evaluation year and are applied differentially to executives and general employees.

For key management positions such as heads of independent business units, innovation leads, senior executives, and division leaders, we offer the Phantom LTI, a long-term incentive program that reflects their responsibility and contribution toward long-term performance and enhancing corporate value. This system is based on rewarding the increase in shareholder value, contributing to the establishment of a performance-driven culture and supporting the sustainable growth of the organization.

Phantom LTI (Long Term Incentive)

Phantom LTI is a performance-based long-term incentive program designed to encourage senior management to drive long-term performance and contribute to enhancing corporate value. Under this program, phantom shares are granted based on performance evaluation results, and the number of shares granted is adjusted according to the level of goal achievement during the period. The increase in stock price is then reflected and paid out in cash.

We assess performance over an average period of three years using financial indicators such as Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) and Net Debt, along with sustainability measures that reflect the specific functions of each organization, to determine the final incentive payout. In 2024, the Phantom LTI program was applied to eight senior executives.

Talent Acquisition and Development

Work Environment

Pulmuone is committed to fostering a highly engaging work environment that supports employees' healthy development and long-term performance. A range of systems are in place to promote work-life balance, providing a strong foundation for continuous growth and capability building. Notably, programs such as flexible work schedules, childcare support, and employee benefits are designed to accommodate the diverse life stages and work situations of employees. These initiatives serve as key competitive advantages that directly contribute to organizational sustainability.

Pulmuone's Work Environment Program

| Category | Program | Category | Program |
|--------------------------|--|------------|---|
| Family-Friendly Programs | <ul style="list-style-type: none"> • Reduced Working Hours during Pregnancy • Pregnancy Congratulations Gifts • Leave for Prenatal Checkups, Maternity Leave, Parental Leave, and Reduced Working Hours for Childcare • Family Care Leave • Infant and Childcare Allowance • Women's Lounge (for rest during pregnancy and breastfeeding) • On-Site Daycare Center • Childbirth Congratulations Grant • School Entrance Congratulations Grant • University Tuition Support for Children • Marriage Grant (equivalent to five months' salary) • Childcare Support for Employees with Disabilities • Condolence Items Support | Training | <ul style="list-style-type: none"> • E-Learning Tuition Support • Support for Foreign Language Learning and Job-Related Certification Costs |
| Leisure Programs | <ul style="list-style-type: none"> • Condominium Support • Support for Employee Clubs | Healthcare | <ul style="list-style-type: none"> • Employee Health Management Programs • EAP 'Finding Happiness' (Psychological Counseling) Support • Health Check-ups |
| Leave & Work Schedules | <ul style="list-style-type: none"> • Leave for Family-Related Matters • Annual, Additional, and Official Leave • Remote Work and Flexible Work Arrangements (optional working hours, discretionary working hours, and flexible commuting) | Lifestyle | <ul style="list-style-type: none"> • Group Insurance • Mutual Aid Loans • Flexible Welfare Points • Subsidies for Purchasing Company Products |
| | | Rewards | <ul style="list-style-type: none"> • Long-Service Awards • Recognition Awards (Exemplary Employee Award, Contribution Award, Pulmuone Person Award) |

Key Work Environment Programs

Family-Friendly Programs

Reduced Working Hours During Pregnancy

A reduced working hours program is offered for pregnant employees, exceeding legal requirements. Employees in their first 14 weeks of pregnancy or beyond the 32nd week can shorten their workday by up to two hours without any reduction in pay. This helps protect both the mother and the baby early in the pregnancy and supports preparation for childbirth in the final weeks.

Prenatal Check-up Leave

Under Article 73 of the Labor Standards Act, paid leave is provided to expecting parents for prenatal check-ups. Employees are entitled to one paid leave per month up to the 28th week of pregnancy, one paid leave every two weeks from the 29th to the 36th week, and one paid leave per week from the 37th week onward. Male employees without remaining annual leave are also granted an additional four days of paid leave—available as full or half days—to support their partners during this important time.

Parental Leave and Reduced Working Hours During Childcare

In accordance with the Labor Standards Act and the Equal Employment Opportunity and Work-Family Balance Assistance Act, we provide paid parental leave of up to one year (52 weeks) per child, regardless of gender, for employees who are pregnant or who are raising children under the age of eight. In addition, employees raising children under the age of 12 are eligible to apply for reduced working hours during the childcare period.

Talent Acquisition and Development

Work Environment

Key Work Environment Programs

In-house Daycare Center

Pulmuone operates a 496 m² daycare center at the Suseo business site in Seoul, which was built using eco-friendly materials. The center features Dodam Garden—a shared space for parents and children—creating a warm, family-friendly environment. Operated by the Hansol Education Hope Foundation, a trusted professional childcare provider, the center supports early education for children aged one to five. In 2025, the facility will be expanded by an additional 397 m², bringing the total area to 893 m². This expansion will enable the center to serve more families and provide an even more comfortable and enriching childcare environment.

Life Support Programs for Work-Life Balance

Employee Assistance Program (EAP)

Pulmuone operates an EAP to support employees in managing mental health, maintaining emotional balance, and staying focused at work. Each employee is eligible for up to eight free counseling sessions per year, with group sessions available as needed.

Group Insurance Plan

In addition to health, industrial accident, and employment insurance, Pulmuone provides group insurance to protect employees against unforeseen accidents or illnesses during their tenure. For optional add-on coverage of hospital expenses, a partial contribution to the enrollment fee is offered to individual applicants.

Health Check-up

Annual health check-ups are provided for all employees, including tumor marker tests that measure cancer-related indicators through blood analysis, to support early disease detection and prevention. For specific age groups and job types, comprehensive health screening packages and special occupational health exams are also offered to ensure employees receive appropriate care.

Retirement Pension System

To support the financial stability of our employees after retirement, we offer a Defined Benefit (DB) retirement pension plan. The pension is based on the total amount contributed by the company up to the time of retirement. After leaving the company, employees can continue to manage their pension funds by making personal contributions.

2024 Retirement Pension Plan Overview

| Category | Unit | Details |
|--------------------|--------------------|---|
| No. of Enrollments | 493 employees | • As of December 2024, Pulmuone Corporation employees with at least one year of service |
| Managed Amount | KRW 23.428 billion | • Kyobo Life (Defined Benefit Plan) |

Health & Wellness Program

In 2024, Pulmuone implemented various health consultation and clinical research programs for employees at domestic business sites, including the *Self Body Check* challenge, to encourage improvements in body composition and physical fitness. As a result of these programs, the number of individuals with risk factors decreased by 37.7%, and those with metabolic syndrome decreased by 50.8% compared to the previous year.



Improving Labor Practices

Labor Policy

[Overtime Prevention and Setting Maximum Working Hours](#)

Following Articles 50 and 53 of the Labor Standards Act, we only allow extended working hours exceeding 12 hours per week in limited circumstances and with prior approval from the division head. The maximum number of working hours per month is set at 209 hours.

[Ensuring Equal Pay](#)

Pulmuone complies with Article 6 of the Labor Standards Act and Article 8 of the Equal Employment Opportunity and Work-Family Balance Assistance Act to ensure equal pay for work of equal value, regardless of gender, nationality, or social status. Base salaries are set according to market standards, and we apply fair salary increases that reflect skill level, job performance, and role responsibilities. This performance-based compensation system is applied fairly and equally without gender-based discrimination.

[Annual Leave Policy](#)

Pulmuone provides 15 days of annual leave to employees who have worked for more than one year and attended work for at least 80% of that time, in accordance with Article 60 of the Labor Standards Act. An additional day is granted every two years, up to a maximum of 25 days. Annual leave is managed based on the fiscal year, and remaining days are calculated pro rata based on the date of hire upon resignation. To promote employee well-being and rest, we provide three days of additional leave per year and set collective leave days around bridge holidays to encourage the use of vacation time.

[Advance Notice and Consultation Period Prior to Mass Layoffs](#)

Under Articles 23 and 26 of the Labor Standards Act, employers must provide a valid reason for termination and give a minimum of 30 days' prior notice before dismissing an employee. In cases of mass layoffs due to managerial reasons,

Article 24 of the Act requires stricter conditions, including demonstrating an urgent managerial necessity and making efforts to avoid layoffs. Failure to comply with these legal requirements and procedures invalidates the justification for dismissal. As such, unilateral termination by the company is not permitted under Korean law.

[Ensuring a Living Wage](#)

To help workers in our supply chain meet essential living needs and maintain a decent quality of life, Pulmuone carries out living wage assessments. This approach goes beyond legal minimum wage requirements by factoring in local living costs and the expenses of employees and their dependents to determine fair compensation. Currently, the assessments cover Pulmuone employees, with plans to extend the initiative to key suppliers in the future.

Labor Practices

[Monitoring Working Hours](#)

Pulmuone complies fully with labor laws and supports a flexible work environment by allowing employees to manage their own schedules. The work hours management period runs from the 21st of each month to the 20th of the following month, during which employees may plan their work according to personal needs, provided they remain within the monthly maximum hour limit.

Work schedules can also be flexibly adjusted based on business requirements; however, all working hours must comply with the statutory limits set by the Labor Standards Act. Pulmuone operates under a comprehensive annual salary system that includes compensation for 26 extended work hours per month as part of base pay. Additional work, such as overtime, night shifts, or holiday work, is compensated in full compliance with applicable labor laws.

Improving Labor Practices

Labor Practices

[Labor-Management Agreement](#)

| Protection of Union Rights

Pulmuone respects the right to freedom of association and collective bargaining as outlined in Article 20 of the UN Universal Declaration of Human Rights and the fundamental conventions of the International Labour Organization (ILO). In compliance with the Constitution of the Republic of Korea and the Trade Union and Labor Relations Adjustment Act, we guarantee our employees the right to form labor unions and representative bodies. Union membership is entirely voluntary and based on individual choice. Each union operates independently in accordance with its own bylaws and membership criteria. As of the end of 2024, a total of 11 labor unions were active at domestic business sites.

Collective bargaining with labor unions is conducted in two parts: renewing collective agreements and discussing wage increases. As a general principle, collective agreement renewals take place in even-numbered years, while wage negotiations are conducted in odd-numbered years. Through this process, both wage adjustment rates and revisions to collective agreements are determined. All union members are subject to the terms of the concluded agreements, and Pulmuone strives to build a fair and stable partnership with unions based on mutual respect and trust.

| Operation of the Open Committee

Each quarter, Pulmuone convenes an Open Committee to hear employee grievances and address labor-related issues that may otherwise go unnoticed by management. The committee consists of nine management representatives, including the General CEO, and nine employee representatives who are elected through a direct, secret, and anonymous vote in which a majority of employees must participate. All matters discussed during committee meetings are shared company-wide via meeting minutes within seven days of the meeting's conclusion.

Open Committee Grievance Handling Process

| | |
|-------------------------|---|
| 1. Complaint submission | The Open Committee raises a complaint on behalf of members, adding it to the agenda |
| 2. Complaint resolution | After fact-checking, the issue is assigned to the relevant departments for appropriate action |
| 3. Feedback | The outcome is disclosed at the next Open Committee meeting |
| 4. Appeal | An appeal may be filed against the outcome |

[Gender Wage Gap Management](#)

Pulmuone upholds a fair, non-discriminatory compensation system that adheres to the principle of equal pay for work of equal value, regardless of gender. In addition, we conduct monitoring to identify any unintended gender wage gaps that may arise due to gender disparities in specific roles or job levels. The results of these assessments are publicly disclosed annually through our Integrated Report.

[Encouraging Use of Annual Leave](#)

Under Article 61 of the Labor Standards Act, Pulmuone implements an annual leave utilization promotion procedure for employees with unused leave each July and October. The first notice informs employees of how many days of leave they have left and suggests taking time off. The second notice sets specific dates to ensure leave is taken within the allotted time. Employees can register their leave directly in the system and adjust their plans freely without supervisor approval, giving them full control over their schedules.

Improving Labor Practices

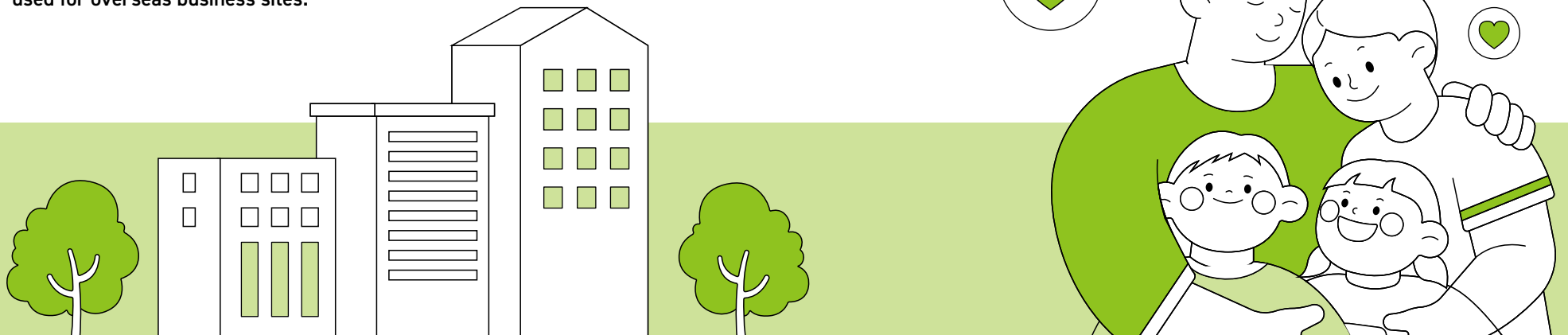
Labor Practices

Ensuring a Living Wage

Pulmuone conducts living wage assessments separately for domestic and overseas business sites. For domestic business sites, the living wage standard is based on the Seoul Metropolitan Government’s rate, which reflects the highest cost of living level in government notifications. This model is based on a three-person household consisting of two working spouses and one child requiring private education. For overseas business sites, Pulmuone uses the MIT Living Wage Calculator to determine living wages in California, Maryland, and New York, where its operations are located. The calculator provides criteria based on the number of dependents and the working-age population. However, due to limitations in personal data collection and volatility, the evaluation was conducted using a single-person household model. Going forward, the same three-person family model applied to domestic operations will also be used for overseas business sites.

2024 Living Wage Assessment Results

| Category | Unit | Domestic Business Sites | Overseas Business Sites | | |
|---|----------|-------------------------|-------------------------|----------|----------|
| | | | California | Maryland | New York |
| Living Wage | | 11,436 | 28.72 | 28.88 | 27.57 |
| Minimum Hourly Wage | KRW, USD | 9,860 | 16.50 | 15.00 | 15.50 |
| Average Hourly Wage | | 12,537 | 32.94 | 30.32 | 27.77 |
| Average Hourly Wage to Living Wage Ratio | Times | 1.10 | 1.15 | 1.05 | 1.01 |
| Average Hourly Wage to Minimum Wage Ratio | | 1.27 | 2.00 | 2.02 | 1.79 |



Respecting Human Rights

Human Rights Policy

Pulmuone officially supports and adheres to international human rights and labor standards, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the ILO Fundamental Conventions. We are committed to preventing human trafficking, forced labor, and child labor; ensuring freedom of association and collective bargaining; and prohibiting all forms of discrimination.

In 2018, Pulmuone established the Basic Principles for Human Rights Management and publicly declared them both internally and externally. Since then, we have advanced a human rights-respecting policy that extends beyond employees to encompass the entire supply chain, including suppliers, consumers, and local communities.

Basic Principles for Human Rights Management

In 2022, Pulmuone’s Board of Directors approved the Declaration on Human Rights Management, which sets forth 10 fundamental principles. These principles guide our human rights due diligence and grievance-handling efforts across the company.

10 Basic Principles of Human Rights Management

[View Pulmuone’s Declaration for Human Rights Management](#)

| No. | Area | No. | Area |
|-----|---|-----|---|
| 1 | Respect for Human Rights | 6 | Assurance of Occupational Safety |
| 2 | Equal Opportunity & Working Environment | 7 | Responsible Supply Chain Management |
| 3 | Freedom of Association & Collective Bargaining | 8 | Protection of Human Rights in Local Communities |
| 4 | Prohibition of Forced Labor & Compliance with Working Hours | 9 | Assurance of Environmental Rights |
| 5 | Prohibition of Child Labor | 10 | Consumer Protection & Privacy |

Our Policy on Discrimination and Harassment

Pulmuone applies a strict zero-tolerance policy prohibiting workplace harassment and sexual harassment, in accordance with the Human Rights Management Operational Guidelines and the Acting with Integrity Code of Practice. The policy stipulates thorough investigations and appropriate disciplinary actions for all cases of human rights violations.

[View Human Rights Management Operational Guidelines](#) [View Code of Practice for TISO Management](#)

Short-Term Plans for Human Rights Management

Improving Our Human Rights Risk Management System

To improve our human rights risk management, we have identified three key risks—work-life imbalance, workplace accidents due to insufficient worker protection, and deterioration of the working environment caused by human rights violations—and developed a human rights due diligence plan. In 2025, we will conduct a company-wide human rights impact assessment to diagnose risks at the organizational level and, based on the findings, collaborate closely with relevant divisions to establish specific improvement actions. In line with global guidelines emphasizing the protection of vulnerable groups, Pulmuone will strengthen monitoring by identifying groups associated with each key human rights risk and enhancing oversight accordingly.

Eliminating Human Rights Blind Spots

We have refined our human rights impact assessment checklist to systematically identify and address human rights risks. In 2025, we plan to use this checklist to identify gaps in human rights protection across different divisions and sites. We will gradually expand the scope of these assessments to cover suppliers, local communities, and consumers, ensuring respect for the rights of all those affected by our business activities.

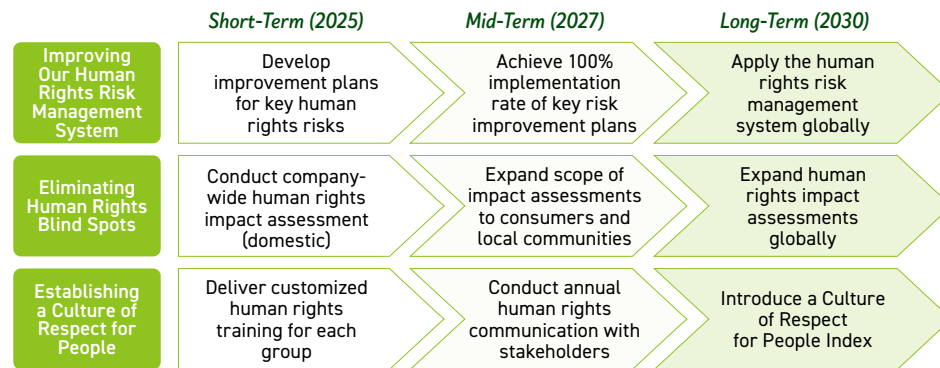
Respecting Human Rights

Short-Term Plans for Human Rights Management

Establishing a Culture of Respect for People

To build a culture that respects people, Pulmuone carries out various communication initiatives every year. As public interest in human rights continues to grow, the Human Rights Center plans to enhance employees' awareness through regular newsletters and human rights awareness campaigns. In addition, divisions with a high risk of human rights violations or a history of related issues will be subject to systematic monitoring, with improvement measures actively implemented and managed.

Human Rights Management Goals



Mid- to Long-Term Human Rights Management Goals

Pulmuone aims to expand its human rights risk management system to all global operations in the medium to long term, while also strengthening human rights-related communication both internally and externally. This goal will be translated into specific tasks, with implementation progress regularly monitored.

Dedicated Human Rights Management Team

At Pulmuone, the Human Rights Center, under the HR Planning Division, is in charge of driving our human rights management efforts. The center is responsible for monitoring human rights risks, conducting due diligence, and overseeing remediation procedures across our businesses and subsidiaries, as well as throughout the broader supply chain, including suppliers. Major changes to human rights-related policies and systems, along with response strategies to key issues, are reported to and approved by the corporate Risk Management Committee prior to implementation.

Human Rights Risk Management System

Drawing on insights from the human rights impact assessments conducted in 2022 and 2023, Pulmuone strengthened its human rights risk management system through the *2024 Human Rights Management Improvement Project*. The scope of potential risks arising from business activities was defined, and key priority risks requiring proactive management were identified. The due diligence process was also updated to more effectively identify and address these risks. In 2025, Pulmuone plans to conduct a company-wide human rights impact assessment using this enhanced system.

Defining Human Rights Risks

Identification of Human Rights Risks

Pulmuone has defined the scope of human rights risk management to encompass not only our own business sites and employees, but also our suppliers, local communities, and consumers, by identifying potential risks unique to each stakeholder group. The resulting list includes risks related to vulnerable groups such as pregnant women, persons with disabilities, and children, as well as issues covered under the ILO Fundamental Conventions, including child labor, forced labor, freedom of association, and the right to collective bargaining. Through our human rights due diligence process, Pulmuone will continue to identify and manage risks that are deemed high in severity and likelihood.

Respecting Human Rights

Human Rights Risk Management System

Defining Human Rights Risks

Three Key Human Rights Risks

To manage human rights risks more effectively, Pulmuone has identified key risks that require immediate attention. As separate risk management policies cover external stakeholders, this assessment focused exclusively on employees. The Human Rights Center collaborated with related divisions and external experts to evaluate risks based on likelihood, severity, and potential impact. The assessment identified three major risks: imbalance between work and personal life; workplace accidents due to insufficient worker protection; and deterioration of the working environment caused by human rights violations. These risks will be addressed progressively through close collaboration with relevant divisions and offices.

Imbalance Between Work and Personal Life

| Key Human Rights Risk | Description | Stakeholders | Potential Impact |
|--|--|--------------|--|
| Imbalance Between Work and Personal Life | <ul style="list-style-type: none"> Difficulties in adjusting work hours and managing childcare, self-development, and caregiving responsibilities | Employees | <ul style="list-style-type: none"> Higher turnover, leading to increased operational costs Legal liabilities |
| Workplace Accidents Due to Insufficient Worker Protection | <ul style="list-style-type: none"> Increased exposure to accidents and harmful conditions, particularly for vulnerable groups | Employees | <ul style="list-style-type: none"> Legal liabilities |
| Deterioration of the Working Environment Caused by Human Rights Violations | <ul style="list-style-type: none"> Persistent harassment or sexual misconduct, coupled with limited access to grievance channels | Employees | <ul style="list-style-type: none"> Reduced productivity Legal liabilities |

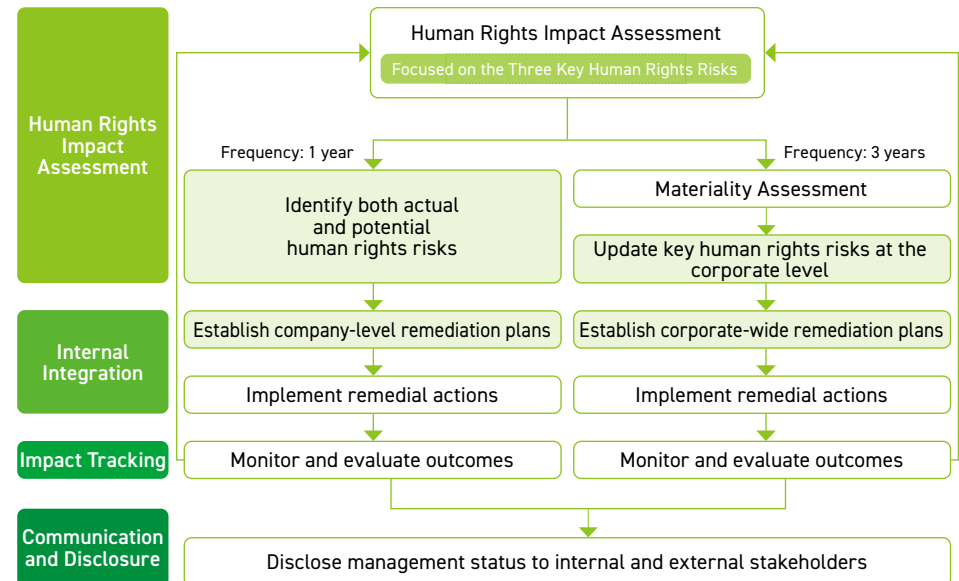
* The current assessment covers only internal stakeholders (employees), with plans to expand to external stakeholders in the future.

Human Rights Due Diligence

Human Rights Due Diligence Process

Pulmuone's human rights due diligence process follows four steps: assessment → integration → impact tracking → communication and disclosure. The assessment is based on identified risks, and potential risks are derived from the results to inform company-level improvement actions each year. In addition, we conduct a materiality review every three years to ensure continuous refinement of key human rights risks across the company. Outcomes of these evaluations and the actions taken are shared in our annual Integrated Report.

Human Rights Due Diligence Process



Respecting Human Rights

Human Rights Risk Management System

Human Rights Due Diligence

Due Diligence Results

Human Rights Due Diligence Overview

In March 2022, Pulmuone participated in the Human Rights Management Pilot Program organized by the National Human Rights Commission of Korea. As part of this initiative, we assessed human rights risks across the full value chain of our tofu products—from manufacturing and production to sales and distribution—and identified potential issues. In 2023, we independently conducted additional assessments at two facilities: the PPEC Eumseong Fresh Noodle Plant and the Pulmuone Green Juice Doan Plant. Based on the findings, we enhanced our human rights risk management system in 2024. Looking ahead, in 2025, we plan to conduct a company-wide human rights impact assessment to identify and address potential vulnerabilities across businesses and subsidiaries.

2023 Human Rights Impact Assessment Results

| Risk Category | Unit | Assessment Coverage | Risk Identification Rate | Mitigation and Improvement Action Rate |
|---------------------------|------|---------------------|--------------------------|--|
| Pulmuone's Business Sites | % | 6.45 | 100 | 100 |
| Suppliers | | 56.82 | 100 | 100 |

Development and Implementation of Mitigation Plans

Following the 2023 human rights impact assessment, Pulmuone identified three key improvement areas—refining the human rights due diligence process, strengthening grievance procedures, and fostering a workplace culture that respects human rights—and developed due diligence plans at both the corporate and site levels. To address the three identified improvement areas, Pulmuone enhanced grievance procedures by introducing expert labor reviews and judgment panels to ensure greater fairness and credibility. Follow-up measures were also strengthened, including victim support and preventive training. In addition, a company-wide human rights training program was established, and regular newsletters were launched to foster a workplace culture that respects human rights.

Improvement Tasks and Implementation Results from the Human Rights Impact Assessment

| Year | Type | Scope | Identified Risks | Improvement Actions | Effectiveness Evaluation Metrics |
|------|------------------------|--------------|--|---|--|
| 2022 | System | Company-wide | • Unclear direction of Pulmuone's human rights policy | • Public declaration of the human rights policy | • Confirmation of policy establishment and disclosure |
| | System | Suppliers | • Lack of human rights considerations in supply chain policies | • Expansion of human rights management in the supply chain | • N/A ¹⁾ |
| 2023 | System | Company-wide | • Absence of Pulmuone-specific human rights risk analysis | • Identification of Pulmuone's human rights risk pool | • Annual update status of risk list |
| | System | Company-wide | • Checklist too broad and policy-focused | • Refinement of the checklist based on the defined risk pool | • Department-level score on checklist application |
| | Remediation Process | Company-wide | • Need to enhance credibility and fairness in grievance procedures | • Mandatory labor review and ad hoc convening of review panels | • Proportion of grievance cases reviewed by labor experts • Proportion of decisions reflecting panel opinions |
| | Remediation Process | Company-wide | • Inadequate follow-up measures in grievance resolution process | • Strengthened follow-up measures after grievance resolution | • Follow-up implementation rate |
| | Organizational culture | Company-wide | • Gaps in human rights awareness among employees | • Establishment of a company-wide human rights training system • Regular publication of human rights newsletters | • Completion rate of human rights training by position • Number of newsletter issues |

1) Implementation direction currently under discussion.

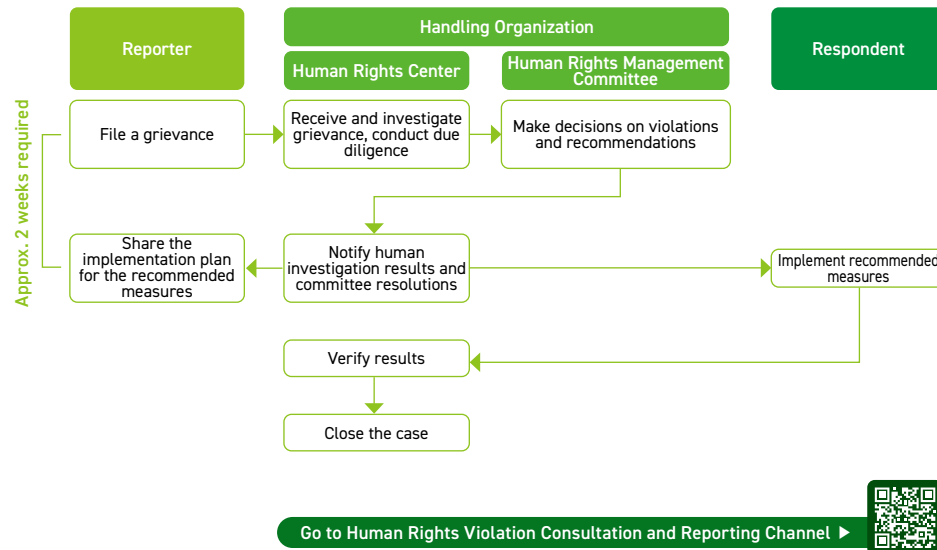
Respecting Human Rights

Remedy for Human Rights Violations

Human rights violations are reported through official online and offline grievance channels, with prompt remedial procedures initiated upon identifying any issues. The process follows the principle of full resolution, and remedies—such as reassignment, transition to remote work, or paid leave—are implemented based on the needs of the affected individual.

In 2024, a total of 62 cases were reported, including 33 related to workplace bullying, 4 to sexual harassment, and 25 to general grievances. Excluding simple consultations, remedial and disciplinary actions were taken in 30 cases. Once actions are finalized, results are posted quarterly on the corporate bulletin board. In addition, anonymized case examples are incorporated into training and newsletters to help prevent recurrence.

Human Rights Violation Remediation Procedures



Improvement of Human Rights Violation Remediation Procedures

We continuously improve our remedial procedures to ensure that human rights violations are reviewed through objective, fair, and transparent processes and that victims receive appropriate protection and recovery support. The improvements implemented in 2024 are as follows:

Continuous Monitoring

To ensure the accessibility and appropriateness of reporting channels, grievance-related items have been incorporated into the human rights impact assessment checklist for continuous monitoring, and the results are reflected in improvements to internal regulations.

Ensuring Credibility and Fairness

To ensure the expertise and fairness of grievance procedures, a mandatory preliminary review by an in-house labor attorney has been instituted. When necessary, a review committee, including in-house counsel and external experts, is convened.

Support for Recovery

Following the implementation of remedial actions, various forms of recovery support—such as counseling, Employee Assistance Program (EAP) services, and work environment adjustments—are provided at the request of the complainant or at the company's discretion.

Preventive Education to Avoid Recurrence

Once a grievance case is closed, customized preventive training combined with leadership coaching is provided to the relevant teams to prevent recurrence and support improvements in organizational culture.

Respecting Human Rights

Raising Awareness of Human Rights

Company-Wide Human Rights Training Program

In 2024, we developed a new human rights training system to enhance the effectiveness of our training efforts. In addition to the mandatory government-required courses, we introduced tailored sessions that reflect employees' roles, positions, and circumstances. This allows us to customize topics and content according to the target audience. Since July 2024, human rights training has been included in the new leader onboarding process, and we aim to extend it to all employees company-wide in 2025.

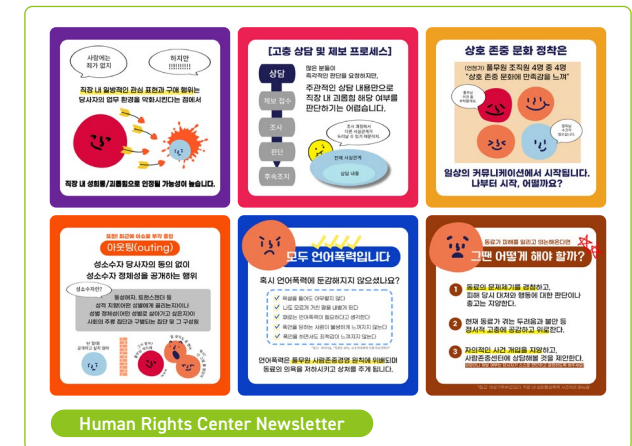
Company-Wide Human Rights Training System

| By Target Group | | Tailored Content by Audience | |
|--------------------------|-----------------------------|---|--|
| Mandatory Legal Training | Customized Training | By Position | By Situational Context |
| All Employees | Executive Leadership | Human rights management and corporate responsibility Responding to and managing human rights risks | High-Risk divisions, offices and teams for human rights violations ¹⁾ |
| | Team Leaders & Part Leaders | Preventing workplace and sexual harassment, and the role of managers, with emphasis on gender sensitivity | |
| | Practitioners | Introduction to Pulmuone's human rights culture, policies, and grievance procedures | |

1) Divisions, offices, and teams that interact with suppliers or where similar misconduct cases are repeatedly reported.

Human Rights Center Newsletter

To improve employees' awareness of human rights and grievance procedures, we published the *Human Rights Center Newsletter* 16 times in 2024. The newsletter addressed frequently reported issues such as verbal abuse, inappropriate informal speech, and company drinking culture, as well as emerging concerns such as outing and coercive advances. All editions were posted on the company bulletin board, ensuring employees could access and review them at any time.



Human Rights Center Newsletter

Strengthening Safety and Health Management

Safety and Health Policies and Systems

Pulmuone operates a safety and health policy designed to reduce workplace injury rates. A management system based on ISO 45001 has been adopted, through which the headquarters and 16 domestic production and logistics sites have obtained certification. Established by the International Organization for Standardization (ISO), this international standard provides a framework for creating safe and healthy work environments, preventing work-related injuries and illnesses, identifying priority areas for improvement, and developing action plans to continuously enhance safety and health performance. We actively encourage employee participation in the safety and health management process to ensure that on-site perspectives are reflected in our practices.

Safety and Health Management Goals

| Category | Unit | Base Year | Reporting Year | | Short- to Mid-term Target | | |
|-----------------------------|------|-----------|----------------|-------------|---------------------------|-------------------------------|--------------------------------|
| | | 2023 | Target | Performance | 2025 ³⁾ | Mid-Term (2028) ⁴⁾ | Long-Term (2030) ⁴⁾ |
| Accident rate ¹⁾ | % | 0.88 | 0.79 | 0.87 | 0.78 | 0.61 | 0.52 |
| Severity rate ²⁾ | — | 0.12 | 0.11 | 0.1 | 0.09 | 0.09 | 0.08 |

- 1) Including both domestic and international business sites and suppliers.
- 2) Including domestic and international business sites.
- 3) Target based on a 10% reduction compared to 2024 performance.
- 4) Target based on a 30% reduction compared to 2024 performance.

[View Pulmuone's Safety and Health Management Policy](#)



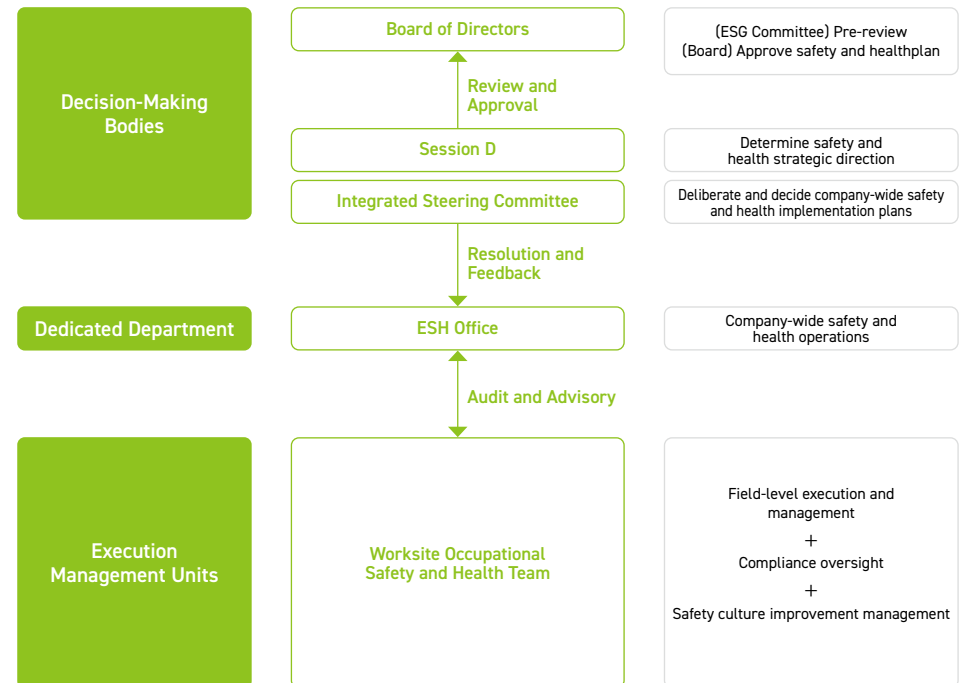
Roadmap for Safety and Health Goals

In the short term, Pulmuone aims to complete safety audits and safety culture assessments at domestic manufacturing sites and food service sites operated by Pulmuone Food & Culture, as well as at international sites in the United States, Japan, and China by 2025. In the medium to long term, improvement initiatives will be applied and expanded based on the audit and assessment results, thereby advancing the establishment of a self-sustaining safety culture (Level 3 on the Bradley Curve).

Safety and Health Governance

We have assigned a dedicated ESH Office to oversee safety and health across all domestic and international business sites. To manage safety risks more effectively, the office systematically identifies potential issues and takes appropriate corrective actions, and sets KPIs for each subsidiary. These KPIs are closely monitored and reviewed on a regular basis to ensure ongoing improvement. Key issues related to safety and health are reported regularly to the management and the Board of Directors through major governance bodies, including the Integrated Steering Committee and the ESG Committee.

Safety and Health Organizational Structure



Strengthening Safety and Health Management

Safety and Health Governance

Integrated Steering Committee

Pulmuone convenes an Integrated Steering Committee each quarter, chaired by the General CEO, to discuss and decide company-wide safety and health execution methods. The committee's decisions are implemented across business sites by the ESH Office. During these meetings, key safety and health plans, disaster prevention measures, compliance status with applicable laws and regulations, training execution plans, as well as risks and improvement items identified through audits are reported and followed by discussion of implementation strategies.

Session D

Pulmuone holds a biannual meeting chaired by the General CEO to evaluate company-wide environmental safety management performance and planning. This meeting establishes disaster frequency and severity rates as core management indicators, which serve as the basis for discussions on various safety initiatives.

ESG Committee

Key safety and health issues are managed and supervised through the board-level ESG Committee, which convenes semi-annually. In 2024, the committee reviewed targets and action plans for enhancing safety management, assessed the effectiveness of employee health programs, and discussed strategies to elevate the overall safety culture.

Identifying and Addressing Safety and Health Risks

Company-Wide Risk Assessment

Risk analysis is conducted in accordance with Article 36 (Implementation of Risk Assessment) of the Industrial Safety and Health Act and Article 37 (Documentation and Preservation of Risk Assessment Results) of its Enforcement Rules to proactively identify potential hazards. Risk assessments are conducted within 30 days of starting operations at new business sites and performed periodically at existing sites. The process incorporates input from supervisors and on-site employees to identify risk factors, implement mitigation measures, and record results in the ESH system for continuous tracking and management.

The assessment results are categorized into three levels—high, medium, and low—with immediate priority given to addressing high risk factors. Identified risks and improvements are discussed through on-site committees such as the Industrial Safety and Health Committee, Factory Safety Committee, and Contractor Council, with progress reviewed during monthly safety meetings. In 2024, a total of 4,852 risk factors were identified across all domestic and international sites, with improvement measures completed for over 90% of them.

Safety and Health Committee for Manufacturing and Logistics Business Sites

| Committee | Meeting Cycle | Description |
|--|---------------|---|
| Industrial Safety and Health Committee | Quarterly | <ul style="list-style-type: none"> This statutory committee, required for workplaces with more than 100 employees, consists of an equal number of labor and management representatives and is chaired by the business site manager The committee addresses legal obligations such as occupational accident prevention plans, safety training, work environment monitoring, and the management of hazardous machinery and equipment |
| Factory Safety Committee | Monthly | <ul style="list-style-type: none"> Chaired by the business site manager, this committee focuses on key safety and health matters within the factory Discussion topics include safety and health roadmaps, industrial accident prevention and recurrence measures, identified risks and improvement strategies, change management (e.g., equipment investment or workspace layout), safety devices for equipment, workforce training and special inspections, and emergency preparedness including scenarios, drills, and training |
| Contractor Council | Monthly | <ul style="list-style-type: none"> This council is mandated when in-house contractors are present, and is composed of both the principal company and all contractors It discusses topics such as risk assessments, work start schedules, communication protocols, evacuation procedures, and coordination of work processes |

Strengthening Safety and Health Management

Identifying and Addressing Safety and Health Risks

Safety and Health Management of Suppliers

Pulmuone manages supplier safety in accordance with Article 5 of the Industrial Safety and Health Act (Prevention of Industrial Accidents in Contracting) and Article 4 of the Serious Accidents Punishment Act (Establishment and Implementation of a Safety and Health Management System). To this end, business sites operate monthly contractor council meetings, quarterly joint inspections, and annual safety level assessments. These efforts reinforce a cooperative foundation with suppliers and enhance their industrial accident prevention capabilities. Suppliers are also included in Pulmuone’s safety management system and encouraged to participate in core activities such as disaster rate management, accident-free awards, risk assessments, and safety campaigns.

Safety and Health Standards Incorporated into Supplier Requirements

When selecting new service providers and contractors, Pulmuone specifies safety and health requirements from the bidding stage and evaluates legal compliance before and during contract execution. This process mitigates legal risks and enables systematic assessment of suppliers’ safety levels. In the overall contractor evaluation, safety and health criteria account for 10% each in both initial and periodic assessments. New contractors are evaluated based on their occupational injury rate, whether they maintain a safety organization, and the extent to which they have completed safety and health training. Existing contractors are comprehensively assessed based on the status of their occupational safety and health management systems, the degree of implementation of safety activities, effectiveness in managing site operations, past accident rates, and whether they hold relevant certifications or have received safety-related awards.

Accident Management and Recurrence Prevention

Pulmuone enforces company-wide Accident Management Guidelines that also apply to all on-site contractors, including those in production, cleaning, security, and food services. These guidelines define systematic response procedures and protocols for recurrence prevention. Minor accidents must be reported to the site director, while serious accidents must be reported to the corporate representative within 24 hours. Within seven days, an investigation is conducted by either the Safety & Health Planning Team at headquarters or the on-site Environment, Safety, and Health (ESH) Team. Accidents are classified using the 4M method—Man, Machine, Media, and Management—and tailored preventive measures are implemented accordingly. The results of investigations and emergency response actions are then shared across all business units, including manufacturing, logistics, R&D, and global operations, to help prevent recurrence of similar incidents.

Internal Audit

In 2024, Pulmuone conducted company-wide internal audits across five key areas, with a particular focus on safety culture diagnosis and integrated disaster prevention. Site-specific improvement tasks were identified, and practical action plans were implemented.

Internal Safety Health Audits Types & Cycles

| Category | Definition and Audit Criteria | Frequency | Target |
|--------------------------------|--|-------------|------------------------------|
| Comprehensive Prevention Audit | • Identifies and monitors risk factors related to fire, electricity, natural disasters, and others | Ongoing | Company-wide |
| ESH Legal Audit | • Monitors regulatory changes (e.g., Serious Accidents Punishment Act), provides compliance guidelines, investigates accidents, and tracks corrective actions | Semi-annual | Company-wide |
| ESH System Audit | • Assesses the implementation level of ISO 14001 and ISO 45001 environmental safety management systems across 16 sites, including domestic factories, logistics centers, and research facilities | Ongoing | ISO-certified business sites |
| Safety Culture Audit | • Evaluates safety awareness levels across the organization—from leadership to frontline workers—and monitors the progress of behavioral and cultural improvements | Ongoing | Company-wide |
| Ongoing Audit | • Conducts unscheduled inspections of business sites to ensure continuous risk control | Ongoing | Company-wide |

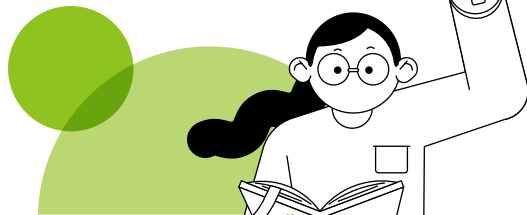
Strengthening Safety and Health Management

Identifying and Addressing Safety and Health Risks

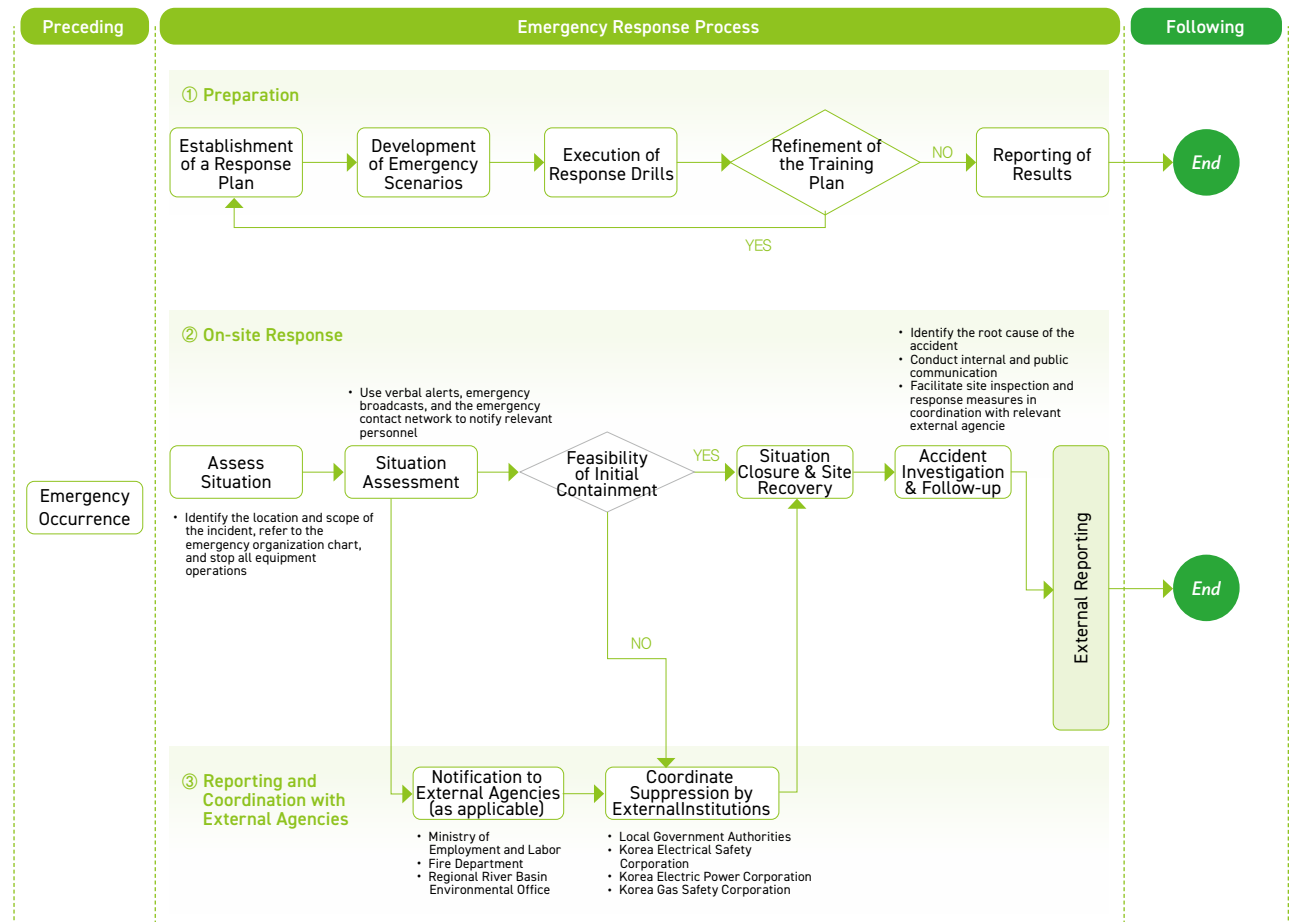
Preparing for Emergency Situations and Response Measures

To prepare for accidents or emergency situations that may affect environmental safety, Pulmuone identifies and mitigates potential risk factors in advance to minimize harm to human life, property, and the environment. We also operate a structured emergency response procedure designed to ensure rapid resolution, timely system recovery, and the implementation of preventive measures.

Emergency situations are defined to include incidents such as fires, explosions, power outages, hazardous substance and chemical spills, typhoons, earthquakes, heavy rainfall, snowfall, flooding, landslides, and cold snaps. The response procedure consists of three key stages: preparation, on-site response, and reporting and coordination with external agencies. In particular, during the preparation stage, Pulmuone enhances its emergency readiness by establishing and periodically reviewing emergency response plans, analyzing site-specific risks and disaster likelihood, developing response scenarios such as evacuation plans and organizational charts, conducting regular training and drills, and strengthening the effectiveness of training programs.



Emergency Response Procedure



Strengthening Safety and Health Management

Enhancing Safety and Health Awareness

Diversifying Safety and Health Education Methods

Pulmuone provides a variety of safety and health education programs to raise employees' awareness of occupational safety and health. In addition to training on the prevention of major accident types—such as pinch injuries, slips and trips, and burns—practical training is reinforced for work environment-specific risks, including heavy object handling, electrical tasks, forklift operations, maintaining safe passageways, and the proper use of personal protective equipment (PPE). Specialized training is provided for high-risk work environments—such as confined spaces, high noise areas, and hazardous chemical handling—to strengthen employees' overall safety competencies.

Since 2013, we have been providing customized safety training for supervisors, who play a central role in on-site safety management, to systematically strengthen their capabilities. As of 2025, most supervisors at manufacturing and logistics sites have completed this training.

In addition, in November 2023, Pulmuone invested approximately KRW 88 million to establish a Safety Experience Hall at the PPC Eumseong Fresh Noodles factory, equipped with nine types of simulation equipment. The facility offers hands-on programs replicating real accident scenarios, allowing workers to directly experience hazardous situations and practice appropriate response measures. The objective is to enhance hazard recognition and elevate practical safety awareness among on-site employees.



View of the safety experience hall

Pinching experience

Slipping experience

Internalization of Continuous Safety Awareness

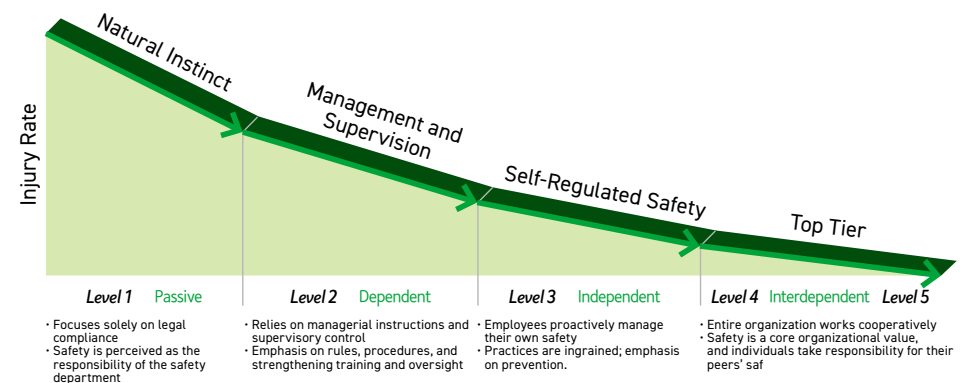
Pulmuone has produced its own safety video tailored to the characteristics of the food industry, which is continuously displayed in high-traffic areas such as cafeterias, elevators, and transition rooms to help employees internalize safety practices in their daily routines. The video covers four core topics: key risk factors, emergency response procedures, the 'Four Safety Rules,' and emergency protocols. It serves as a standardized safety training resource for both domestic and international business sites.

Safety Culture Diagnosis

Since 2023, Pulmuone has conducted safety culture assessments across all levels of the organization through interviews to promote a stronger safety culture¹⁾. According to the Bradley Curve evaluation model, the current organizational safety culture is assessed at the Dependent Stage. Based on this assessment, we are expanding improvement initiatives and highlighting best practices in areas such as leadership, organizational management, and execution. The scope of the diagnosis has also been extended beyond domestic manufacturing and logistics sites to include international subsidiaries in the United States and China, as well as Pulmuone Food and Culture (service business).

1) Targeting domestic manufacturing and logistics business sites.

Safety Culture Level by the Bradley Curve



Strengthening Supply Chain Sustainability

Supply Chain ESG Management

Supply Chain ESG Management Policy

Pulmuone recognizes potential ESG risks—such as human rights issues, environmental impact, and safety—across the entire supply chain, including its suppliers. To address these risks, we are establishing targeted policies and goals while continuously monitoring performance. A Supplier Code of Conduct has been enacted to communicate Pulmuone’s environmental, social, and ethical standards, and the purchasing activities of Pulmuone and its subsidiaries are monitored to ensure compliance.

In addition to conducting ESG assessments, offering training, and providing technical support to strengthen suppliers’ capabilities, Pulmuone promotes the creation of a sustainable industrial ecosystem through collaborative efforts with diverse stakeholders across the food industry. The ESG Committee holds overall responsibility for overseeing Pulmuone’s supply chain ESG management activities.

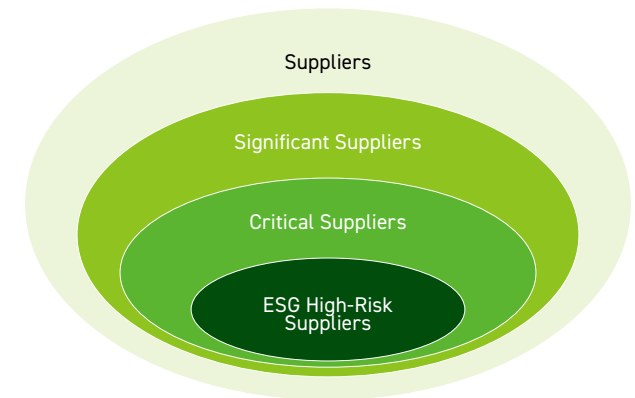
Supply Chain ESG Management Process

Supply Chain ESG Management Process

Pulmuone operates a structured ESG management process for its supply chain, including regular reviews of the significant supplier pool and various evaluations to proactively mitigate ESG risks.

At the supplier selection stage, Pulmuone performs ESG screening to prevent contracts with suppliers that fail to meet baseline requirements. New or renewed contracts require agreement to the Supplier Code of Conduct, which is integrated into Pulmuone’s procurement system. For critical suppliers, ESG analyses and on-site inspections are conducted to evaluate compliance and ESG performance.

Organizational Structure of Pulmuone Suppliers



* Details on each supplier classification can be found on page 90 of this report.

| Selection of Suppliers | Management of Suppliers | | | | | | |
|--|--|--|--|---|--|---|--|
| | Finished Product Suppliers | | | Critical Suppliers | | | |
| ESG SCREENING | REGULAR EVALUATION OF THE FOOD SAFETY MANAGEMENT SYSTEM | | | SUPPLIER IMPORTANCE EVALUATION | CRITICAL SUPPLIER ESG ASSESSMENT AND INSPECTION | | |
| •Point Deductions by Screening Results | Quality and Safety Risk Evaluation | Sharing of Results and Execution of Corrective Measures | Performance Reflection | Esg Risk Evaluation | Documented Assessment and On-Site Inspection | Sharing of Results and Execution of Risk Mitigation Measures | Performance Reflection |
| | •Execution of diagnosis based on the Food Safety Management System | •Sharing identification of risks •Demands for submitting corrective measure plans | •Reflection in regular supplier evaluation •Termination of trade with companies that don't take corrective measures | •Selection of critical suppliers based on ESG risk evaluation results | •Online self-evaluation and third-person verification •On-site inspection | •Sharing of results and improvement tasks •Support for integrated improvement consulting | •Bonus points for companies that partake in ESG assessment and inspections •Reflection in the selection method for coexistence support (win-win growth) |

Strengthening Supply Chain Sustainability

Supply Chain ESG Management

Leading the Supply Chain ESG Alliance

To promote ESG capabilities across the food industry, Pulmuone actively seeks collaboration with companies that share its supply chain. Integrated ESG management initiatives, such as joint assessments, audits, and training, help reduce costs and alleviate the burden on suppliers.

In 2023, Pulmuone helped establish the Supply Chain ESG Alliance, composed of key members of the food industry. This led to the launch of the Food Industry Supply Network ESG Joint Business Committee, in partnership with five major domestic food companies. In 2024, Pulmuone selected service providers to support the industry-wide implementation of a standardized Supplier Code of Conduct, build operational systems, and develop a shared ESG information platform. Based on this platform, a pilot ESG *Supplier Assessment Project* was implemented, and two rounds of ESG training programs—both basic and advanced—were conducted for supplier executives and frontline staff to strengthen ESG competencies, particularly among small and medium-sized food companies.

In 2025, ten food companies are expected to formally participate in the joint project. Pulmuone plans to host an ESG Alliance Declaration Ceremony and ESG Management Forum to expand collaboration and synergy within the industry. Moreover, certificates of ESG diagnosis will be issued to participating suppliers, and outstanding participants will be recognized through an award ceremony to further promote engagement.

Supply Chain ESG Management Regulations

Purchase Policy

Pulmuone and all its subsidiaries comply with the company-wide Purchase Policy, which applies to all goods and services directly or indirectly procured. The policy includes a Code of Conduct (Chapter 5) prohibiting unfair trade practices and improper exchanges of monetary value, while encouraging responsible purchasing practices, including the protection of personal information.

Chapters 8 and 9 of the policy define a comprehensive ESG risk management system that integrates legal compliance, human rights, ethics, and environmental responsibility across the entire supplier engagement cycle—from identification and contracting to performance evaluation. It also outlines support mechanisms for suppliers, such as training and capacity-building initiatives.

Supplier Code of Conduct

Pulmuone enforces its Supplier Code of Conduct to ensure that its suppliers uphold corporate social responsibility. The company only engages in business with suppliers who agree to the Code. The Code outlines core expectations, including the provision of a safe and healthy working environment, respect for employee human rights, efforts to minimize environmental impact, and adherence to ethical business practices. Through the Food Industry ESG Alliance, Pulmuone continues discussions on revising the standardized Supplier Code of Conduct and conducts regular assessments and audits to monitor compliance.

[View Pulmuone's Supplier Code of Conduct](#)



Strengthening Supply Chain Sustainability

Supply Chain ESG Management

Supply Chain ESG Assessment

| ESG Screening in the Supplier Selection Stage

Pulmuone conducts ESG screening as part of the supplier selection process for all new suppliers. This screening is mandatory, accounting for 15% of the evaluation, and applies to all new suppliers in three categories: Original Equipment Manufacturing (OEM), packaging, and ingredients.

| Regular Evaluation of Suppliers' Food Safety Management System

Pulmuone conducts annual evaluations based on its Food Safety Management System Standards, targeting all suppliers that deliver finished products to the company. The results of these evaluations are reflected in the overall performance review of each supplier. The evaluations are designed to prevent and manage potential food safety risks, enhance systematic food quality management, and improve suppliers' capabilities by promoting the autonomous operation of their own food safety systems. When risks are identified, the findings are shared with the relevant suppliers, who must then submit corrective action plans through the Pulmuone sourcing portal. Pulmuone verifies the adequacy of the action plans. Suppliers that are deemed noncompliant are given a grace period for corrections, followed by re-evaluation. If compliance is not achieved after both the initial and secondary re-inspections, the business relationship is terminated.

2024 Evaluation Results of Suppliers' Food Safety Management System

(Unit: Companies)

| Category | Result | Category | Result |
|------------|---|----------|--|
| Evaluation | Evaluated companies | Support | Companies that received support for implementing corrective measures and improvement plans |
| | Companies with identified practical and potential risks | | 118 |
| | Companies that established corrective measures and improvement plans | | - |
| | Companies that completed practical and potential risk improvement by implementing corrective measures and improvement plans | | - |
| | 272 | | |
| | 149 | | |
| | 123 | | |
| | 91 | | |

Supplier Selection Screening Criteria

| Evaluation Criteria | Details |
|---------------------|--|
| Environmental | <ul style="list-style-type: none"> Implementation of eco-friendly management practices Presence of an environmental safety management officer |
| Social | <ul style="list-style-type: none"> Presence of proper employment contracts Compliance with Occupational Safety and Health Standards Existence of an internal whistleblower system Provision of employee training Compliance with labor laws Management of extended working hours |
| Governance | <ul style="list-style-type: none"> History of embezzlement or breach of trust |

| Supplier Importance Evaluation

In alignment with Pulmuone's Mutual Growth Policy, the company convenes a Mutual Growth Council following the annual supplier evaluation. The council consists of field-level personnel from relevant divisions and is tasked with identifying and classifying suppliers as significant, critical, or ESG high-risk. This classification is based on the degree of business interdependence, ESG risk relevance, and supplier replaceability.

Significant suppliers are those that provide essential goods or services to Pulmuone or maintain a significant volume or duration of transactions. Critical suppliers are a subset of significant suppliers whose ESG risk exposure necessitates closer monitoring. ESG high-risk suppliers are those that either currently compromise supply chain sustainability or are likely to pose such risks in the future.

Pulmuone continues to listen to suppliers' concerns through the council and works collaboratively to support mutual growth, strengthen ESG management practices across the supply chain, and proactively identify and manage key risk factors.

Strengthening Supply Chain Sustainability

Supply Chain ESG Management

Supply Chain ESG Assessment

Risk Screening Criteria for ESG High Risk Supplier Selection

Evaluations for identifying ESG high-risk suppliers are conducted based on various risk factors. In developing the evaluation indices, Pulmuone referenced the SME ESG standard guidelines provided by the Mutual Growth Committee to adequately reflect the characteristics of the domestic industrial and labor landscape. A specialized set of indicators was created using the Global Industry Classification Standard (GICS), applying a weighted scoring system tailored to the risk levels of different industries. In addition, risks related to the resource procurement stage, including the use of prohibited conflict minerals, were considered in the assessment process.

Supplier Importance Evaluation Criteria

| Evaluation Criteria | Details |
|---------------------|---|
| Business | <ul style="list-style-type: none"> Business interconnection Irreplaceability |
| ESG Risks | <ul style="list-style-type: none"> Risk interconnection Certification of eco-friendly and sustainable ingredients High-risk status based on ESG assessment results |

2024 Supplier Status¹⁾

| Category | No. of Companies (Unit: Companies/% of all suppliers) | Purchase Total (Unit: KRW million/% of all suppliers) |
|--------------------------------|--|--|
| All Suppliers | 690/100.00 | 675,196/100.00 |
| Target Suppliers for Screening | 405/58.70 | 592,227/87.71 |
| Significant Supplier | 121/17.54 | 420,240/62.24 |
| Critical Supplier | 34/4.93 | 271,659/40.23 |
| ESG High-Risk Supplier | 2/0.29 | 38,521/5.71 |

1) Applies only to Tier-1 suppliers, with no significant suppliers identified among Tier-2 or higher-tier suppliers.

Critical Supplier ESG Assessment and Inspection

Pulmuone conducts ESG assessments for critical suppliers to evaluate the level of ESG management across the supply chain and to proactively identify and manage potential risks. The evaluation framework was independently developed to reflect the specific characteristics of the food industry, with reference to international supply chain evaluation standards such as the Responsible Business Alliance (RBA) and Ecovadis. Targeted suppliers are supported with field-level training and detailed guidance throughout the ESG assessment and inspection process to enhance effectiveness. They are required to respond to category-specific questions via an online self-assessment platform and submit supporting documentation. Identified risks from the self-assessment are then verified through third-party on-site inspections.

Bonus points are awarded to suppliers that participate in ESG assessments and inspections, and these are reflected in the annual supplier evaluation, including decisions on contract renewal. Such participation is also considered in the selection process for Pulmuone's mutual growth program, which provides preferential treatment to suppliers demonstrating strong ESG performance.

As a result of the 2024 ESG diagnosis, key areas requiring focused improvement were identified in water resource management, procurement of raw and sub-ingredients, internal audit systems, and ethical management. The evaluation findings and corresponding improvement tasks were communicated individually to each supplier. Notably, one supplier received dedicated consulting support to assist with integrated improvements following the inspection.

2024 Critical Supplier ESG Assessment & Inspection Results

| Category | Result | | |
|-------------|---|-------------|---|
| Evaluation | Evaluated company | 9 | |
| | Companies with identified practical and potential risks | High risk | 2 |
| | | Medium risk | 2 |
| | | Low risk | 0 |
| | Companies that established corrective measures and improvement plans | High risk | 1 |
| Medium risk | | 0 | |
| Low risk | | 0 | |
| Support | Companies that completed practical and potential risk improvement by implementing corrective measures and improvement plans | 1 | |
| | Companies that received support for implementing corrective measures and improvement plans | 1 | |
| | Companies that participated in the competence strengthening program | 9 | |

Strengthening Supply Chain Sustainability

Supply Chain ESG Management

Support for Strengthening Supply Chain ESG Capacity

| Establishment of a Digital Cluster Smart Factory

Pulmuone has been advancing the digital capabilities of its suppliers by building an integrated management system for manufacturing, production, and quality data based on IoT and big data technologies since 2021. In 2023, Pulmuone established a *Digital Cluster Smart Factory*—the first of its kind in the domestic food industry—with a total investment of KRW 350 million, including KRW 94 million in government support, targeting three suppliers in the seaweed, egg, and tteokbokki manufacturing sectors.

In 2024, Pulmuone expanded this support by helping suppliers install temperature monitoring systems in refrigerated and cold storage warehouses to improve food storage quality management. Wireless temperature sensors were installed at 11 sites across 10 suppliers, enabling real-time temperature tracking and alert systems managed through Pulmuone's integrated monitoring platform. We plan to further expand these smart technology-based initiatives in 2025 to improve both the food safety standards and digital transformation of its suppliers.

| Support for ESG Training, Diagnosis and Consulting

To support ESG capability-building within the supply chain, Pulmuone conducted ESG assessment and inspection for nine critical suppliers. After the assessment, detailed results for each area such as environment and human rights, along with key improvement measures, were communicated to each supplier to support the enhancement of ESG management and capabilities across the supply chain. One of these suppliers received intensive support, including a dedicated on-site visit for comprehensive ESG management consulting.

In addition, Pulmuone provided ESG training to supplier CEOs and field staff twice during the year through a joint ESG initiative within the food industry supply chain. As part of the initiative, a strategic ESG management forum was held to share Pulmuone's ESG best practices and experiences, particularly in the area of human rights management. Pulmuone aims to expand ESG assessment and inspection coverage to up to 60% of its critical suppliers.

Mutual Growth

Mutual Growth Policy

Pulmuone is committed to building a mutual growth system that fosters shared value creation and synergy with suppliers. As part of this effort, Pulmuone continuously promotes collaborative partnerships and enhances the ESG infrastructure throughout its supply chain. In doing so, the company actively aligns with key national policies, including the protection of livelihood-supporting industries and the mutual growth index evaluation.

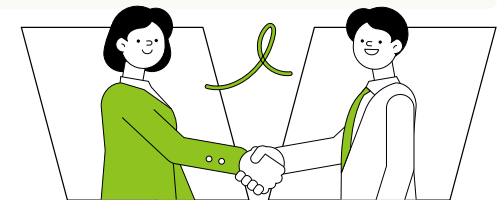
Mutual Growth Implementation System

To ensure fair subcontracting practices and long-term cooperation with suppliers, Pulmuone operates a Mutual Growth Execution Team and a Fair Trade Review Committee. The Fair Trade Review Committee convenes at least once a month and functions both as a mechanism to prevent violations of the Fair Transactions in Subcontracting Act and as a communication channel to gather supplier feedback. In recognition of these efforts, Pulmuone Foods received an 'Excellent' rating in the 2023 Mutual Growth Index evaluation.

1) The results of the 2024 mutual growth index evaluation are scheduled for release in September.

| Practicing Fair Trade

Pulmuone adheres to the four KFTC Guidelines for mutually beneficial cooperation between large enterprises and SMEs—namely, the Guidelines for Desirable Contracting, Partner Company Selection and Management, Internal Review Committee Establishment for Subcontract Transactions, and Appropriate Issuance and Retention of Documents—to promote fair subcontracting practices.



Strengthening Supply Chain Sustainability

Mutual Growth

Mutual Growth Implementation System

KFTC Guidelines for Mutually Beneficial Cooperation Between Large Enterprises and SMEs

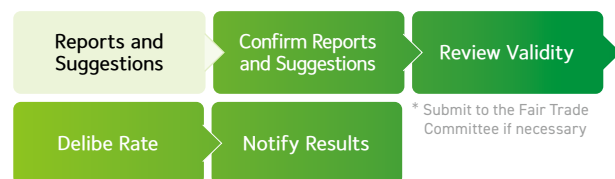
| Category | Details |
|---|---|
| Guidelines for Desirable Contracting | <ul style="list-style-type: none"> Establish infrastructure for concluding a contract Conclude a contract guaranteeing self-determination |
| Guidelines for Partner Company Selection and Management | <ul style="list-style-type: none"> Promote fairness in the standards and procedures for selecting a supplier |
| Guidelines for Internal Review Committee Establishment for Subcontract Transactions | <ul style="list-style-type: none"> Organize an internal subcontracting review committee Conduct preliminary review for selecting a supplier, contracting, and determining price |
| Guidelines for Appropriate Issuance and Retention of Documents | <ul style="list-style-type: none"> Issue various documents in the process of subcontracting Archive documents issued |

Grievance Handling

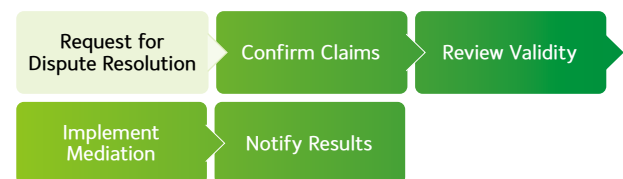
Go to Channel for Submitting Grievances, Suggestions, and Business Dispute Requests

Pulmuone operates an online channel to facilitate communication for resolving disputes and collecting complaints and feedback from suppliers. Reported cases are handled in accordance with the TISO Management Regulations and related policies, with guidance on the appropriate channel provided after the member contract is signed. Awareness is continuously raised through the sourcing portal and the *Mutual Growth Newsletter*. In 2024, no grievance cases were submitted by suppliers through this channel.

Grievance Reports/Suggestions Submission Process



Dispute Resolution Process



Suppliers | Pulmuone

Mutual Growth Programs

Technology Development Support and Protection

Pulmuone operates the *Performance Sharing Program* annually, under which new products are launched in collaboration with suppliers and the resulting achievements in sales and market expansion are shared. Through this program, a total of 12 new products were launched in 2024. In addition, Pulmuone operates a *Technology Protection Program* to support suppliers, including assistance with the lease of key technical data for one supplier in 2024.

Financial Support

Pulmuone operates a *Mutual Growth Fund* to support suppliers' financing needs. The fund was established with contributions of KRW 7.5 billion from the Industrial Bank of Korea and KRW 2.5 billion from Pulmuone, totaling KRW 10 billion, and in 2024, the entire amount was provided to four suppliers. In addition, approximately KRW 130 million in raw material purchasing costs was separately provided to three suppliers.

Competence Training Support

In 2024, Pulmuone provided agricultural training for 142 domestic soybean farms and supported two suppliers in calculating carbon emissions and obtaining Environmental Product Declaration (EPD) certification through the *Carbon Footprint Calculation Support Project*. To strengthen suppliers' quality management capabilities, Pulmuone hosts the annual Food Quality and Safety Conference, while the Open Innovation Demo Day promotes open innovation. In addition, the Wonder-Pul Partners Meeting is held each year to enhance communication with outstanding suppliers. Internally, Pulmuone also operates training programs such as *Mutual Growth Mindset and Partnership Management* to build a stronger foundation for mutual growth.

Health and Nutrition

Health and Nutrition Strategy

Pulmuone is committed to delivering nutritionally balanced foods and diets with a particular focus on reducing the intake of sodium, sugar, and saturated fats, while supplementing vitamins, minerals, and phytochemicals to help prevent diseases caused by poor dietary habits. All products are managed under Pulmuone's internal Nutrition Management Standards.

2024 Performance & Health and Nutrition Goals

| Category | Goal | 2024 Performance |
|--|---|--|
| Percentage of products conforming to Pulmuone's Nutrition Management Standards | Achieve 91.0% conformity rate among target products | 81.3% conformity rate achieved among target products |

Low GL

Low Glycemic Load (GL) refers to a dietary strategy aimed at lowering the glycemic impact of meals. This dietary model has been clinically proven to assist in the prevention of obesity and metabolic syndrome. Pulmuone has developed and adopted a GL Prediction Model based on clinical trials, which is applied to the development of low-GL foods and dietary plans to drive product innovation.

Pulmuone Nutritional Management Standards

To prevent the excessive intake of sodium, sugar, and saturated fats—nutrients commonly associated with imbalanced diets—Pulmuone has established recommended intake levels based on serving size and product category. The Health & Nutrition Research Team monitors product nutritional content and continuously updates these standards to reflect evolving dietary environments and country-specific nutrition policies, ensuring alignment with Pulmuone's dietary principles.

Pulmuone's Nutritionally Balanced Dietary Plan

Pulmuone's Nutritionally Balanced Dietary Plan is a Sustainable Diet model designed to promote both individual health and environmental sustainability. This model categorizes 12 core food groups, including plant-based proteins, into consumption units tailored to specific calorie targets. It serves as the foundational framework for developing and evaluating sustainable dietary plans.

In addition to a standard 1,800 kcal daily plan for healthy adults, customized meal plans are developed for different life stages, ranging from childhood to older adulthood. This model also underpins the 211 Diet, which promotes sustainable dietary practices and is being adopted in health- and nutrition-focused school meal programs.

Dietary Plan for Nutritional Balance

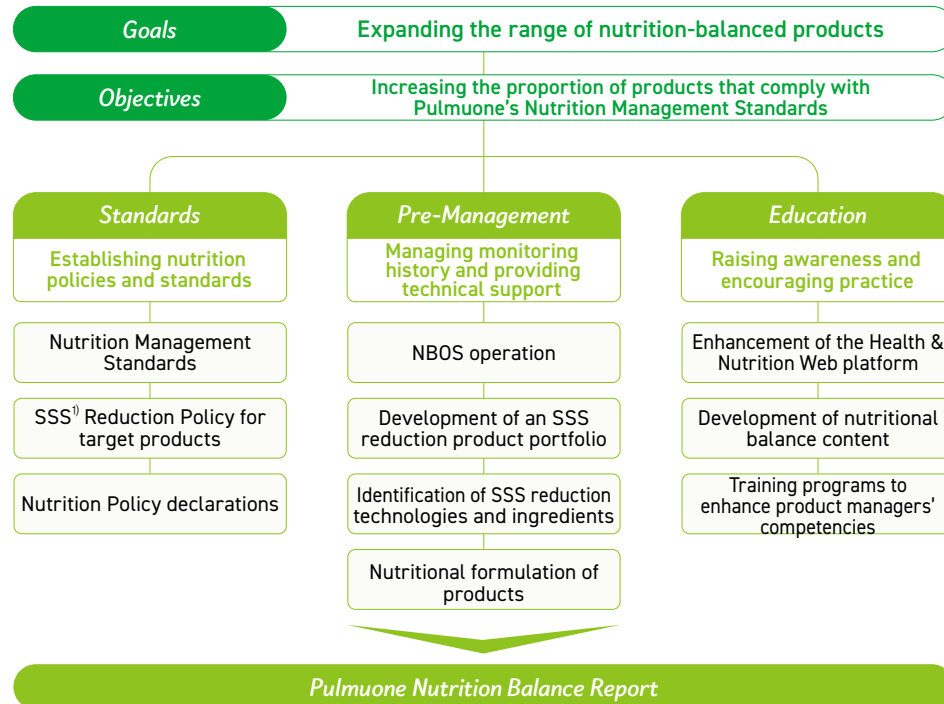
| | Food Group | Units (Times) | Calories (kcal) | Carbohydrate (g) | Protein (g) | Fat (g) | Saturated Fat (g) | Unsaturated Fat (g) | Dietary Fiber (g) | Sugar (g) | Recommended |
|-----------------|------------------------|---------------|-----------------|------------------|-------------|------------|-------------------|---------------------|-------------------|-----------|-------------|
| Carbohydrate | Whole grains | 4 | 400 | 88 | 12 | - | - | - | 4 | - | ♣ |
| | Starch | 3 | 300 | 69 | 6 | - | - | - | - | - | |
| | Sugars | 2 | 120 | 30 | - | - | - | - | - | 30 | |
| | Vegetables | 9 | 135 | 27 | 9 | - | - | - | 18 | - | ♣ |
| | Starchy vegetables | 3 | 90 | 18 | 3 | - | - | - | 6 | - | ♣ |
| | Fruits | 2 | 100 | 24 | - | - | - | - | 4 | 16 | ♣ |
| | High-sugar fruits | 1 | 70 | 18 | - | - | - | - | 2 | 15 | ♣ |
| Protein | Plant-based | 3 | 210 | 12 | 21 | 9 | 3 | 6 | 6 | - | ♣ |
| | Animal-based, low-fat | 3 | 180 | - | 24 | 9 | 3 | 6 | - | - | ♣ |
| | Animal-based, high-fat | 1 | 100 | - | 8 | 8 | 4 | 4 | - | - | |
| Fat | Liquid fat and nuts | 2 | 90 | - | - | 10 | 2 | 8 | - | - | ♣ |
| | Solid fat | 1 | 45 | - | - | 5 | 2 | 3 | - | - | |
| Total | | | 1840 | 286 | 83 | 41 | 14 | 27 | 40 | 61 | |
| Energy rate (%) | | | | Carbohydrate 62 | Fat 18 | Protein 20 | Saturated Fat 6.8 | | Sugars 13.2 | | |

Health and Nutrition

Health and Nutrition Research Team

The Health & Nutrition Research Team serves as Pulmuone’s core research body for health and nutrition. The team plays a central role in ensuring that the company’s products and services consistently embody sustainable values. It is responsible for establishing nutrition management standards and a sustainable food system, defining sustainable diets, and providing dietary and lifestyle guidelines tailored to each stage of life. These efforts form the foundation of Pulmuone’s food and nutrition business. Externally, the team engages with multiple academic societies to conduct active research and promote sustainable diets through nutritional studies, as well as the publication of popular books and columns.

Nutrition Balance Action Model



1) Refers to sodium, sugars, and saturated fat.

Research Areas of Focus

| Area | Description |
|--------------------|---|
| Nutrition Balance | Establishing nutrition policies based on nutrition balance activity models, product nutrition management, and carrying out training |
| Plant-Forward | Formulating strategic direction, building a definition framework, and discovering sustainable ingredients for plant-based and plant-forward products |
| Animal Welfare | Evaluating health and environmental impacts of animal welfare ingredients and discovering global animal welfare-certified ingredients |
| Healthy Experience | Establishing the definition of sustainable healthy foods, developing customized nutrition programs, creating health nutrition content, and performing clinical trials |
| Eco-Caring | Establishing a carbon positive dietary direction that reduces the negative impact on humans and the environment |

2024 Key Research Performances

| Patent, Paper, and Poster Title | Journal and Conference Name | Inventor and Author | Application Date | Format |
|--|---|--|------------------|--------|
| A study on perception of animal ingredient acceptability in Plant-forward ready meal | The Korean Society of Community Nutrition Fall Conference | Heo Ye-Won, Ahn Yun, Kim Tae-Seok, Lee Sang-Yun | 2024.11.01 | Poster |
| A study about the intakes of processed foods and dietary behaviors in the Seoul-Gyeonggi and Chungcheong Regions | The Korean Society of Community Nutrition Fall Conference | Bae Jiyeon, Ahn Yun, Kim Tae-Seok, Lee Sang-Yun | 2024.11.01 | Poster |
| A study on American consumer demand for K-Food | The Korean Society of Community Nutrition Fall Conference | Heo Ye-Won, Ahn Yun, Kim Tae-Seok, Lee Sang-Yun | 2024.11.01 | Poster |
| Development of a definition of food sensory terms | The Korean Society of Community Nutrition Fall Conference | Jo Young-Ju, Ahn Yun, Kim Tae-Seok, Lee Sang-Yun | 2024.11.01 | Poster |

Marketing and Labeling

Marketing and Labeling Policy

Marketing Policy

Pulmuone regards advertising not merely as a sales tool but as a means of communication that builds trust with consumers and conveys sustainable values. In all advertisements, we comply with legal requirements, ensure the delivery of accurate information, and avoid misleading or exaggerated expressions. These principles serve as the foundation of our communication efforts. Furthermore, we strive to incorporate environmental awareness, diversity, and social responsibility into our messaging by reflecting ESG perspectives. Our goal is to communicate in a way that resonates with consumers and earns their trust.

To ensure fairness and transparency throughout the entire advertising production and execution process, we maintain ethical partnerships with our vendors and pursue sustainable brand growth through responsible advertising practices.

Labeling Policy

Pulmuone offers a diverse portfolio of products—including general foods, functionally labeled foods, and health functional foods—and strictly adheres to all applicable laws and regulations for each product category. In compliance with statutes such as the Act on Labeling and Advertising of Foods and the Health Functional Foods Act, we ensure that essential labeling elements—such as font size, nutrition facts, functional descriptions, and mandatory disclaimers—are accurately presented in all advertisements.

In particular, for functionally labeled and health functional foods, we clearly state key information such as functionality, recommended intake, and usage precautions to help consumers understand product attributes and functions.

Marketing and Labeling Standards

Pulmuone accurately discloses critical labeling items—including product name, ingredients, nutrition information, and manufacturer name and location—in accordance with the relevant statutes such as the Act on Labeling and Advertising of Foods and the Country of Origin Labeling Act. Additionally, we operate standardized internal labeling specifications through the Pulmuone Regulation Integration System (PRIS), ensuring consistency with both legal and internal standards.

To prevent misleading claims and consumer confusion, we have established a preemptive review process for all externally disclosed materials—including advertisements, videos, and promotional content. We have also adopted autonomous standards requiring full nutritional labeling even for products not subject to mandatory disclosure, thereby enforcing internal policies that go beyond legal requirements.

List of Items on Package Labels

| Labeling Area | Information Content |
|----------------------------|---|
| Main Labeling Side (Front) | <ul style="list-style-type: none"> • Product name • Content (calories) • Highlight of ingredients |
| Information Side (Back) | <ul style="list-style-type: none"> • Type of food • Manufacturer name & place of origin • Shelf life • Ingredient names • Allergens (including non-intentional allergens) • Packaging materials • Storage method • Nutrition facts • Recycling symbol • Item report number • Place of return or replacement • Warning and other details by type |



Marketing and Labeling

Labeling Review

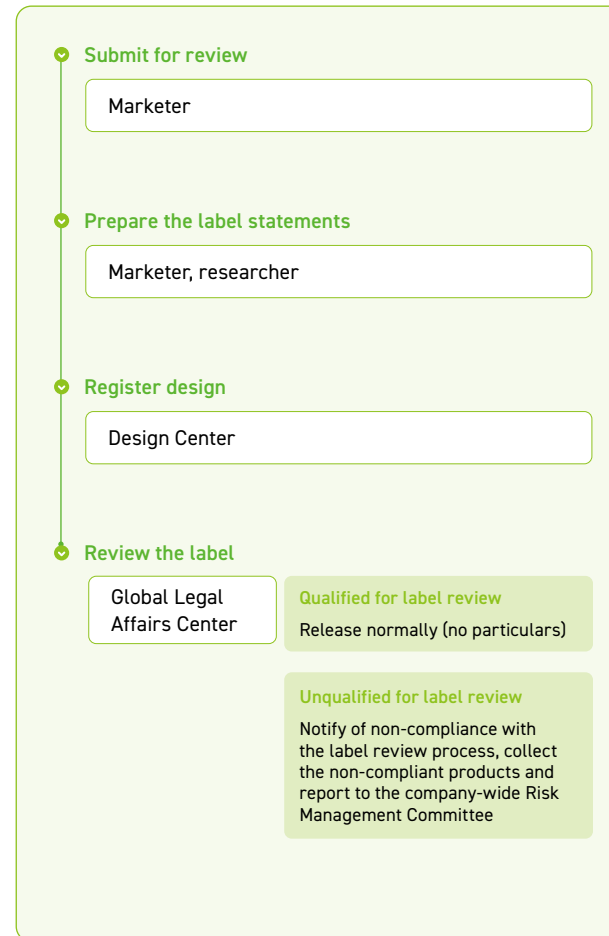
Labeling Review Process

Prior to releasing any product package design, Pulmuone conducts a comprehensive review of all labeling components—including the front, back, and sides of the product—based on the essential labeling requirements set forth in Articles 4 through 6 and Article 8 of the Act on Labeling and Advertising of Foods. These include standards for labeling, comparative sodium content labeling, and prohibitions against misleading labeling or advertising.

The review is conducted by a dedicated unit, the Global Legal Affairs Center, which oversees the entire process and has authority to halt product shipment immediately if any non-compliance is identified. Significant cases are escalated to the company-wide Risk Management Committee to prevent recurrence and strengthen the labeling governance system.



Labeling Review Process Details



Upgrading DX-Based Label Review System

In December 2022, Pulmuone introduced PRIS, an automated food labeling completion platform developed in line with the company-wide DX strategy. This platform analyzes all ingredient information, nutritional content, as well as packaging and sub-material data to identify applicable food labeling items and automatically generate compliant label content in accordance with legal standards. Pulmuone is currently expanding PRIS functionalities to include a corporate self-certification mark database and an export review system covering ingredients, safety, HS codes, and other relevant items. These upgrades aim to enhance responsiveness to evolving food regulations and ensure accurate and transparent information delivery, fully supporting consumers' rights to safety and information.

Advertisement Review

To prevent false or exaggerated claims, Pulmuone implements a preemptive advertisement review process for all new brand communications. The review is applied throughout the entire lifecycle—from planning to production and execution—under the oversight of the Brand Management Office. Where legal interpretation is required, the Global Legal Affairs Center conducts a separate legal review. Advertisements that do not pass the review process are not released externally under any circumstances, reflecting Pulmuone's commitment to responsible communication and consumer trust.

Customer Relationship Management

Customer Relationship Management and Customer Rights Protection Policy

Pulmuone places the safety and rights of customers at the core of its values and establishes policies based on the principles of Voice of Customer (VOC) management, ensuring food safety and quality, providing transparent information, offering customer-focused training, and taking prompt corrective actions.

Customer Rights Protection Policy

We uphold consumer safety and satisfaction as core values throughout every stage of food manufacturing and sales, and commit to the following actions for their realization:

- 1 Accurately gather customer feedback, respond promptly and fairly, and engage in continuous improvement to prevent recurrence.
- 2 Strictly comply with legal standards to ensure food safety and quality, while implementing proactive management from the customer's perspective.
- 3 Present product information (e.g., ingredients, allergens, nutrition) in a clear and understandable manner to support informed decision-making.
- 4 Provide regular training and foster a customer-centric mindset among employees to encourage the practice of core values.
- 5 Build trust with customers by preventing food safety incidents and taking active corrective measures in the event of a dispute.

Customer Relationship Management Goal

| Category | Unit | Reporting Year | | Short- to Mid-Term Goals | | |
|--|--------|----------------|-------------|--------------------------|------------------|-------------------|
| | | Goal | Performance | 2025 | Mid-Term (-2028) | Long-term (-2030) |
| Initial Consultation Satisfaction | Points | 90.0 | 91.5 | 91.5 | 92.0 | 93.0 |
| Professional Consultation Satisfaction | Points | 92.0 | 93.6 | 94.0 | 94.0 | 95.0 |

Customer Relationship Management Strategies

In the short term, vulnerabilities in each area are analyzed through periodic evaluations of consultation quality. Customer feedback is accurately reflected to benchmark best practices, and the standard response script is continuously refined to improve satisfaction in both initial and professional consultations.

In the mid to long term, Pulmuone plans to introduce AI-based consultation assistance and automated quality assurance (QA) systems to enable real-time scoring and immediate feedback. Additional initiatives include the development of an AI emotion recognition system and a coaching system driven by advanced QA algorithms. Pulmuone is also working to establish an omni-channel customer service system, aiming to achieve sustainable innovation in customer consultations.

Strengthening Customer Communication

Real-Time Chat Consultations and Voice-Based AI Chatbot

In 2024, Pulmuone launched real-time chat consultations to address evolving customer needs and piloted a voice-based AI chatbot. These efforts have improved accessibility and convenience at the customer center while enhancing consultation efficiency. Real-time chat consultations achieved approximately 31% faster connection speeds compared to phone consultations, establishing themselves as a core channel for seamless interaction. The AI chatbot, dedicated exclusively to Pulmuone Waters orders, achieved a 73.8% response success rate among users, and its application is gradually expanding to include return requests and product inquiries.

Customer Satisfaction Survey

Surveys are conducted with users of the Pulmuone Customer Satisfaction Center from the previous two to three months. Invitations are sent via KakaoTalk alerts, and responses are collected through structured questions covering key satisfaction indicators such as ease of access, consultation demeanor, issue resolution, and overall service experience. Based on the results, quarterly trend analyses and diagnostic reviews of individual items are performed to improve consultation processes, enhance response scripts, and develop customized training programs.

Customer Relationship Management

Strengthening Customer Communication

Operation of a Customer Monitoring Group

Pulmuone operates customer monitoring groups such as the Housewife Monitor and the e-fresh Panel to actively incorporate customer feedback into product planning and improvement. The offline-based Housewife Monitor consists of approximately 10 participants who are active for six months, while the online-based e-fresh Panel comprises 1,600 participants with activities spanning six months to one year. In 2024, qualitative research was conducted on 36 Housewife Monitor cases and online surveys were carried out for 71 e-fresh Panel cases.

Based on these programs, Pulmuone conducts surveys and interviews to identify customers' dietary habits, experiences, and preferences, using the findings to validate product concepts and reflect them in final product development.

Handling Customer Complaints

Customer Centered Management through VOC

Pulmuone recognizes the Voice of Customer (VOC) as a vital asset in achieving customer satisfaction and loyalty, and actively incorporates it into all management activities. All customer communication is centralized through the Customer Satisfaction Center, which promptly collects feedback and complaints through multiple channels, including phone calls, website inquiries, real-time chats, email, and social media platforms. As a general rule, VOCs are addressed on the same day by consultation officers. When necessary, product-specific experts (CS agents) are assigned via a secondary consultation process to ensure prompt and appropriate resolution.

VOCs are systematically classified and analyzed by type to identify root causes in service and process operations. The analysis results are shared immediately with relevant divisions and offices to prevent recurrence and to drive quality improvement efforts. In particular, cases involving product defects that result in customer harm are addressed quickly and fairly in accordance with the Consumer Dispute Resolution Standards, and all findings and improvements are implemented accordingly.

Transparent updates are provided throughout the process. Serious VOCs involving customer safety are prioritized and linked directly to production sites for rapid escalation, helping strengthen overall management systems. Through this customer-driven VOC system, Pulmuone is enhancing trust and satisfaction while reinforcing the foundation for sustainable management.



VOC Response Process



Obtaining Consumer Centered Management Certification

The Consumer Centered Management (CCM) certification, granted by the Korea Fair Trade Commission, evaluates whether a company's activities are systematically designed from the customer's perspective and are continuously improved. As of January 2025, five Pulmuone subsidiaries hold CCM certification, with four inducted into the CCM Hall of Fame for maintaining the certification for more than seven consecutive terms.

Pulmuone's Customer Centered Management Certification Status (As of January 2025)

| Category | Initial Certification Year | Year of Induction into the Hall of Fame |
|--------------------------|----------------------------|---|
| Pulmuone Foods | 2007 | 2019 |
| Pulmuone Foodmerce | 2010 | 2023 |
| Pulmuone Health & Living | 2010 | 2024 |
| Pulmuone Food & Culture | 2011 | 2024 |
| Pulmuone Green Juice | 2020 | - |

Customer Relationship Management

Handling Customer Complaints

Putting VOCs into Practice

Pulmuone implements Result to Reaction (R2R) initiatives to address customer inconvenience and enhance product usability based on feedback collected through VOC. R2R refers to a post-launch management system that systematically analyzes market reactions and connects them to product improvements. The dedicated CS Management Team shares VOC insights with relevant divisions and offices, assigns them as actionable tasks, and monitors progress to ensure execution. Through this process, Pulmuone drives tangible quality improvements and enhances customer satisfaction.

| Example Cases | Securing Visibility of Donut Storage Method | Adding Caution Text to Egg Bars | Release of Label-less Plant-Based Luncheon Meat |
|---------------|---|--|---|
| VOC examples | I can't find instructions on how to store donuts. | I got burned trying to eat the egg bar —there should be a clearer caution notice. | The label on the luncheon meat is too sticky, making it hard to recycle. |
| Improvement | <p>Before: [Image of donut packaging with faint storage instructions]</p> <p>After: [Image of donut packaging with bold, clear storage instructions]</p> <p>개선 전</p> <p>개선 완료</p> | <p>Before: [Image of egg bar packaging with minimal caution text]</p> <p>After: [Image of egg bar packaging with prominent caution text]</p> <p>확장 주의문구 추가</p> <p>영양성분표 변경</p> | <p>Before: [Image of plant-based luncheon meat packaging with a sticky label]</p> <p>After: [Image of plant-based luncheon meat packaging with a clean, label-less surface]</p> |

DX-Based VOC and Review Analysis System 'AIRS'

Since 2021, Pulmuone has operated the AI Review Analysis System (AIRS), an independently developed VOC analysis platform based on artificial intelligence technology, to actively incorporate customer feedback into product and service development.

AIRS uses technologies such as machine learning¹⁾ and natural language processing²⁾ to systematically analyze large volumes of unstructured data, including feedback collected by the Customer Satisfaction Center and online product reviews. The results are visualized through a web-based user interface and made available in a practical, actionable format.

Pulmuone regularly conducts review analysis sessions using AIRS for key product lines. A customized review summary, *My Own Snack Letter*, is distributed biweekly to relevant divisions and offices, covering approximately 20 product categories. Insights derived from this analysis are compiled into reports that guide product improvements and new product proposals. In addition, Pulmuone enhances data-driven decision-making by offering AIRS system training to new marketing personnel and junior employees.

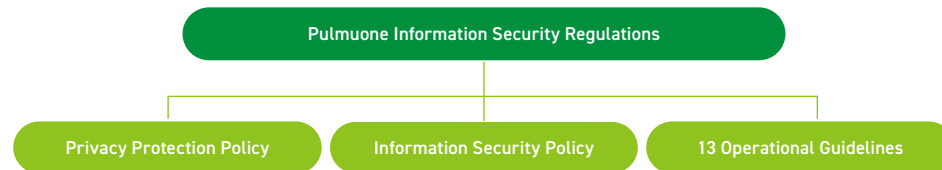
1) A system and algorithm that learns from data to make predictions.
 2) A technology that allows computers to analyze and understand human language.

Information Security Enhancement

Information Security Policy

To safeguard customer information and corporate information assets, Pulmuone has established Information Security Regulations, Privacy Protection Policy, and Information Security Policy, supported by 13 detailed operational guidelines. These regulation and policies outline essential compliance requirements for protecting personal information and strengthening information security. Key areas include the continuous improvement of the information protection system, enhancement of data security, establishment of a monitoring and response framework for information security risks, designation of information security responsibilities, and the setting of security requirements for suppliers. Specific execution standards are clearly defined in the operational guidelines to support all employees in maintaining a secure work environment.

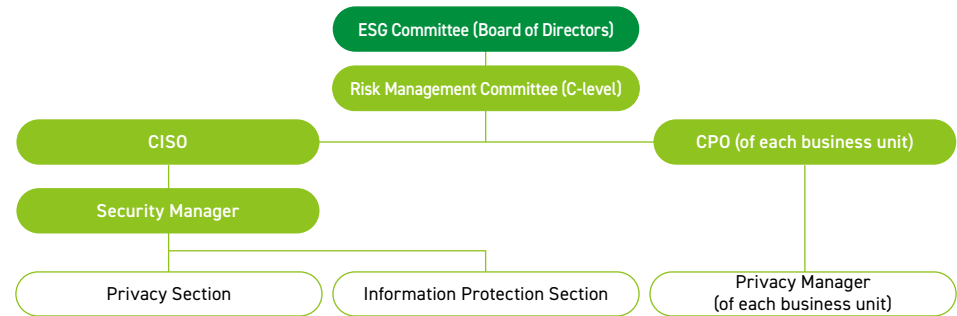
Information Security Policy Framework



Information Security Governance Structure

In response to rising cybersecurity threats and risks to corporate assets such as customers' personal information and key product recipes, we are strengthening our information protection governance system. A Chief Information Security Officer (CISO) and Chief Privacy Officer (CPO) have been appointed to lead the systematic implementation of managerial, technical, and physical protection measures across both domestic and international business sites. Key matters related to information security are deliberated and resolved by the company-wide Risk Management Committee and ESG Committee, which include members of senior management from all business units.

Information Security Organizational System



Information Security Expert in the Board Of Directors

| Name | Experience |
|----------------|--|
| Kim Young Whan | <ul style="list-style-type: none"> Current CEO of an AI Research Institute Former Program Director of Autonomous Driving Technology Development Innovation Program Current Adjunct Professor at the KAIST School of Computing |

Information Security Program

Information Security-Related Business Continuity Plan

To ensure business continuity in relation to information security, Pulmuone has implemented a 24/7 year-round security monitoring system covering both Pulmuone Corporation and its subsidiaries. No security breaches resulting from viruses or hacking have occurred over the past five years (2020-2024).

In preparation for potential future incidents, we have established and maintained relevant protocols and response procedures to minimize damage and ensure rapid containment. Annual mock drills simulating privacy and data breach scenarios are conducted, and a comprehensive training and awareness campaign is operated company-wide. In addition, specialized training is provided for key personnel to raise awareness and strengthen employees' response capabilities.

Information Security Enhancement

Information Security Program

Analyzing Information Security Vulnerabilities

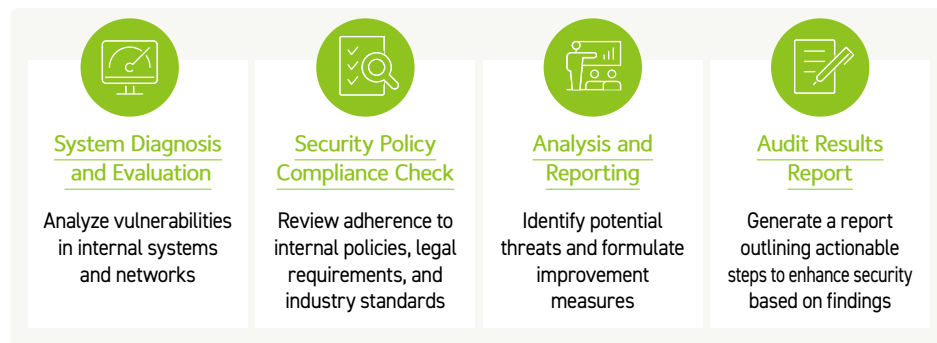
Pulmuone conducts regular assessments to identify and evaluate security vulnerabilities across its systems, networks, and applications. These assessments aim to proactively detect potential threats and prevent exploitation. Vulnerability analyses are performed using automated tools and real-time monitoring systems, and specific improvement actions are promptly taken to address identified weaknesses. Such actions include patch application, enhanced permission controls, and strengthened data encryption. We will continue to reinforce our security posture by regularly conducting vulnerability analyses and implementing corrective measures to minimize information security risks.

Internal Audit for IT Infrastructure and Information Security Management System

Purpose and Scope of Security Audit

Recognizing the critical importance of information security, we conducts periodic audits to safeguard our internal systems and data assets. The security audit covers personal information processing systems, server and database infrastructures, and applications, with a focus on assessing the organization's security level and identifying potential vulnerabilities in advance.

Security Audit Process



Security Audit Results and Improvement Measures

When critical vulnerabilities or risk factors are identified, immediate corrective actions are taken. Additionally, Pulmuone develops an Annual Security Enhancement Plan that includes both security reinforcement and incident response strategies to ensure ongoing improvement of system security.

Improvement Measures According to Security Audit Results



Security Audit Cycle and Real-Time Monitoring

Pulmuone conducts security audits at least once annually and partners with external specialists for more comprehensive assessments. In addition, a real-time monitoring system has been deployed to continuously evaluate the security posture of internal systems and enable rapid incident response.

Disclosure of Security Audit Results

Audit results are transparently disclosed to key stakeholders as required by relevant laws and regulations. Detailed reports outlining findings and corrective measures are shared to enhance stakeholder trust and demonstrate Pulmuone's commitment to robust information protection.

Information Security Enhancement

Information Security Program

External Certification for IT Infrastructure and Information Security Management System

Pulmuone has obtained ePrivacy certification from the Personal Information Protection Association, verifying that its personal information protection and management system complies with applicable laws.

This certification validates the appropriateness of Pulmuone's personal information processing practices and strengthens the company's compliance foundation and legal accountability.

Reporting Process for Information Security Incidents, Vulnerabilities, or Suspicious Activity

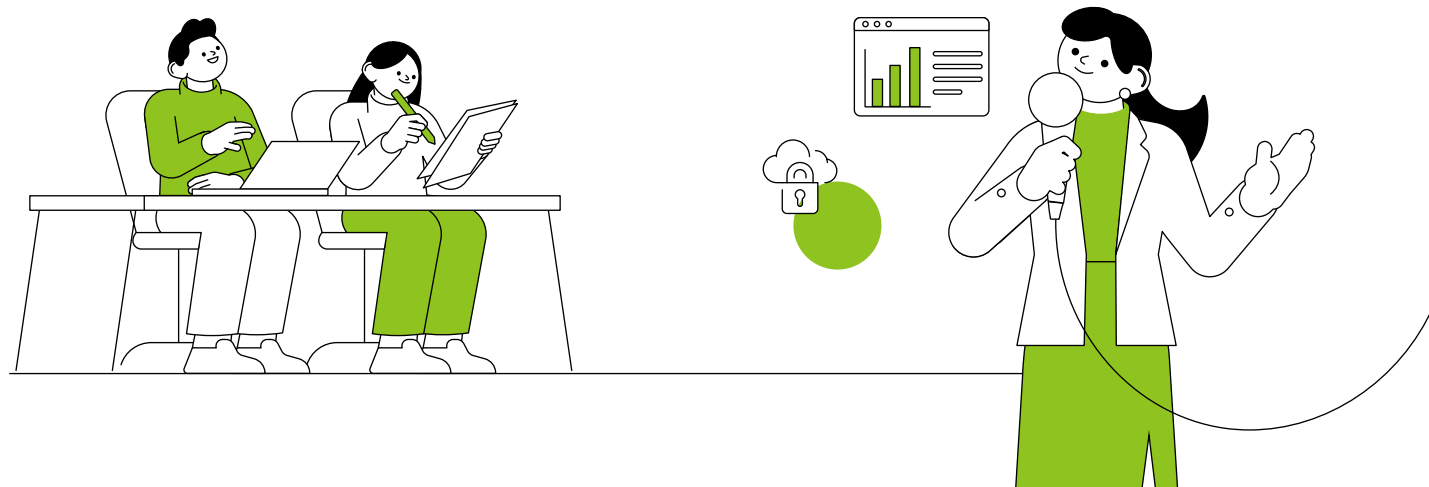
Pulmuone treats the recognition and reporting of information security incidents or suspicious activities as a core component of its protection framework. All employees are required to immediately report any suspicious emails (e.g., spam or phishing attempts) or potential security incidents. This early-stage response mechanism enables the company to act swiftly and minimize damage. Reports can be submitted through multiple channels. The information protection team promptly reviews submissions, prioritizes based on severity, and initiates appropriate response measures. In the event of an incident, the team conducts root cause analysis, implements remedial actions, and—when necessary—collaborates with external experts for a thorough investigation and improvement. Any identified improvement items are reflected in broader security enhancement efforts. Additionally, regular education and training programs are conducted to help employees recognize and respond to security threats proactively.

Information Security Awareness Enhancement Training

Pulmuone provides mandatory annual training for all employees to strengthen awareness and competence in information protection. The training is tailored to job-specific roles and responsibilities as outlined below.

Essential Curriculum for Information Protection

| Category | Details |
|--|--|
| CPO Training | <ul style="list-style-type: none"> Understanding privacy-related policies and developing the ability to formulate response strategies in a dynamic regulatory environment |
| IT Developer Training | <ul style="list-style-type: none"> Focusing on security-centered development practices to prevent vulnerabilities in existing and newly developed systems |
| Key Personal Information Handler Training | <ul style="list-style-type: none"> Learning secure methods for handling personal data throughout its lifecycle—from collection to destruction—to ensure compliance with relevant laws |
| Business Secret Handler Training (Accounting and Funds) | <ul style="list-style-type: none"> Understanding procedures to safeguard business secrets and mitigate risks of leakage through threats such as scams and phishing |
| Privacy and Information Protection Training for Company-Wide Members | <ul style="list-style-type: none"> Online education for all employees to enhance awareness of privacy protection and data security best practices |



Social Value Creation

Corporate Social Responsibility Policy

Pulmuone conducts corporate social responsibility (CSR) activities with the goal of creating both economic and social value, grounded in its core business and in accordance with its CSR regulations. Pulmuone's CSR efforts are divided into two main areas: support initiatives led by Pulmuone Corporation and its subsidiaries, and a variety of educational programs administered by the Pulmuone Foundation. These activities are designed to contribute to local community development through initiatives such as health promotion, environmental protection, and support for the self-reliance of vulnerable groups. The Pulmuone Foundation operates primarily through two key funding sources: the *Love the Earth Fund*, derived from a portion of Pulmuone's product and service sales, and the *Love Our Neighbor Fund*, created through voluntary employee contributions.

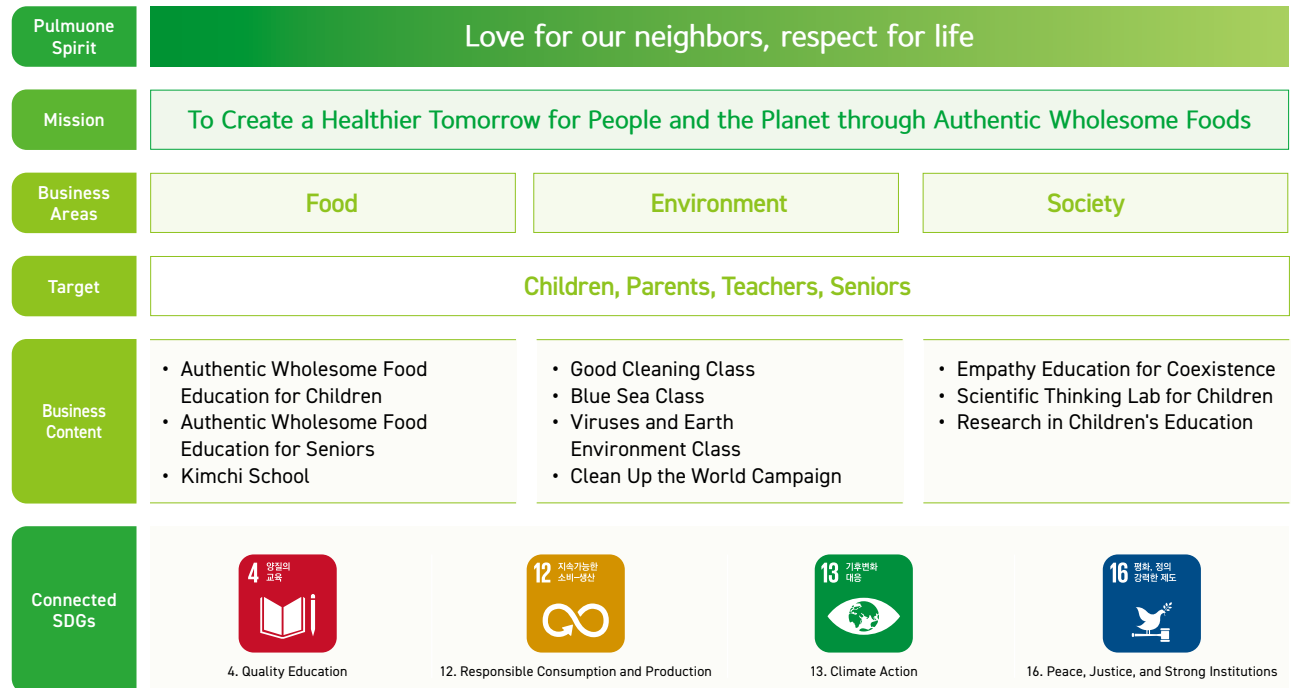
Standards for Donation and Sponsorship

In accordance with Article 31 of the Political Funds Act, Pulmuone strictly prohibits corporate or group contributions to political funds and refrains from engaging in lobbying activities or political donations. All donation and sponsorship decisions are based on a comprehensive review of their relevance to the industry, alignment with Pulmuone's corporate mission, contributions to strengthening ESG capabilities across the company and the broader sector, and consistency with global frameworks such as the Paris Agreement and the Sustainable Development Goals (SDGs). Donation-related decisions are processed through transparent and independent procedures—from proposal to final approval—following the company-wide Letter of Authorization (LOA) regulation. These procedures are rigorously managed to prevent misuse for corruption or unjust advantage. Likewise, participation in associations and the execution of related funding are reviewed and monitored under the same standards to ensure consistency with Pulmuone's business direction and stakeholder relationships.

Corporate Social Responsibility System

Pulmuone is currently revising its CSR system, and plans to establish new CSR goals with quantifiable metrics upon completion of the revision. Guided by the mission to create a healthy tomorrow for the people and the planet, we implement CSR programs designed to contribute to sustainable development through education targeting all age groups. These programs focus on three core areas: Healthy Foods, Healthy Environment, and Healthy Society.

Pulmuone Foundation's Value System



Social Value Creation

Corporate Social Responsibility System

Social Value Creation Goals (Pulmuone Foundation)

| Category | Unit | Reporting Year | | Mid- to Long-term Goals | | |
|--|---------|----------------|-------------|-------------------------|------------------|-------------------|
| | | Goal | Performance | 2025 | Mid-Term (-2028) | Long-term (-2030) |
| Accumulated No. of Training Sessions | Session | 19,000 | 19,497 | 21,665 | 32,300 | 40,000 |
| Accumulated No. of Training Participants | Person | 440,000 | 437,471 | 504,925 | 737,500 | 1,000,000 |

Short-, Mid-, and Long-term Social Contribution Goals (Pulmuone Foundation)

| Category | Details |
|--|--|
| Expansion of Education Programs Aligned with Pulmuone's Core Values and Business Strategy | <ul style="list-style-type: none"> Pulmuone seeks to establish itself as a national leader in sustainable food education by expanding programming that embodies its core values, while also developing execution-focused environmental education programs. |
| Development of a Future-Oriented Education Model to Lead Public Education Paradigm Shifts in Korea | <ul style="list-style-type: none"> By identifying key competencies required by future society and continuously conducting educational experiments, Pulmuone aims to validate the effectiveness of its programs and apply successful models to public education systems. |
| Pioneering Ai- and Edutech-Based K-Education Platforms | <ul style="list-style-type: none"> Pulmuone is striving to advance beyond traditional MOOCs (Massive Open Online Courses) by expanding to a wider range of age groups and subjects, incorporating participatory platforms, and introducing an educational certification system. |
| Advancement into a Global Foundation Through International Networking and Project Expansion | <ul style="list-style-type: none"> Pulmuone is actively pursuing the globalization of its education programs by building international networks and developing localized versions of successful domestic initiatives. |

Identifying and Managing Negative Impacts on the Community

Pulmuone identifies and manages potential negative impacts of its business activities on local communities through its company-wide risk management system. In 2024, while applying for a water extraction permit from the Ministry of Environment for Pulmuone Water, the level of local community grievances and complaints was incorporated as a key criterion in risk analysis. As a result, it was confirmed that no residential villages were located near the raw water¹⁾ intake site and that no formal complaints had been received. Based on these findings, Pulmuone Waters successfully obtained its permit in early 2025.

¹⁾ Water collected directly from unrefined rivers, streams, lakes, or groundwater must meet drinking water quality standards to be used.

Social Contribution Activities

Support for Ganghwa Uri Maul, a Vocational Rehabilitation Facility for Persons With Developmental Disorders

Established in 2001 by former Anglican Archbishop Kim Seong-su, Ganghwa Uri Maul is a non-profit vocational rehabilitation center that supports the social and economic independence of individuals with developmental disabilities. Approximately 50 workers with disabilities are currently employed across the bean sprout production team and the vocational rehabilitation team, gaining access to stable employment and social integration opportunities. Since signing a memorandum of understanding (MOU) for the consignment and delivery of bean sprout production in 2011, Pulmuone has collaborated with Ganghwa Uri Maul throughout the entire production process—from the supply of domestic soybeans for bean sprout cultivation to quality control, facility improvements, system support, purchasing, and distribution. Following a devastating fire at the facility in 2019, Pulmuone immediately organized a dedicated task force to support the reconstruction. Pulmuone's bean sprout researchers and specialists participated in designing a modern smart-factory production environment. Currently, Pulmuone purchases approximately 50% of the pesticide-free bean sprouts produced at the facility, distributing them nationwide and contributing to stable sales channels. In March 2025, the General CEO personally visited Ganghwa Uri Maul to reinforce trust with the partner organization, providing donations of electronics and funding to improve outdated fire safety systems. Pulmuone plans to continue this partnership by operating year-round programs that enhance the work environment for employees and foster a stronger sense of belonging.

Social Value Creation

Social Contribution Activities

[Babjip Allo Project to Support Meals for Young Adults and Their Independence](#)

Since 2022, Pulmuone has been supporting the dietary needs of young adults aged 18 to 25 who are transitioning into independent living after leaving care institutions, through the *Babjip Allo Project* operated by the Gipum Nanum Foundation. More than just a meal support initiative, *Babjip Allo Project* functions as a warm, communal space where young adults preparing for independence can gather to eat and receive emotional support.

Utilizing its expertise and competence as a food service distribution company, Pulmuone regularly supports *Babjip Allo Project* with fresh vegetables, high-quality meat, various food ingredients, and instant meals every month. Additionally, beyond the simple donation of goods, Pulmuone conducts on-site visits and monitoring to better understand the challenges youth may face during their transition to independence, and provides ongoing support to help them maintain emotional stability.

[Pulmuone Together, a Sustainable Workplace with Persons with Disabilities](#)

Pulmuone operates Pulmuone Together, a standard workplace certified for persons with disabilities, with the aim of supporting their economic independence and creating sustainable employment opportunities. As of 2024, a total of 35 employees with disabilities work at this facility, of whom 33 are categorized as persons with severe disabilities. These employees engage in various production activities, including the manufacturing of 100% water-based ice packs and packaging of refrigerated natto products.

The facility was designed in consideration of the safety and convenience of its workers, incorporating Barrier-Free principles and achieving LEED (Leadership in Energy and Environmental Design) certification. Features include non-slip flooring, accessible restrooms and parking spaces, safe and intuitive movement lines, and open rest areas.

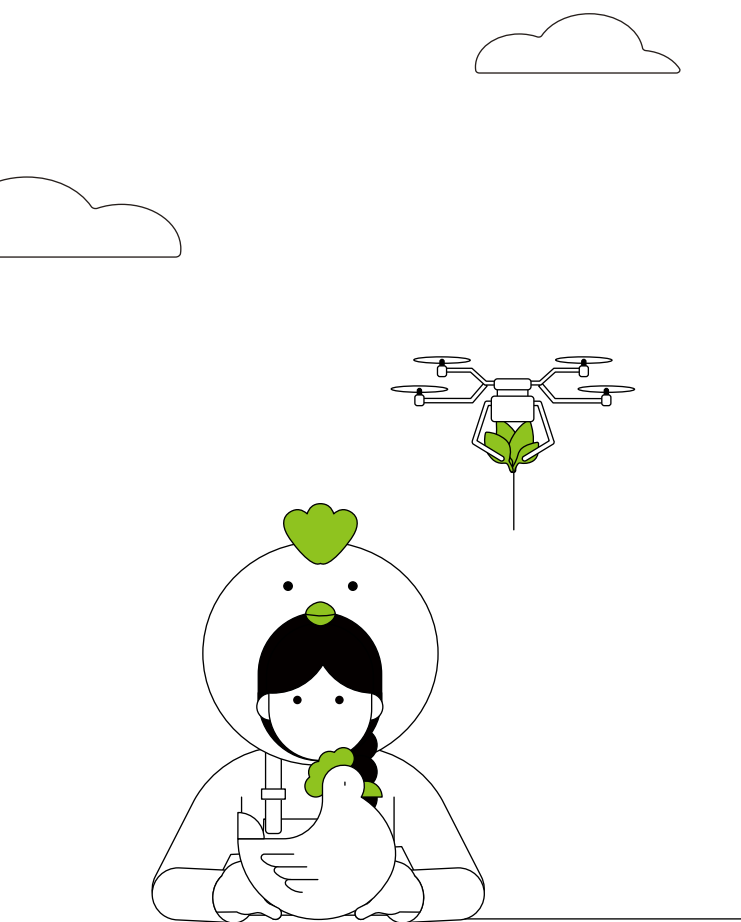
To enhance accessibility for workers residing in distant areas, a dedicated shuttle bus service is provided. Employees also receive the same benefits as those of Pulmuone Food & Culture, thereby contributing to job security and satisfaction. In recognition of these efforts, Pulmuone Together was selected as an *Excellent Employer of Persons with Disabilities* in 2023. The company was awarded the Minister's Commendation by the Ministry of Employment and Labor at the Barrier-Free Workplace Awards, hosted in partnership with the Korea Employment Agency for Persons with Disabilities, for its contributions to expanding employment opportunities for persons with severe developmental disabilities and promoting gender diversity.

[Pulmuone Foundation's Education Projects](#)

Pulmuone Foundation promotes educational programs across three key themes—authentic wholesome foods, environment, and society—with the goal of cultivating global citizenship and enabling future generations to contribute to a sustainable society. As of 2024, the programs have reached a cumulative total of approximately 440,000 participants. Authentic Wholesome Food Education fosters environmentally conscious dietary habits by encouraging plant-forward diets and the selection of animal welfare products, promoting natural flavors and balanced nutrition. Environmental Education promotes eco-conscious lifestyles through programs such as *Good Cleaning Class* and *Blue Sea Class*. Social Education cultivates social responsibility and problem-solving skills through initiatives like *Empathy Education for Coexistence* and *Scientific Thinking Lab for Children*. In line with the evolving educational landscape, the Pulmuone Foundation Classroom, an AI- and Edutech-based platform, was launched to deliver integrated online and offline learning opportunities. This initiative enhances access to global citizenship education, regardless of time or location constraints.

Social Value Creation

Social Contribution Activities



Pulmuone Foundation's Education Programs

| Category | Process | Target | Goal | Details | 2024 Performance |
|------------------------------------|---|--|--|---|---|
| Authentic Wholesome Food Education | Authentic Wholesome Food Education for Children | Pre-school children (ages 6-7), elementary school students (ages 8-13) and elementary school students (ages 9-11) as well as their parents | <ul style="list-style-type: none"> Foster healthy dietary habits from early childhood | <ul style="list-style-type: none"> Four modules offered to parents and children—taste development, nutritional balance, food labeling, and animal welfare | <ul style="list-style-type: none"> 1,124 sessions provided to 23,910 participants (cumulative: 240,956) <ul style="list-style-type: none"> Expanded delivery to metropolitan cities in collaboration with the Ministry of Education Program instructor—Fooducator—received commendation from the Minister of Education |
| | Authentic Wholesome Food Education for Seniors | Seniors (ages 65 and over) | <ul style="list-style-type: none"> Promote healthy aging by improving dietary, sleep, and exercise habits | <ul style="list-style-type: none"> Integrated health education on eating, sleeping, and exercising habits with 1:1 nutrition consultations | <ul style="list-style-type: none"> Programs delivered to 156 seniors across 8 institutions (cumulative: 541) <ul style="list-style-type: none"> Implemented at municipal senior welfare centers in 8 districts of Seoul (e.g., Gwanak, Eunpyeong, Dongjak) |
| | Kimchi School | Children, adults, foreigners, and persons with disabilities | <ul style="list-style-type: none"> Promote kimchi culture through hands-on experiences and education | <ul style="list-style-type: none"> Hands-on kimchi making using seasonal ingredients, including vegan and wellness-focused variations | <ul style="list-style-type: none"> 366 sessions with 7,750 participants (cumulative: 59,450) <ul style="list-style-type: none"> Introduced specialized classes for children, multicultural groups, and persons with disabilities |
| Environmental Education | Good Cleaning Class | Pre-school children (ages 6-7) and elementary school students (ages 8-13) | <ul style="list-style-type: none"> Cultivate healthy cleaning habits from a young age | <ul style="list-style-type: none"> Interactive education on the importance of daily hygiene through fun and engaging methods | <ul style="list-style-type: none"> 1,041 sessions with 23,595 participants (cumulative: 120,632) <ul style="list-style-type: none"> Program re-certified as Excellent Environmental Education by the Ministry of Environment Partner organization Shine Impact designated as a Seoul Social Environmental Education Institution |
| | Blue Sea Class | Elementary school students (ages 8-13) | <ul style="list-style-type: none"> Raise awareness of marine ecosystems and promote ocean conservation | <ul style="list-style-type: none"> Education on marine pollution and ecosystem preservation based on UNEP guidelines | <ul style="list-style-type: none"> Partner organization Shine Impact designated as a Seoul Social Environmental Education Institution |
| | Viruses and Earth Environment Class | Elementary school students (ages 11-13) | <ul style="list-style-type: none"> Teach the scientific causes of virus transmission and prevention from an environmental perspective | <ul style="list-style-type: none"> Education on zoonotic diseases, including COVID-19, and prevention strategies | <ul style="list-style-type: none"> Partner organization Shine Impact designated as a Seoul Social Environmental Education Institution |
| | Clean Up Campaign | Pre-school children (ages 6-7) and elementary school students (ages 8-13) | <ul style="list-style-type: none"> Encourage eco-friendly practices through hands-on environmental clean-up activities | <ul style="list-style-type: none"> School Clean-Up: Community clean-up initiatives near schools Pulmuone Plogging: Platform-based daily clean-up activities | <ul style="list-style-type: none"> Six plogging events for children conducted Launched the first Global Citizen Creator video contest on food and environmental education |
| Society Education | Empathy Education for Coexistence | Elementary school students (ages 12-13) | <ul style="list-style-type: none"> Build sustainable communities through empathy-based thinking | <ul style="list-style-type: none"> Media literacy and project-based learning addressing hate and discrimination | <ul style="list-style-type: none"> 43 sessions delivered to 1,083 participants (cumulative: 1,620) <ul style="list-style-type: none"> Empathy Teacher Teaching Program conducted for 40 educators in partnership with Seoul's Gangdong Songpa District Office of Education Hosted the second About Empathy concert with 150 attendees |
| | Scientific Thinking Lab for Children | Elementary school students (ages 11-13) | <ul style="list-style-type: none"> Develop scientific reasoning and expand access to science education | <ul style="list-style-type: none"> Scientific thinking education through the creation and performance of children's science plays | <ul style="list-style-type: none"> 11 sessions delivered to 37 children (cumulative: 58) <ul style="list-style-type: none"> Established Korea's only educational program focused on scientific thinking Hosted Korea's first Children's Science Play Festival with 300 participants on- and offline |

Social Value Creation

Social Contribution Activities

Evaluation of Key Education Programs of the Pulmuone Foundation (Unit: Points)

| Category | Process | Before | After | Level of Change |
|--|---------------------------------|--------|-------|-----------------|
| Authentic Wholesome Food Education ¹⁾ | Knowledge ³⁾ Average | 61.2 | 85.7 | 24.5 |
| | Attitude ⁴⁾ Average | 40.2 | 77.4 | 27.2 |
| | Practice ⁵⁾ Average | 62.1 | 75.5 | 13.4 |
| Environmental Education | Knowledge Average | 76.1 | 85.4 | 9.3 |
| | Attitude Average | 57.3 | 71.2 | 13.9 |
| | Practice Average | 54.2 | 63 | 8.8 |
| Society Education ²⁾ | Knowledge Average | 44.1 | 78.9 | 34.8 |
| | Attitude Average | 49.4 | 60.7 | 11.3 |
| | Practice Average | 69.1 | 82.5 | 13.4 |

1) Limited to Authentic Wholesome Food Education for Children.

2) Limited to Empathy Education for Coexistence.

3) Refers to the knowledge and critical thinking necessary to understand the interconnectedness among individuals, local communities, nations, and the world.

4) Refers to the values, attitudes, and social skills required to achieve balanced emotional, psychological, and physical development, respect for others, and harmonious coexistence through the fulfillment of shared responsibilities.

5) Refers to effective and responsible actions at the local, national, and global levels aimed at creating a sustainable world.

Employee Participatory Campaign

In November 2024, to commemorate the 38th anniversary of Pulmuone Waters, we conducted a employee-participatory social contribution campaign aimed at supporting job creation for persons with disabilities and promoting resource circulation. Employees voluntarily collected items such as clothing, household goods, daily necessities, electronics, and furniture and donated them to the Miral Welfare Foundation Goodwill Store. These items were processed and sold, with all proceeds allocated to the wages of workers with disabilities and the operation of the foundation's vocational rehabilitation programs. In addition, Pulmuone continues to promote food donation initiatives and environmental campaigns. In July 2024, approximately 20,000 bottles of Breezy Tok Zero nearing expiration were donated to the Goodwill Store, contributing to both food waste reduction and social value creation. Pulmuone also actively engages in a variety of eco-friendly initiatives under its *Oh-My-Green (OMG) Campaign*.

Proper Companion Culture Donation Campaign

Pulmuone conducted the *Proper Companion Culture Donation Campaign* to promote the health and well-being of companion animals and to fulfill its corporate social responsibilities. In August 2024, Pulmuone Foods' pet food brand Pulmuone Amio collaborated with the KCMC Cultural Center to organize a customer-participatory campaign consisting of a series of missions designed to promote responsible pet ownership. This initiative received strong voluntary participation and engagement from pet owners, resulting in the donation of 3.2 tons of pet food (1.7 tons and 1.5 tons) to *YouUmBba* and the *Imunnyangi Project*. To further support companion animals, Pulmuone has also engaged in volunteer work aimed at reducing the stress of rescued dogs and helping them develop socialization skills. Furthermore, the company signed an MOU with the KCMC Cultural Center to expand education and awareness programs promoting responsible pet ownership. Based on this foundation, we will continue our efforts to establish a more mature and ethical companion animal culture.

Governance



Governance

Board-Centric Management

Composition of the Board

The Board of Directors is composed of directors elected from the general meeting of shareholders as Pulmuone's highest decision-making and supervisory body. Pulmuone ensures the Board's independence, diversity, and professionalism to effectively supervise and make decisions on key matters¹⁾ related to the management, finance, and ESG risks and opportunity factors, while pursuing sustainable management that embraces the interests of both shareholders and stakeholders.

As of the end of March 2025, Pulmuone's Board of Directors consists of 1 executive director, 2 other non-executive directors, and 8 independent directors, with an average tenure of 7 years.

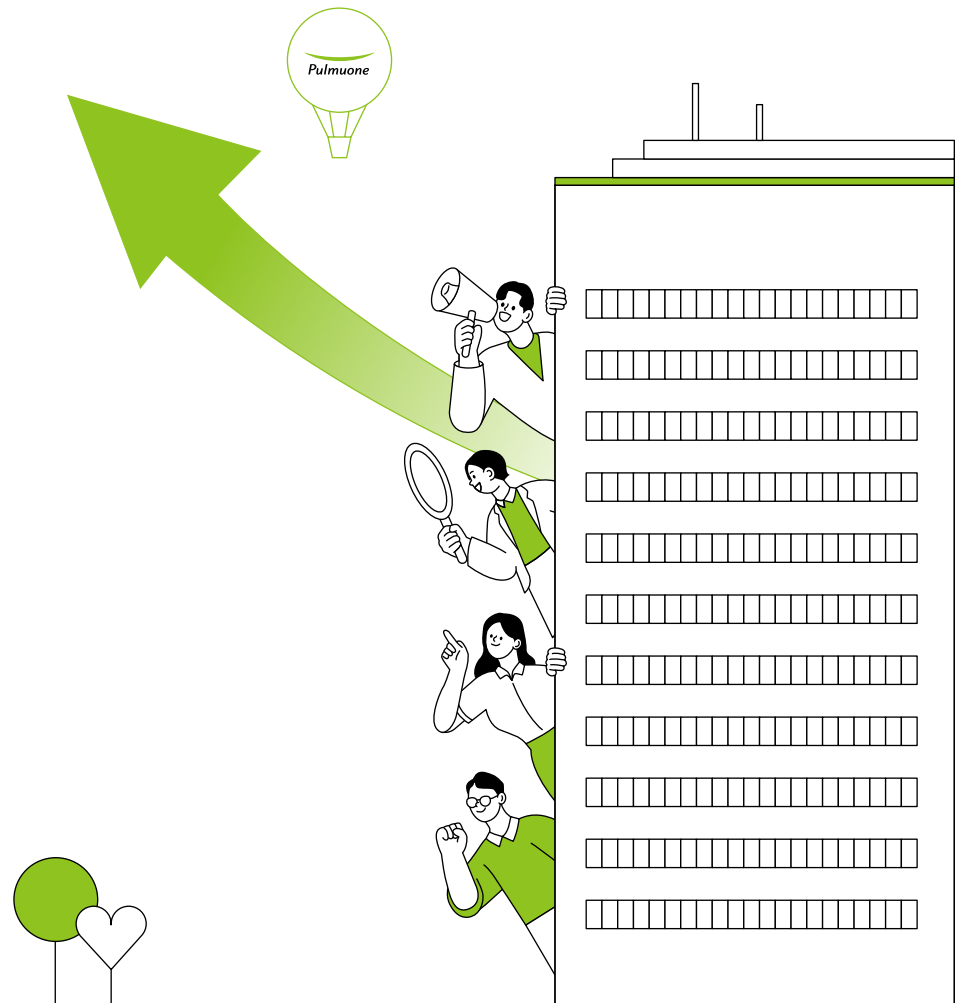
1) The role of the Board of Directors in sustainable management is defined in Article 3 (5) of the Regulations of the Board of Directors.

Roles of the Board of Directors in Sustainable Management

[View Pulmuone's Regulations of the Board of Directors](#)



- 1 Establish and review goals and strategies to create mid- to long-term value, and raise management's awareness of key issues related to stakeholder engagement for sustainable growth
- 2 Provide input on the development of the company's sustainable business strategies
- 3 Establish and oversee communication strategies to ensure that the corporate vision is disseminated throughout the organization
- 4 Review, guide, discuss, and validate the strategic direction of the company's long-term priorities
- 5 Provide input and feedback on the company's resource allocation
- 6 Establish internal control mechanisms and manage risks systematically
- 7 Operate a General CEO Succession Policy
- 8 Establish a compensation policy for the General CEO aligned with the company's sustainability objectives
- 9 Set and manage standards for the fair evaluation of the performance of the General CEO and the Board of Directors



Governance

Board-Centric Management

Composition of the Board

Pulmuone's Board Members & Board Skill Matrix (BSM)

(As of March, 31, 2025)

| Category | | Independent Director | | | | | | | Executive Director | Other Non-Executive Director | | |
|-------------------------------|-------------------------------------|--|---|---|--|---|---|---|--|--|---|--|
| | | Kim Young Whan | Shim Sue Ohk | Won Hye Young | Han Chan Sik | Kim Woo Jin | Lee Ji Yoon | Lee Soo-yeon | Shin Mi-hyeon | Lee Woo-bong | Nam Seung-woo | Lee Hyo-yul <small>Chairperson</small> |
| Basic Information | Date of appointment | 2020.3.27 | 2020.3.27 | 2021.3.25 | 2022.3.30 | 2022.3.30 | 2022.4.27 | 2024.3.28 | 2025.03.26 | 2024.3.28 | 1984.05.31 ⁴⁾ | 2013.03.29 ⁵⁾ |
| | Key experience | <ul style="list-style-type: none"> • Current CEO, Artificial Intelligence Research Institute • Current Adjunct Professor, School of Computing, KAIST • Former Director, Korea Autonomous Driving Development Innovation Foundation | <ul style="list-style-type: none"> • Current Professor, School of Business, Sungkyunkwan University • Current Independent Director, Lotte Department Store • Former Vice President, Head of Global Marketing, Samsung Electronics | <ul style="list-style-type: none"> • Current Co-President, Well Dying Movement • Former Member of the National Assembly (14th, 17th-20th terms) | <ul style="list-style-type: none"> • Current Attorney, Kim & Chang • Current Independent Director, HD Hyundai Electric • Former Chief Prosecutor, Seoul District Prosecutors' Office | <ul style="list-style-type: none"> • Current Professor of Finance and Banking, Seoul National University • Current Independent Director, Taekwang Industry • Current Member, Compliance Committee, Samsung • Current Member, Investment Policy Expert Committee, National Pension Service | <ul style="list-style-type: none"> • Current Non-Executive Director, Ars Praxia • Current Senior Advisor, FleishmanHillard Korea • Former Independent Director, Korea Hydro & Nuclear Power | <ul style="list-style-type: none"> • Current CEO, Nanum Business Consulting • Former Compliance Officer and CRO, Hana Ventures • Former Branch Manager, Hana Bank | <ul style="list-style-type: none"> • Current HR Leader, DuPont Korea | <ul style="list-style-type: none"> • Current General CEO, Pulmuone • Former President, Strategic Management Center, Pulmuone • Former CEO, Pulmuone Food & Culture | <ul style="list-style-type: none"> • Founder, Pulmuone • Current Chairperson, Pulmuone Foundation • Former General CEO, Pulmuone | <ul style="list-style-type: none"> • Current President, Korea Food Industry Association • Former General CEO, Pulmuone Foods |
| | No. of Other Mandates ¹⁾ | 1 | 1 | 0 | 1 | 1 | 0 | 1 | 0 | N/A | N/A | N/A |
| | Board Skill Matrix | Career and experience | Leadership ²⁾ | • | • | • | • | • | • | • | • | • |
| International experience | | | | | | | | | | | | |
| Expertise | | Accounting, finance, and banking | • | | | | • | | • | | • | • |
| | | Marketing and communication | | • | | | | • | | | | |
| | | Laws and risks | | | | • | | | • | | • | |
| | | Global human resource and performance mgmt. | | | | | | | | • | | |
| | | Government policy | | | • | | | | | | | |
| | | Industrial expertise ³⁾ | | • | | | | | | | • | • |
| Information protection and AX | | • | | | | | | | | | | |
| ESG | | | • | • | | • | • | | | | | |
| Independence | • | • | • | • | • | • | • | • | | | | |
| Diversity | Gender | M | F | M | M | M | F | M | F | M | M | M |
| | Age | 67 | 63 | 73 | 56 | 54 | 59 | 63 | 56 | 62 | 72 | 67 |

1) Pursuant to Article 34 of the Enforcement Decree of the Commercial Act, a director may hold concurrent positions as a director, executive, or auditor in only one other company besides Pulmuone.

2) C-level and BOD experience.

3) Expertise in food industry and global FMCG consumer goods

4) For Founder Nam Seung-woo, the date of first appointment as an executive director (CEO) is provided (date of first appointment as a non-executive director: 2018.03.31).

5) For Chairperson Lee Hyo-yul, the date of first appointment as an executive director is provided (date of first appointment as a non-executive director: 2025.03.26).

Governance

Board-Centric Management

Independence of the Board

Proportion of Independent Directors

In order to ensure that the Board can fulfill its role as an independent decision-making and oversight body, at least 50% of its members are independent directors. As of the end of March 2025, Pulmuone's Board consisted of 8 independent directors (72.7%) out of a total of 11 members. Directors serve a three-year term, which may be renewed by a resolution at the general meeting of shareholders; however, pursuant to the Commercial Act, a director may not serve for more than six years. In addition, the Compensation, Audit, Independent Director Recommendation, Independent Director Evaluation, and ESG Committees under the Board are composed exclusively of independent directors.

Securing the Independence of the Director Election Process

After recommending and verifying candidates from the Independent Director Recommendation Committee, the election of directors is decided by a shareholders' resolution at the general meeting of shareholders. Pulmuone ensures that independent director candidates meet the independence requirements in accordance with the Commercial Act and global corporate governance standards. When convening the general meeting of shareholders, proposals for electing directors are presented individually by candidates to ensure shareholders' rights to elect directors.

Operation of the Independent Lead Director System

Pulmuone has operated the independent lead director system since 2018, in accordance with Article 5 (2) of the Regulations of the Board of Directors. The elected independent director has the authority to convene independent director-only meetings and serves as the independent lead director. The responsibilities of this role include supporting the effective performance of independent directors, reviewing the Board and committee effectiveness, and conducting evaluations and reporting. As of March 2025, Kim Young Whan serves as the independent lead director.



Independence Requirements for the Board

- ❶ Independent directors are directors who are not currently, and have not been within the past two years, employed as directors, executive officers, or employees engaged in the company's regular business.
- ❷ Independent directors must not be the largest shareholder, the spouse, lineal ascendants, or lineal descendants of the largest shareholder. In cases where the largest shareholder is a corporation, they must not be directors, auditors, executive officers, or employees of that corporation.
- ❸ Independent directors are individuals who have not received compensation exceeding KRW 80 million (USD 60,000) from the company, its parent, or subsidiaries during any 12-month period within the past three years (including compensation to their immediate family).
- ❹ Independent directors are not spouses, lineal ascendants, or descendants of directors, auditors, or executive officers of the company.
- ❺ Independent directors are not directors, auditors, executive directors or employees of a parent company or a subsidiaries of the company.
- ❻ Independent directors must not serve as an advisor or consultant to the company.
- ❼ Independent directors must not have a material interest in the company, such as business relationships with clients or suppliers.
- ❽ Independent directors must not be employees of entities that have contracts with the company as its main legal or business advisors.
- ❾ Independent directors must not have a material interest in NGOs that receive substantial grants from the company.
- ❿ Independent directors must not serve as directors, auditors, executive officers, or employees of another company where the company's directors, executive officers, or employees also serve as directors or officers.
- ⓫ Independent directors must not have any conflict of interest that would compromise the independence of the Board.

Advancing the Independent Director Election Process

Pulmuone operates a director election system centered around the Independent Director Recommendation Committee, which is entirely composed of independent directors to ensure an independent and transparent process. In 2023, the Committee defined the key elements required for Pulmuone's Board and developed the Board Skill Matrix (BSM). In 2024, a competency-based candidate selection strategy was introduced using the BSM, along with the implementation of an annual rolling candidate pool to proactively address emergency succession risks.

Governance

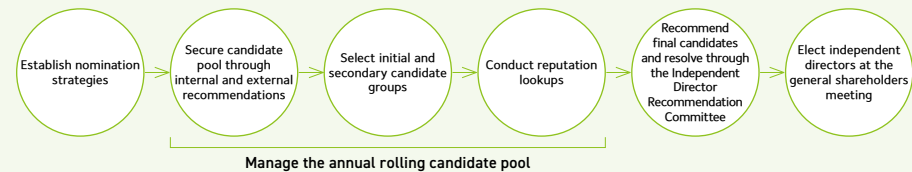
Board-Centric Management

Independence of the Board

Advancing the Independent Director Election Process

The candidate pool is compiled through internal recommendations by independent directors and management, and through referrals from external search firms. The Independent Director Recommendation Committee then selects an initial group of candidates based on professional experience and accomplishments. Final candidates are determined through committee voting following comprehensive evaluations of management knowledge, ethical standards, and alignment with the BSM. These candidates are then submitted to the Board of Directors for inclusion in the general meeting agenda, where the final election takes place.

Independent Director Election Process (Summary)



Professionalism and Diversity of the Board

Pulmuone is enhancing the professionalism of its Board by enabling it to effectively perform supervisory functions while reflecting industry characteristics and evolving market dynamics. In the nomination and election of director candidates, Pulmuone actively considers diverse backgrounds—such as gender, age, place of origin, and ethnicity—along with professional qualifications, in order to establish an optimal skill mix for director succession. In addition, the Board operates eight self-established committees under an independent and specialized decision-making structure to effectively fulfill its role as the company’s highest decision-making body.

Status of Board Committees

| Committee | Chairperson | Member | Committee Purpose and Rights |
|---|----------------|--|---|
| Strategy Committee | Lee Hyo-yul | Nam Seung-woo, Lee Woo-bong, Shim Sue Ohk, Won Hye Young, Lee Ji Yoon, and Shin Mi-hyeon | <ul style="list-style-type: none"> Review, discuss, and validate key initiatives, strategies, and investment directions to drive the company’s mid- to long-term growth and enhance corporate value Function as an advisory body to the Board and General CEO |
| Audit Committee | Kim Woo Jin | Kim Young Whan, Han Chan Sik, and Lee Soo-yeon | <ul style="list-style-type: none"> Manage corporate compliance, internal controls, and systematic risk response Supervise accounting and financial auditing processes |
| General CEO Recommendation Committee | Lee Hyo-yul | Nam Seung-woo, Lee Woo-bong, Kim Young Whan, and Shim Sue Ohk | <ul style="list-style-type: none"> Nominate, evaluate, and deliberate on candidates for General CEO Review and determine succession plans to ensure leadership continuity and smooth executive transitions |
| ESG Committee | Shim Sue Ohk | Kim Young Whan, Lee Ji Yoon, and Lee Soo-yeon | <ul style="list-style-type: none"> Review and resolve strategies and objectives addressing ESG risks and opportunities |
| Compensation Committee | Won Hye-yeong | Han Chan Sik, Kim Woo Jin, and Shin Mi-hyeon | <ul style="list-style-type: none"> Review and resolve matters related to executive officer compensation, bonuses, and severance pay |
| Independent Director Recommendation Committee | Kim Young Whan | Kim Woo Jin, Lee Soo-yeon, and Lee Ji Yoon | <ul style="list-style-type: none"> Review the Board Skills Matrix Assess qualifications of independent director candidates and recommend them for the general shareholders’ meeting |
| Independent Director Evaluation Committee | Han Chan Sik | Shim Sue Ohk, Won Hye Young, and Shin Mi-hyeon | <ul style="list-style-type: none"> Evaluate the performance of independent directors serving on the Board |
| Business Management Committee | Lee Woo-bong | Lee Hyo-yul | <ul style="list-style-type: none"> Conduct self-assessments of the Board’s operations Execute the Board-delegated matters related to business management |

Transparent Succession of the General CEO

In 2017, under the leadership of Founder and then-General CEO Nam Seung-woo, the Board of Directors transitioned to a professional management system and established the General CEO Recommendation Committee. This initiative established a transparent, Board-led succession process. Ahead of the expiration of General CEO Lee Hyo-yul’s term in 2024, the Board, through the General CEO Recommendation Committee, oversaw a rigorous verification process lasting approximately 18 months and appointed Lee Woo-bong, then Head of the Strategic Management Center, as the new General CEO. To further strengthen independent decision-making and enhance transparency and objectivity in succession, in addition to the Committee—comprising one inside director, one other non-executive director, and two independent directors—the Board constituted a separate Candidate Review Panel of four independent directors, including two from the Committee and two additional members.

Strengthening Internal Control and Risk Management

To enhance the professional competence of the Audit Committee, Pulmuone appointed two independent directors with expertise in finance and banking (Kim Woo Jin and Lee Soo-yeon), thereby surpassing statutory requirements for auditor qualifications. In addition, the Audit Committee directly participates in the performance evaluation of the Compliance Support Division, thereby enhancing the committee’s independence and effectiveness. This framework supports a more robust and transparent internal control system.

Governance

Board-Centric Management

Activities and Evaluation of the Board

Activities of the Board

The Board of Directors meetings are convened by the Chairperson in accordance with the Regulations of the Board of Directors. The Board holds five regular meetings annually and convenes special meetings as necessary.

Board Meetings and Agenda in 2024

| Category | Date | Key Agenda | Attendance Rate of Directors |
|---------------------|------------|--|---|
| 1st Special Meeting | 2024.02.14 | Resolution <ul style="list-style-type: none"> Approval of the 40th financial statements Approval of the 40th cash dividend (draft) Approval of the Business Report Appointment of committee members within the Board | Approved: 4 |
| | | Report <ul style="list-style-type: none"> Other matters reported | Reported: 1 |
| 1st Regular Meeting | 2024.02.29 | Resolution <ul style="list-style-type: none"> Convening of the 40th regular general shareholders meeting Partial amendment to the articles of incorporation Amendment of the Regulations of the Board of Directors Election of director candidates Appointment of the Audit Committee members Decision on the limit of compensation for directors Introduction of an electronic voting system | Approved: 7 |
| | | Report <ul style="list-style-type: none"> 2023 internal finance management system status report 2023 internal finance management system review report by the Audit Committee Environmental management performance and execution plans | Reported: 5 |
| 2nd Special Meeting | 2024.03.28 | Resolution <ul style="list-style-type: none"> Approval of transactions between directors and the company Election of the chairperson of the Board Changes in committee composition within the Board Delegation of authority to the Business Management Committee for individual compensation of directors Temporary delegation to the Business Management Committee for issuance of hybrid capital securities | Approved: 4 Approved with changes: 1 |
| | | Report <ul style="list-style-type: none"> Improvement of the operation of the BOD (draft) | Reported: 3 |

| Category | Date | Key Agenda | Attendance Rate of Directors |
|---------------------|------------|---|------------------------------|
| 2nd Regular Meeting | 2024.04.25 | Resolution <ul style="list-style-type: none"> Disposal of treasury shares Amendment of the BOD and committee regulations | Approved: 4 |
| | | Report <ul style="list-style-type: none"> Evaluation method for the head of the Internal Audit | Reported: 5 |
| 3rd Special Meeting | 2024.06.28 | Resolution <ul style="list-style-type: none"> Approval of the standard for long-term incentives (stock grant) Amendment of the internal finance management system regulations | Approved: 2 |
| | | Report <ul style="list-style-type: none"> Mid-term strategic indicators to enhance company value Strategy to respond to the Corporate Value-up Program Summary of the 1st regular ESG Committee Summary of the 1st special General CEO Candidate Recommendation Committee | Reported: 9 |
| 3rd Regular Meeting | 2024.07.31 | Resolution <ul style="list-style-type: none"> Amendment of ESG Committee regulations | Approved: 1 |
| | | Report <ul style="list-style-type: none"> Summary of 5th regular Audit Committee | Reported: 3 |
| 4th Regular Meeting | 2024.10.31 | Resolution <ul style="list-style-type: none"> Evaluation of the chairperson of the Board Evaluation of the General CEO | On hold: 2 |
| | | Report <ul style="list-style-type: none"> Standardized operation process of the Board committees | Reported: 4 |
| 5th Regular Meeting | 2024.12.06 | Resolution <ul style="list-style-type: none"> Election of the General CEO Approval of financial targets for the 2025 annual business plan | Approved: 2 |
| | | Report <ul style="list-style-type: none"> Summary of the 2nd regular ESG Committee | Reported: 5 |
| th Special Meeting | 2024.12.16 | Resolution <ul style="list-style-type: none"> Election of director candidates | On hold: 1 |

Governance

Board-Centric Management

Activities and Evaluation of the Board

Launch of the Board of Directors Secretariat

In 2024, Pulmuone established the Board of Directors Secretariat as a directly affiliated office to systematically support the independent and professional operation of the Board. The Secretariat is composed of eight professionals, including the director, with expertise in law, disclosure, management planning, and ESG. Following its establishment, the Secretariat reorganized agenda pre-evaluation and review procedures to build a more structured decision-making support system. In addition, the operational regulations of the Board and its eight affiliated committees were comprehensively reviewed, and standard operating procedures were developed for each committee, thereby enhancing overall efficiency.

Provision of Sustainability Education for the Board

Pulmuone provides regular education programs to strengthen the ESG capabilities of the Board and to support responsible decision-making. On October 31, 2024, ESG and environment-related training was offered to all Board members. In addition, separate sessions are held every April for newly appointed independent directors to deepen their understanding of the company, with ESG management designated as a core topic. This training was provided to Director Lee Soo-yeon in 2024 and to Director Shin Mi-hyeon in 2025.

Board Performance Evaluation

Since 2020, Pulmuone has conducted annual comprehensive evaluations of Board operations and activities through the Independent Director Evaluation Committee, which is composed of four independent directors. The Committee evaluates the Board using 22 questions across four categories, and the results are disclosed transparently on Pulmuone's website, reviewed and discussed by the Independent Director Evaluation Committee, and utilized to strengthen the following year's Board operations as well as the roles and competencies of its members. In parallel, evaluations of independent directors are also carried out through a process consisting of both self-assessments and peer reviews, with the results serving as reference materials when considering reappointment.

Board Evaluation Criteria and Evaluation Results

| Evaluation Criteria | Unit | 2022 | 2023 | 2024 |
|-----------------------|---------------------------|------|------|------|
| Composition and Roles | | 4.71 | 4.83 | 4.94 |
| Independence | Points (5-point scale) | 4.72 | 4.86 | 4.84 |
| Efficiency | | 4.50 | 4.69 | 4.77 |
| Board Committees | | 4.69 | 4.83 | 4.88 |

Independent Director Evaluation Criteria

View Pulmuone Board Evaluation Table and Results

| Category | Purpose | Evaluation Criteria |
|-----------------|--|---|
| Self Evaluation | <ul style="list-style-type: none"> Evaluate individual roles and performance of independent directors Identify strengths and areas for improvement, and explore development directions | <ul style="list-style-type: none"> Roles and responsibilities of independent directors Participation in Board meetings Communication with stakeholders |
| Peer Evaluation | <ul style="list-style-type: none"> Facilitate constructive feedback among Board members Enhance overall Board effectiveness and incorporate findings into operational plans | <ul style="list-style-type: none"> Roles and responsibilities of independent directors Participation in Board meetings Professionalism and diversity of the Board Ethical integrity of directors Efficiency of directors Communication among the Board and stakeholders |

Governance

Board-Centric Management

BOD Activities and Evaluation

Remuneration of Executives

The remuneration for executive, independent, and non-executive directors is provided within the limit approved at the Regular General Shareholders Meeting. The remuneration of executive directors consists of a base annual salary, which reflects position, delegated duties, and performance, in accordance with the executive personnel management regulations approved by the Board. In addition, incentives based on company performance and a retirement bonus are provided, as stipulated in Article 7 of the same regulations. Incentives are classified as Short-Term Incentives (STI), linked to the performance of the previous fiscal year, and Long-Term Incentives (LTI), evaluated over a three-year period.

By contrast, the remuneration of independent and other non-executive directors is determined within the approved limit, taking into account assigned responsibilities, expertise, and contributions. No separate incentives or retirement bonuses are granted.

General CEO Evaluation and Compensation

Performance Indicators

The variable compensation (short-term performance incentives) for the General CEO is paid at up to 70% of the base annual salary, depending on the achievement of financial and strategic indicators. The weighting between financial and strategic indicators is 70% and 30%, respectively. Financial indicators include revenue and operating profit, while internal performance evaluation is based on the following breakdown: 30% for Net New Revenue (NNR), 30% for Core Earnings Before Interest and Taxes (CEBIT), and 10% for Modified Free Cash Flow (M-FCF). Strategic indicators include the expansion of sustainable foods and diets, and the implementation of the Eco-Caring strategy. Pulmuone's Eco-Caring strategy includes greenhouse gas reduction initiatives, such as the Net Zero Strategy.

Connection with Long-Term Performance

Pulmuone assesses both short-term incentives based on the previous fiscal year's performance and long-term incentives based on a three-year performance period when determining the General CEO's compensation.

Protection of Shareholders' Rights

Stock Ownership

Pulmuone is a listed company on the Korea Exchange, with a total of 38,120,542 issued shares as of December 31, 2024. The Articles of Incorporation allow for the issuance of up to 200,000,000 shares, with a par value of KRW 500 per share. Pulmuone discloses corporate information via its official website, the Financial Supervisory Service, and the Korea Exchange electronic disclosure system.

Major Shareholders

(As of December 31, 2024)

| Committee | Shareholder Name | No. of Shares (Unit: Shares) | Percentage (Unit: %) |
|-----------------------|--------------------------------------|------------------------------|----------------------|
| Largest Shareholder | Nam Seung-woo | 21,635,780 | 56.76% |
| | Relatives of the Largest Shareholder | | |
| Member | Nam Mirinae | 236,040 | 0.62% |
| | Kim Myeong-hee | 82,990 | 0.22% |
| | Lee Hyo-yul | 131,883 | 0.35% |
| | Lee Sang-yoon | 11,152 | 0.03% |
| | Lee Woo-bong | 10,449 | 0.03% |
| | Kim Jin-hong | 10,000 | 0.03% |
| | Park Gwang-sun | 9,152 | 0.02% |
| | Kim Jong-heon | 4,098 | 0.01% |
| Independent Directors | Yu Tae-sang | 100 | 0.00% |
| | Won Hye Young | 6,664 | 0.02% |
| | Kim Young Whan | 5,050 | 0.01% |
| | Lee Soo-yeon | 2,000 | 0.01% |
| Affiliated Companies | Kim Woo Jin | 1,662 | 0.00% |
| | PCI | 747,000 | 1.96% |
| Pension Funds | National Pension Service | 1,332,833 | 3.50% |

Governance

Protection of Shareholders' Rights

Shareholder Return Policy

To respect shareholder rights and enhance shareholder value, Pulmuone has established and operates a Shareholder Return Policy based on stable dividend practices. The company outlines various shareholder return mechanisms-including profit distribution, share cancellation, and quarterly dividends-under Articles 46 to 48(2) of the Articles of Incorporation, thereby providing a framework to ensure the stable sharing of profits with shareholders.

According to the Articles of Incorporation, the company can dispose of retained earnings through legal reserves, dividends, and discretionary reserves, as well as canceling treasury shares within the scope of distributable profits. In addition to payment in the form of money or shares, quarterly dividends may be distributed on the last day of March, June, and September during the fiscal year, enhancing the flexibility and effectiveness of shareholder returns.

Dividend Policy

Pulmuone operates a Dividend Policy that aims to ensure stable returns for shareholders, maintaining a principle of fixed cash dividends regardless of annual business performance. Dividends are paid within the scope of distributable profits calculated under Article 462 of the Commercial Act, and the current cash dividend of KRW 102 per share is planned to be maintained through 2026.

Furthermore, at the 3rd Special Board Meeting held on June 28, 2024, discussions were held on strengthening shareholder return policies as part of the Corporate Value-Up Response Strategy, including the establishment of a mid- to long-term Dividend Policy. If Pulmuone's financial structure stabilizes further, we will actively consider increasing dividend levels to enhance shareholder value and strengthen long-term trust.

Shareholder-Friendly System

At the Regular General Shareholders Meeting in March 2024, the Simultaneous Expiration System was introduced, aligning the expiration of all directors' terms with the closing date of the meeting. This measure enhanced board accountability and facilitated the regularization of shareholder meetings.

Dividend procedures were also improved by setting the record date after the dividend declaration date, enabling shareholders to make investment decisions based on confirmed dividend information.

Further revisions were made at the March 2025 Regular General Shareholders meeting to reflect the amended Financial Investment Services and Capital Markets Act. The Articles of Incorporation were updated to authorize the Board to directly determine quarterly dividend distribution and set record dates. At the same time, the article permitting the Board to independently approve financial statements was removed, thereby ensuring that final approval of financial statements rests exclusively with the general meeting of shareholders and reinforcing shareholder authority.

Disclosing Non-Financial Information and Reinforcing Communication

Since 2007, Pulmuone has published a sustainability report annually, transparently disclosing performance in the areas of environment, society, and governance. Beginning in 2014, an integrated report combining financial and non-financial information has been issued to communicate sustainable strategies and performance in a more holistic manner.

Building on these practices, a corporate governance report has been published since 2024, further strengthening disclosure. Climate change and water security data are also disclosed through the Carbon Disclosure Project (CDP). Moreover, by actively participating in global ESG assessments such as the Corporate Sustainability Assessment (CSA) conducted by S&P Global, Pulmuone enhances transparency, thereby reinforcing trust with external stakeholders and improving the objectivity and credibility of ESG management practices.

Risk Management

Risk Management Governance

Pulmuone operates both business unit-level and company-wide risk management committees to systematically monitor risks, thereby enabling prevention and timely, appropriate response when risks arise.

Business Unit Risk Management Committees (First & Second Lines)

In each business unit, risk identification and management are led by team leaders, general managers, and the Risk Management (RM) team. Core risks¹⁾ are monitored monthly, with risk status and crises level thresholds assessed using four levels (Attention, Caution, Alert, Serious). The monitoring results and issues identified are consolidated by the risk officer under the Management Support Office of each business unit and submitted to the Risk Management Committee.

1) Evaluation results are categorized into five levels: Low, Middle Low, Middle, Middle High, and High.

"Core risks" refer to those classified as Middle High or High.

* For further details, refer to page 120 of this report.

Company-Wide Risk Management Committee (First, Second & Third Line)

Monitoring results and issues of core risks reviewed by the Corporate Risk Management Committee for each business unit are gathered and organized by the Sustainability Office, a company-wide RM organization. This is then proposed to the company-wide Risk Management Committee, the highest decision-making body.

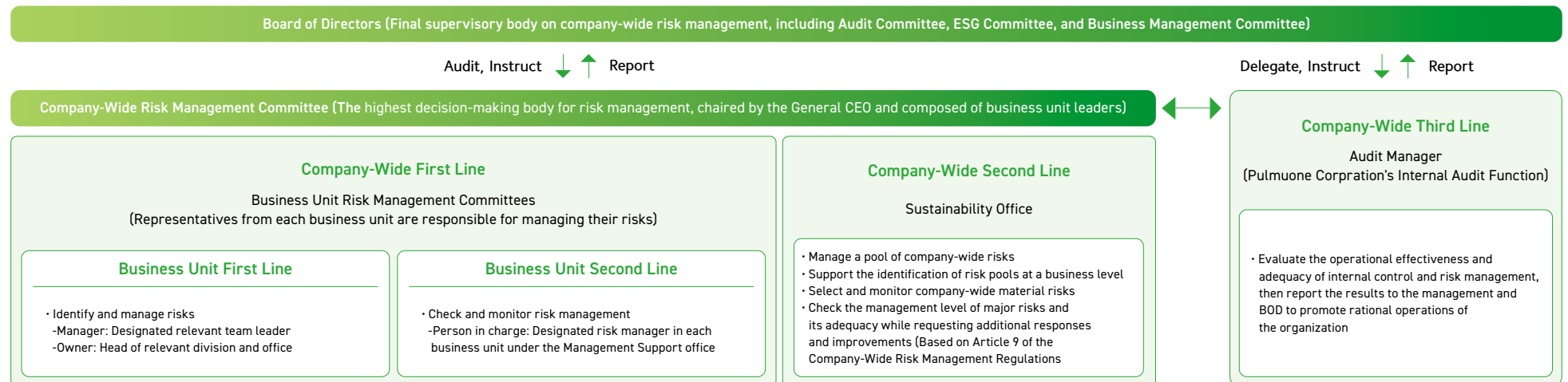
The Head of the Sustainability Office serves as the administrative secretary of this committee, reporting on the monitoring status and response measures for risks designated as company-wide core risks.

Departments with issues requiring deliberation submit a themed report directly to the committee and are responsible for executing the resulting follow-up measures.

Implementation of these follow-ups is continuously monitored by the Sustainability Office, and the results are reported again to the company-wide Risk Management Committee.

The Internal Audit Committee independently assesses and reviews internal controls, risk management systems, and compliance with relevant laws and regulations. The results are reported to both management and the Audit Committee to enhance transparency and operational reliability, thereby contributing to reasonable assurance.

Business Unit and Company-Wide Risk Management Governance



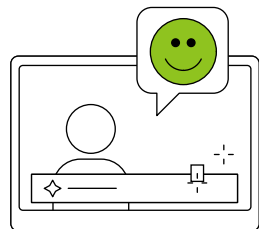
Risk Management

Risk Management Governance

BOD Expertise in Risk Management

Pulmuone's Board of Directors receives annual reports on key risks and delegates risk oversight responsibilities to relevant subcommittees. Non-financial risks are audited under the ESG Committee, while business and financial risks are overseen by the Strategy and Audit Committees.

Going forward, Pulmuone aims to further strengthen its company-wide risk management framework by centering oversight within the ESG Committee, maintaining an integrated risk management system, and expanding risk-related training and information provided to board members. In addition, regular reporting procedures for key risks will be formalized, and the board's discussion framework will be systematized to continuously strengthen its supervisory role in addressing complex and long-term risks.

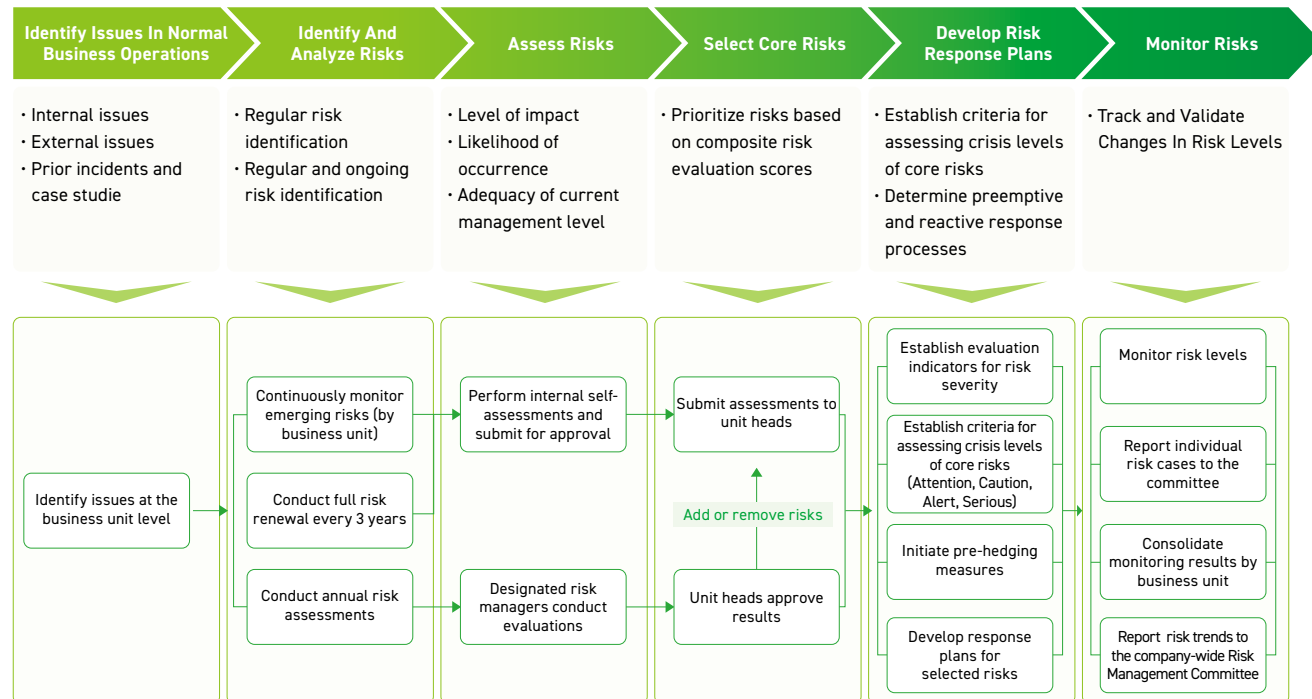


Risk Management Process

Scope and Frequency of Assessment

Pulmuone operates a company-wide risk management system that covers both financial and non-financial risks, applying a structured process of identification, assessment, response, monitoring, and reporting. All identified risks are evaluated using Pulmuone's internal risk assessment criteria. The risk pool is re-evaluated annually by each business unit, with a full renewal of core risks conducted every three years to reflect new business environments. Additionally, at least twice annually, each business unit performs regular risk identification and assessment in line with its operational status to determine whether any risks require additional management. All outcomes from identification, assessment, and renewal activities are reported to the Risk Management Committee.

Risk Management Framework



Risk Management

Risk Management Process

Risk Evaluation Methodology

Pulmuone evaluates risks by comprehensively considering their impact, root cause, and management level, classifying them into five levels: Low, Middle Low, Middle, Middle High, and High. Risks are categorized into five domains—operational, financial, legal, strategic, and external—to enable efficient identification and post-management. They are also classified into preemptive management and reactive response types based on their development patterns and controllability. For core risks rated Middle High and High, crisis level thresholds (Attention, Caution, Alert, Serious) are defined in accordance with the company-wide risk management criteria. These risks are regularly monitored, and appropriate countermeasures are implemented based on the results.

Risk Category Classification

| Category | Description |
|---------------------------|--|
| Operational Risks | • Supply chain, quality, information security, partners, new products and services, operations, technology, ESH (Environment, Safety, Health), brand communication, cost volatility, human resources, and IT outages ¹⁾ |
| Financial Risks | • Market volatility, liquidity, profit and loss, credit, and taxation |
| Legal Risks ²⁾ | • Insufficient oversight, litigation and disputes, contracts, compliance, liability, disclosure, and financial crime |
| Strategic Risks | • Strategic direction, business planning, M&A, globalization, new business development, management operations, overseas investments, sales and distribution, customer orders, and corporate reputation |
| External Risks | • Business environment, political issues, client-related risks, government regulations, competitor actions, natural disasters, disruptive technologies, and pandemics |

1) Includes information protection and privacy protection-related risks.
 2) Includes legal risks related to adverse impacts on local communities.
 3) Includes risks related to customer rights.

Risk Evaluation Items

| Category | Description |
|--------------------------------------|---|
| Level of Impact | • The impact of each risk is classified into five levels based on both financial and non-financial consequences, with risks that cannot be quantified evaluated qualitatively |
| Likelihood of Occurrence | • The expected frequency of a risk event, classified into five levels |
| Adequacy of Current Management Level | • Evaluates whether adequate control mechanisms are in place to reduce impact and likelihood, and whether these controls are regularly inspected, updated, and strengthened |

Risk Evaluation Levels

| Category | Criteria |
|-------------|---|
| Middle Low | • The risk exists but remains stable |
| Middle | • High likelihood but low impact, or vice versa, or moderately elevated in both |
| Middle High | • High likelihood and impact, with potential to affect the company |
| High | • Very high likelihood and significant impact, with potential for serious consequences to the company |
| Low | • Significantly low likelihood of occurrence or the level of impact |

Risk Management Processes

| Category | Criteria |
|-----------------------|--|
| Preemptive Management | • Risk control based on defined metrics and early detection mechanisms |
| Reactive Management | • Scenario-based responses and emergency response processes prepared for crisis situations |

Risk Management

Risk Management Process

Risk Evaluation Methodology

Crisis Level Thresholds

| Category | Details |
|------------------|---|
| Green: Attention | <ul style="list-style-type: none"> Risks are stable and under normal control |
| Yellow: Caution | <ul style="list-style-type: none"> Minor risks manageable within the department level Risks with potential to escalate, requiring preemptive measures |
| Orange: Alert | <ul style="list-style-type: none"> Critical risks requiring response at the division or office level Uncontrolled risks with potential to impact division and office performance goal |
| Red: Serious | <ul style="list-style-type: none"> Critical risks requiring escalation to the business unit (subsidiary) level Uncontrolled risks with potential to impact business unit (subsidiary) performance goals Risks escalated for company-wide response and management |

Reporting Risk Evaluation Results and Feedback

Each year, Pulmuone designates certain items from the identified pool as 'key management risks' and establishes crisis assessment criteria, monitoring methods, and monitoring cycles to ensure continuous oversight. Each business unit reports monitoring results and major issues related to these core risks to its own Risk Management Committee, which then shares the information with the company-wide RM organization, Sustainability Office. The Sustainability Office consolidates and analyzes the reports to identify key issues at the enterprise level, which are subsequently submitted to the company-wide Risk Management Committee, Pulmuone's highest decision-making body for risk management.

Audit of Risk Management Processes

Pulmuone selects 4-5 key risks each year from the list of core risks for step-by-step audits of prevention and response processes. The audit begins with the distribution of a self-assessment checklist to the relevant management division manager. The checklist covers items such as risk definition and awareness, current management status, control of risk factors, occurrence and response, as well as follow-up and change management.

The manager submits the completed checklist and supporting documentation to the Audit Team, which then performs document reviews and on-site verification. The internal audit findings are compiled into a report that includes audit opinions (e.g., improvement, correction, or advisory), and the report is shared with the division head, who may either agree with or provide clarification on the audit opinions.

Once the audit is completed, the division is required to develop and implement action plans and improvement measures based on the report, thereby strengthening its risk prevention and response processes.



Risk Management

Risk Culture Internalization

Training on Risks for Independent Directors

Pulmuone conducts annual training programs for independent directors to reinforce their understanding of the company’s strategic direction and their supervisory role in risk oversight. In 2024, all Audit Committee members completed the *Directors’ Fiduciary Duty and Practical Value-Up Methods Program* hosted by the Samil PwC Governance Center. Additionally, all independent directors participated in the internally developed program titled *Key ESG Trends & Pulmuone’s ESG Execution Direction* to deepen their understanding of Pulmuone’s non-financial risks and opportunities.

Key Training Performances

| Training Date | Training Provider | Independent Directors Participated | Key Content |
|---------------|---|------------------------------------|--|
| 2024.05.21 | Samsung KPMG ACI | Kim Woo-jin | Advanced Auditor Program |
| 2024.07.04 | Samsung KPMG ACI | Kim Woo-jin | Cybersecurity, It Control, and Digital Audit |
| 2024.09.06 | Ernst & Young Accounting Firm | Lee Soo-yeon | Accounting Transparency Seminar |
| 2024.10.11 | Deloitte Anjin LLC | Han Chan-sik | Role of The Audit Committee and Recent Trends in Financial Authorities |
| 2024.10.31 | Pulmuone Institute for Strategic Management | All independent directors | Key ESG Trends and Pulmuone’s ESG Execution Direction |
| 2024.11.21 | Samil PWC governance center | All Audit Committee members | Directors’ Fiduciary Duty and Methods for Practical Value-Up |

Risk Training for Employees

Pulmuone provides Introductory Enterprise Risk Management (ERM) training to all new employees each year, aiming to cultivate fundamental risk awareness and highlight the importance of proactive risk management. Company-wide activities are also carried out to strengthen internal risk culture and promote active participation.

Achievements of Risk Management Themed Activities

| Training Date | Details |
|---------------|--|
| 2018 | • Online training provided to all employees (150 participants) |
| 2019 | • Group risk management training conducted by business units • On-site training for operational team leaders at regional business sites |
| 2020 | • Production of training videos and provision of self-learning content |
| 2023 | • Hosting seminars to share best practices in risk management |

Considering Risks at the Product and Service Development Stage

Pulmuone involves the Food Safety Office, Global Regulations Center, and CS Center throughout the product development lifecycle—from pilot runs to full-scale production. These functions conduct comprehensive reviews of ingredient safety (including GMOs), supplier quality, food safety, and the use of eco-friendly packaging materials. Product development proceeds through a structured approval process to ensure that risks are thoroughly reviewed and effectively managed.

Linking Compensation and Incentives

Risk management performance is integrated into the KPI framework and reflected in the financial compensation of those responsible for identifying and managing risks at the business-unit level, such as team leaders and general managers, as well as the head of the company-wide RM organization. In addition, Pulmuone provides special incentives to employees who have demonstrated outstanding achievements in environmental and safety risk management. Frontline employees are recognized with the Environmental and Safety Award, while on-site managerial staff may receive the Outstanding Supervisor Award. Furthermore, each division acknowledges individuals who actively contribute to strengthening safety culture or advancing eco-friendly practices through internal recognition programs.

Risk Management

Status of Key Risks and Management of Emerging Risks

Status of Key Risks

The following items represent key risks identified, evaluated, and managed by Pulmuone in 2024.

Key Risks in 2024

| Risk Classification | Details | Management Activities |
|--|---|--|
| Increased Logistics Costs due to Changes in the Global Environment | <ul style="list-style-type: none"> Managing profit growth amidst rising variable logistics cost indicators Strategic product operation management in response to changes in marine transportation | <ul style="list-style-type: none"> Product shipment strategy based on logistics cost analysis Profit impact analysis related to marine transportation changes and phased response planning |
| IT System Failure | <ul style="list-style-type: none"> Rapid and effective response to failures in key IT systems caused by internal or external shocks | <ul style="list-style-type: none"> Ongoing stabilization of IT equipment Establishment of a flexible response system and implementation of action guidelines by monitoring stage |
| New Equipment Operation and Stabilization | <ul style="list-style-type: none"> Stabilization management of newly introduced equipment | <ul style="list-style-type: none"> Continuous monitoring of operational and stabilization progress Production schedule compliance management |
| Climate Change | <ul style="list-style-type: none"> Business environment disruption and operational continuity risks due to increased natural disaster frequency | <ul style="list-style-type: none"> Management of domestic greenhouse gas (GHG) emissions Evaluation of water-related risks Product carbon footprint management |

Management of Emerging Risks

The following emerging risks have been identified and are being actively managed by Pulmuone in 2024.

| Risks | Ingredient and Legal Risks due to Loss of Biodiversity and Natural Capital | Changes in Policy and Consumer Demand Due to Plastic Packaging Regulations, and Reputational Risk |
|---------------------|--|--|
| Risk Category | Environmental | Social |
| Risk Definition | As a food company, Pulmuone heavily relies on agricultural and marine products, making its ingredients highly dependent on biodiversity and natural capital. A 2019 report by the Food and Agriculture Organization (FAO) highlighted that biodiversity is critical for sustainable agriculture and food security. Yet biodiversity continues to decline due to socio-economic development, pollution, climate change, overdevelopment, and overfishing. Reflecting this trend, the World Economic Forum (WEF) ranked biodiversity loss and ecosystem collapse as the third, and natural capital depletion as the fourth, most significant global risks over the next decade. These developments heighten ingredient supply and quality risks, leading governments to introduce stricter regulations on biodiversity preservation within the agri-food sector. | According to a 2021 Greenpeace report, 78% of household plastic waste originates from food packaging. As environmental pollution from packaging intensifies, global momentum against plastic waste is accelerating. In response, UN member states have agreed to establish a legally binding international treaty by 2024, covering the full life cycle of plastics—from production to disposal. This is expected to result in regulatory constraints on companies that use, produce, or sell plastic products. The Korean government is also planning stricter plastic waste bans, while eco-conscious consumption continues to grow. |
| Impact on Companies | Pulmuone sources a wide range of agricultural and marine ingredients. Biodiversity loss or depletion of natural capital could lead to disruptions in supply or quality of critical raw materials, potentially impacting revenue and operating profit. In response, Pulmuone may be required to revise product strategies, develop alternative ingredients, and strengthen oversight of upstream suppliers to ensure compliance with new regulations. | As global plastic regulations tighten, companies are required to develop alternatives to plastic packaging. For Pulmuone, this may translate into rising compliance costs, including plastic taxes and disposal fees. In addition, delays in adopting sustainable packaging could create reputational risks, ultimately undermining consumer trust and sales. |
| Response Activities | Pulmuone has announced 'Sustainable Foods,' referring to products made with plant-based and animal-welfare ingredients as a future growth strategy, and set a goal of achieving 65% of Pulmuone Foods' total sales from sustainable food products by 2027. To support this ambition, the company is advancing technologies such as plant-based and cell-cultured meat, seaweed aquaculture, and smart farming. Furthermore, during ingredient sourcing, sustainability certifications—such as organic, pesticide-free, and antibiotic-free—are verified, and the certification ratios for key ingredients will be gradually increased. | Pulmuone has set a target to reduce plastic usage by 20% by 2035 compared to 2022, supported by interim milestones ¹⁾ to ensure steady progress. To achieve this, the strategy focuses on three areas—plastic reduction, resource circulation enhancement, and partnership strengthening. Specific actions include eliminating labels and reducing container weight, expanding the use of paper-based materials and recycled plastics, developing new plastic alternatives, and monitoring recyclable content in packaging materials at the supplier level. |

1) The goal is to reduce plastic usage by 15% by 2030, and to ensure our product and packaging design models are 100% reusable and recyclable.

Strengthening Ethical and Compliance Management

Ethical and Compliance Management Rules and Guidelines

To ensure effective implementation of ethical and compliance principles, Pulmuone operates a TISO (Transparency, Integrity, Solidarity, Openness) Management system and enforces the TISO Management Policy as an institutional framework. To enhance the practical effectiveness of this system, the TISO Management Code of Conduct defines and governs the behavioral standards that all members must follow in their day-to-day operations. This includes strict prohibitions against corruption and bribery (Chapters 4 and 5), discrimination (Chapter 5), information security breaches (Chapters 1 and 5), monopolistic behavior and unfair trade practices (Chapter 4), and insider trading (Chapter 5), along with provisions related to environmental protection (Chapter 3) and ensuring a safe working environment (Chapter 5). Matters related to whistleblower protection are specifically addressed in the TISO Management Operational Provisions.

To promote awareness and adoption of the TISO Management system, Pulmuone requires all employees to annually sign the Pledge for Compliance. Additionally, a Corporate Social Responsibility (CSR) Practice Pledge, outlining Pulmuone's economic, social, and environmental responsibilities to stakeholders, is signed by executives and is also renewed annually.

[View TISO Management Policy](#)



[View TISO Management Code of Conduct](#)



[View TISO Management Operational Provisions](#)



Prohibition of Corruption and Bribery

The TISO Management Operational Provisions, established with the approval of the General CEO, include specific protocols for the processing and prevention of corruption and bribery risks—such as the receiving or solicitation of money, gifts, or benefits—as clearly prohibited under the TISO Management Policy. In accordance with Article 31 of the Political Funds Act (Restrictions on Contributions), all corporations and organizations in Korea are prohibited from making political donations. Therefore, the TISO Management Policy does not separately address political contributions. However, Pulmuone does not engage in any form of political lobbying or sponsorship, and activities related to social contributions and sponsorships are governed under a separate Donations and Sponsorships Policy.

TISO Management Operational Provisions Key Details

Chapter 5 (Prohibition of Gifts and Entertainment)

- Prohibition of solicitation and lobbying
- Prohibition of receiving money or gifts
- Ban on soliciting entertainment or requesting sponsorship from stakeholders
- Ban on exchanging gifts, money, or entertainment among employees
- Reporting and processing of prohibited gifts and entertainment
- Restrictions on external activities related to job duties
- Restrictions on receiving compensation for external lectures or engagements

Chapter 6 Prohibition of Entertainment and Gifts

- Prohibition on using budget for unintended purposes
- Ban on requesting unnecessary budget allocation

Article 9 (TISO Management Program)

- Development and distribution of the TISO Management Manual
- Execution of TISO-related training and education
- Operation of a TISO Management Counseling Room
- Operation of an Online Audit Room for employee and external reporting

Article 12 (Handling of Violations of the TISO Management)

Article 14 (Operation of an Internal Whistleblower System)

Article 15 (Provision of Whistleblower Compensation)

Article 17 (Protection of Whistleblower Identity Confidentiality)

Donations and Sponsorships Policy Key Details

When executing expenses related to donations, sponsorships, or memberships in associations or initiatives, the proposing department must first consult with the Management Support Office of the relevant business division. In the case of non-financial areas, the Sustainability Office is responsible for reviewing whether the intended recipient's political or social orientation conflicts with Pulmuone's public policy positions or declarations (including in the fields of environment, society, etc.).

Strengthening Ethical and Compliance Management

Ethical and Compliance Management Rules and Guidelines

Prevention of Unfair Trade

According to Article 4 of the TISO Management Policy, approved by the General CEO, Pulmuone operates internal policies aimed at fostering a fair trade culture. In compliance with the Fair Trade Act, Pulmuone ensures that all transactions with suppliers are carried out fairly. To this end, a Fair Trade Deliberation Committee is held monthly, and regular on-site visits to suppliers are conducted to identify and address unfair trade practices or misconduct. Additionally, the Online Audit Room is operated as a dedicated reporting channel for unfair trade and is promoted through the company newsletter. Findings from inspections and reports are used to identify areas for improvement and addressed in a timely manner, helping to proactively prevent violations of laws or regulations related to fair trade. In 2024, no such violations were detected or reported.

TISO Management Policy Key Details

Chapter 4 Establishing a Fair Trade Culture

- Prohibition of collusion with competitors
- Execution and fulfillment of contracts with integrity
- Prohibition of preferential treatment
- Completion of fair trade training
- Prohibition of inappropriate trade with stakeholders
- Reporting conflicts of interest and responding appropriately



Fair Trade Practice Guidelines

| Target | Category | Guidelines |
|-------------|---|---|
| Consumers | Provision of distinctive value | <ul style="list-style-type: none"> • We drive productivity through process innovation and provide high-quality products and services at reasonable prices • We offer products and services that align with Pulmuone's principles, enabling customers to lead healthier lives |
| | Accurate labeling and advertising | <ul style="list-style-type: none"> • We disclose information transparently in accordance with the New Full Labeling System • We prohibit false, misleading, or exaggerated labeling and advertising |
| | Consumer protection | <ul style="list-style-type: none"> • We respond promptly to consumers' reasonable requests • Consumer information is used only in a limited manner and is neither collected nor disclosed without consent |
| Suppliers | Partner selection based on clear criteria | <ul style="list-style-type: none"> • We offer equal opportunities to all candidates through transparent procedures • Business partners are selected based on objective and pre-established criteria through an internal selection council |
| | Compliance with fair trade principles | <ul style="list-style-type: none"> • We prohibit all forms of abuse of superior bargaining position, including unfair rejection of transactions, imposition of unilateral terms, and discriminatory treatment • We follow internal procedures at every stage of business transactions and voluntarily review them using standardized checklists |
| | Mutual growth | <ul style="list-style-type: none"> • We support our partners' capabilities by providing customized programs such as training and technical assistance • We foster ongoing communication with partners to enable mutual growth and collaboration |
| Competitors | Prohibition of unfair collective actions | <ul style="list-style-type: none"> • We do not set trading conditions in collaboration with competitors regarding price, product type, or specifications • We comply with the Pulmuone Guidelines for Communication with Competitors |
| | Prohibition of unfair client solicitation | <ul style="list-style-type: none"> • We do not engage in or accept unfair solicitations, gifts, monetary offerings, or entertainment from stakeholders in relation to business transactions • We do not offer excessive benefits beyond customary practices to attract clients or customers from competitors |
| | Competition in good faith | <ul style="list-style-type: none"> • We do not collect, misuse, or leak competitors' technology or data • We do not disseminate false information to slander competitors |

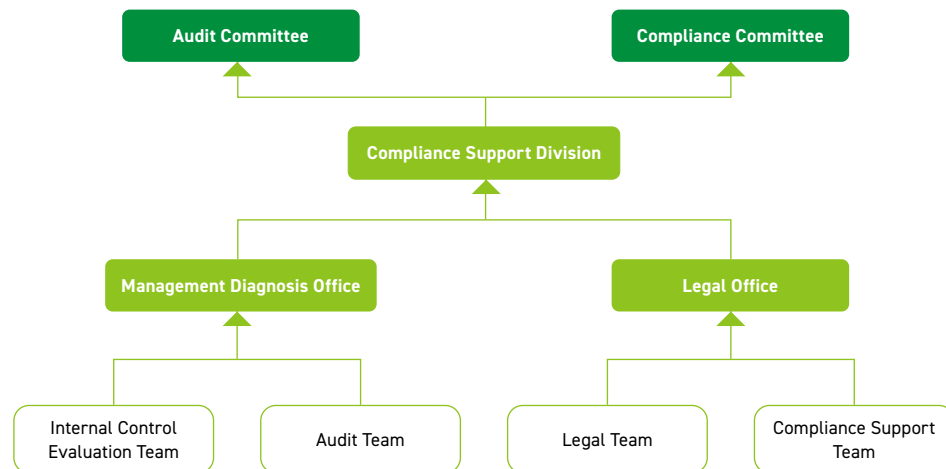
Strengthening Ethical and Compliance Management

Ethical and Compliance Management Organization

Pulmuone’s ethical and compliance management is overseen by the Compliance Support Division, which includes the Management Diagnosis Office and the Legal Office. Within the Management Diagnosis Office, the Internal Control Evaluation Team reviews legal compliance and operational appropriateness based on the compliance program, aiming to prevent illegal acts in advance and promote ethical integrity across the organization. The Audit Team identifies corruption risks and verifies adherence to ethics and compliance policies through both risk-based regular audits and ad-hoc audits.

In addition, we foster a robust ethics and compliance culture by operating a whistleblowing system and delivering anti-corruption training programs. The Legal Team and the Compliance Support Team, under the Legal Office, work closely with the Audit Team to provide compliance guidance, monitor key issues, and carry out necessary follow-up actions. Key issues identified during the course of the Compliance Support Division’s activities are reported quarterly to the Audit Committee and semiannually to the Compliance Committee, based on issue type and materiality, to ensure review by senior management and the Board of Directors.

Ethical and Compliance Management Organization



Establishment and Implementation of Compliance Guidelines

By exceeding KRW 500 billion in total assets at the end of 2019, Pulmuone became subject to the legal requirement under Article 542-13 of the Commercial Act to establish compliance control standards and appoint at least one compliance support officer. Accordingly, on July 30, 2020, the Board of Directors resolved to appoint a compliance officer and enact compliance control standards, which are now in effect.

'Compliance control' refers to the company’s policies and monitoring activities designed to prevent unlawful conduct and effectively manage legal risks. This involves systematically overseeing compliance with applicable laws and regulations throughout business operations, while also conducting independent inspections of employees’ adherence. Pulmuone’s compliance control standards apply not only to all business activities and employees of the company, but also to subsidiaries. In addition, company representatives acting under contractual obligations are likewise subject to these standards.

Who is the compliance support officer?

To proactively mitigate legal risks arising from potential violations by employees, the Compliance Support Officer is responsible for emphasizing regulatory compliance and conducting relevant education and training. The officer also oversees adherence to compliance control standards and regularly reports key matters to the Board of Directors. As of the end of 2024, Pulmuone’s Compliance Support Officer is Yu Won-mu.

Strengthening Ethical and Compliance Management

Ethical and Compliance Management Activities

Operation of the Whistleblowing System

Pulmuone operates a whistleblowing system through the Audit Team within the Compliance Support Division, which is responsible for handling reports of violations¹⁾ of TISO Management principles. Reports²⁾ may be submitted via phone, mail, website (Online Audit Room), or the company intranet. Reports related to corruption, bribery, or other compliance violations are thoroughly investigated based on the TISO Management Policy. All reports are handled confidentially, and, if confirmed, disciplinary actions are taken in accordance with internal regulations, including recommendations for improvement or referral to the Disciplinary Committee. To ensure transparency, the status of whistleblowing reports and corresponding actions is shared via our intranet. Additionally, regular training is provided for new hires, along with ad-hoc sessions by business unit, division, and region, as part of the 6 Don'ts Policy education on the internal whistleblower system.

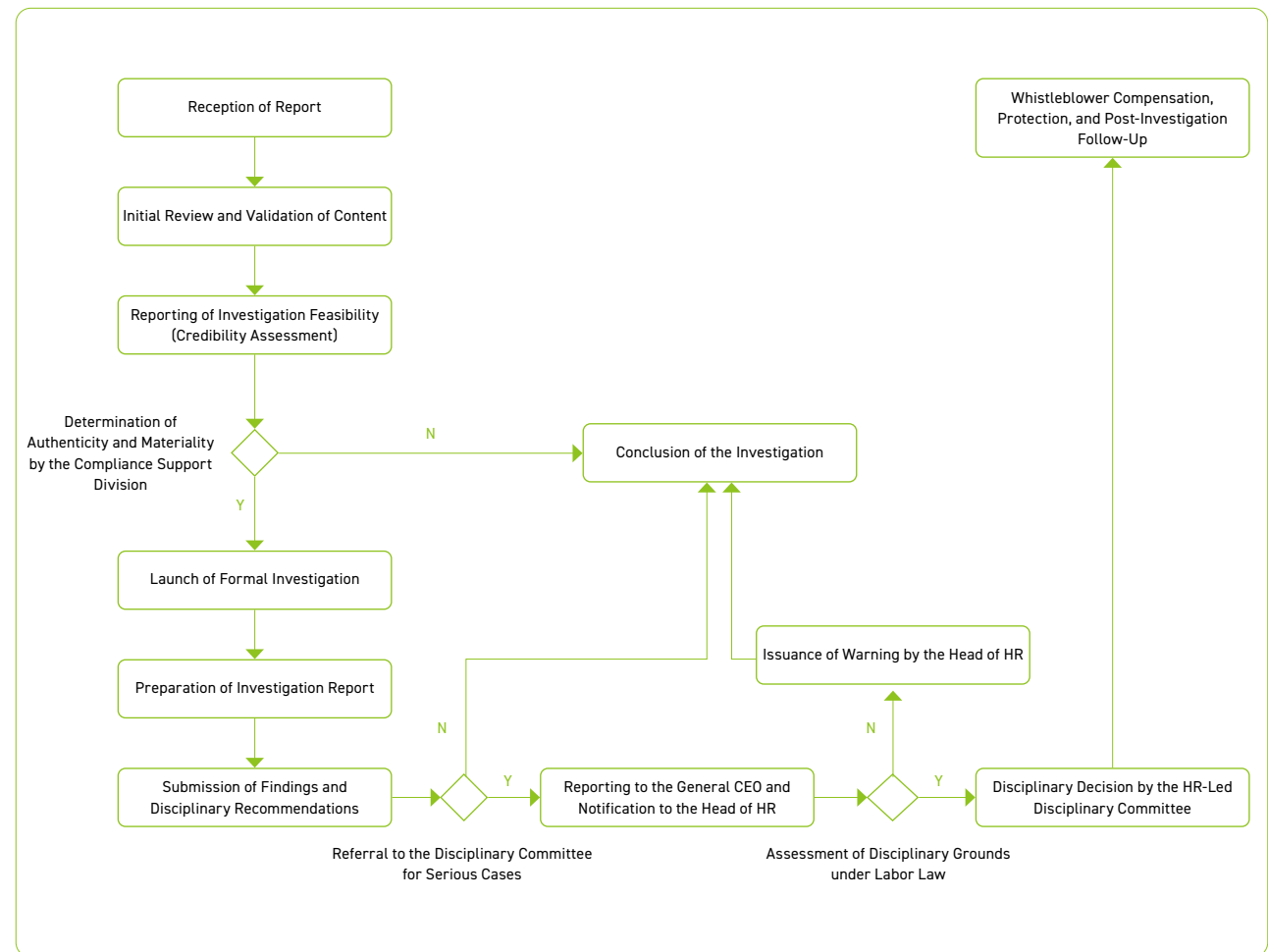
1) Includes reports of violations related to corruption and bribery.

2) The system allows whistleblowers to submit reports under their real names if they so choose.

TISO Management Violation Reporting and Consultation Channel

| Channel | Guidelines |
|-------------------|--|
| Online Audit Room | • https://cp.pulmuone.kr:3444/cyber/ |
| Address | • 8F, 280 Gwangpyeong-ro, Gangnam-gu, Seoul (Pulmuone Compliance Support Office and Human Respect Center, Rosedale Building) |
| E-mail | • Misconduct (Compliance Support Office): audit@pulmuone.com • Human Rights Violations (Human Respect Center): sos@pulmuone.com |

Investigation Process of TISO Management Violations



Strengthening Ethical and Compliance Management

Ethical and Compliance Management Activities

Operation of the Whistleblowing System

Whistleblower Compensation and Protection

Pulmuone places the protection of internal whistleblowers as a top priority, enforcing a zero-tolerance policy for any form of retaliation. To build trust in whistleblower confidentiality, Pulmuone publicly discloses the TISO Management Whistleblower Compensation Guidelines through the Online Audit Room and has established institutional safeguards to promote internal reporting.

In particular, for internal whistleblowers, compensation is provided based on the level of disciplinary action taken, in accordance with the TISO Management Policy. Pulmuone also continues efforts to foster a positive perception of whistleblowing.

[View TISO Management Whistleblower Compensation Guidelines](#)



Internal and External Audits

Regular and Ongoing Internal Audits

Pulmuone conducts regular and ongoing internal audits to prevent corruption and regulatory violations, implement proactive risk management, improve work process efficiency, and assess the appropriateness of expense execution.

Audits are conducted in accordance with an audit plan approved by management, and effective improvement measures based on root cause analysis are incorporated into subsequent annual plans to prevent recurrence. Audit outcomes are reported to the Audit Committee, which includes members of the Board of Directors.

2024 Internal Audit Results

(Unit: Case)

| Category | Details | Target Corporate (% based on revenue) | Request for Review and Clarification | Actions ¹⁾ | |
|---------------|----------------------------------|---|---|-----------------------|-----|
| Regular Audit | Regular Audit | Conducted periodically based on predefined annual themes | • Pulmuone Food & Culture (34.2) | 1 | 12 |
| | Risk-Based Audit | Focused on identifying and managing significant risks and enhancing process resilience | • Company-wide (100.0) | 7 | 96 |
| | Internal Control Audit | Reviews the adequacy and effectiveness of internal accounting control systems and their operation | • Pulmuone Co., Ltd. (7.0) | 4 | 57 |
| Ongoing Audit | Corporate Credit Card Monitoring | Ongoing monitoring of employee credit card usage, with corrective actions taken as needed | • Company-wide (100.0) | 794 | 159 |

1) Includes orders for improvement, correction, and other related measures.

Third-Party Audit of Internal Control System

In accordance with the Act on External Audit of Stock Companies, Pulmuone's internal control system was audited by PwC Samil, an independent third-party auditor. The audit followed 17 principles outlined in the Conceptual Framework for Internal Accounting Control System Design and Operation, including ethical value integration.

The auditor confirmed that Pulmuone's internal control system was effectively designed and operated appropriately in 2024, and the results were submitted to the Financial Committee.

Strengthening Ethical and Compliance Management

Internal and External Audits

Ongoing Legal Support

Pulmuone implements organization-wide compliance management through its legal management system. Standard contract templates, including those for franchise agreements and subcontracting, are updated annually and made available to each business unit. Users can review and request legal opinions through the system, with contract history automatically tracked. In addition, legal risks identified during business operations are proactively managed through contract reviews and legal consultations.

Compliance Review

To prevent and detect legal violations in advance, Pulmuone conducts compliance reviews based on its Internal Compliance Control Standards. These reviews encompass relevant regulations such as the Franchise Business Act, Subcontracting Act, Fair Trade Act, E-Commerce Act, and Mutual Cooperation Act. When violations are identified, corrective action plans are developed and implementation is monitored to enhance the overall effectiveness of the compliance framework.

2024 Compliance Review Details

| Date | Key Areas of Review | Results |
|-------------------|---|---------|
| Ongoing | · Monitored compliance with the E-Commerce Act | Good |
| April-June | · Conducted interviews based on identified risk pools, focusing on: - Franchise Business Act - Subcontracting Act - Fair Trade Act (collusion) - E-commerce Act | Good |
| April | · Reviewed technical data acquisition procedures under the Subcontracting Act | Good |
| June-July | · Performed self-assessments for: - Franchise Business Act - E-commerce Act - Mutual Cooperation Act | Good |
| November-December | · Evaluated the effectiveness of self-assessments and the compliance inspection process | Good |
| December | · Conducted self-inspections for compliance with the Subcontracting Act | Good |
| | · Conducted self-inspections for trade secret management | Good |

Raising Ethical and Compliance Awareness

TISO Management Awareness

Pulmuone regularly conducts educational and communication initiatives to foster awareness of TISO Management and strengthen ethical conduct. The 6 Don'ts Policy, outlining six prohibited behaviors, is incorporated into monthly onboarding education for new employees and targeted training sessions for business units to prevent misconduct. In 2024, content related to each of the 6 Don'ts items was posted 25 times on the company's internal forum by the organizational culture officer. Pulmuone also carried out the *Friday Report Campaign* to promote voluntary employee participation in ethical practices.

1) The '6 Don'ts' refers to the six key prohibited actions: false reporting, misappropriation of company assets or public funds, entertainment and hospitality, unfair trade, sexual harassment and assault, and workplace bullying.

Compliance Awareness

To further raise company-wide compliance awareness, changes in laws and regulatory trends are promptly shared through the *CP Newsletter*, which also provides practical guidelines for implementation. In addition to large-scale training, tailored education programs by position are provided, and self-inspection checklists are distributed to enhance the legal understanding of key personnel in relevant departments.

2024 Compliance Training Details

| Training Name | Target | Participants (Unit: Person) | Hours Spent per Person (Unit: Hours) |
|---|---|-----------------------------|--------------------------------------|
| Subcontracting Act | · Practical officers in subcontracting trade company-wide | 98 | 2 |
| Fair Transactions in Franchise Business Act | · Franchise operations managers at Pulmuone Foods | 8 | 2 |
| | · Offices and teams involved in franchise business company-wide | 87 | 2 |
| Monopoly Regulation and Fair Trade Act | · New hires across Pulmuone | 192 | 0.5 |
| | · Relevant teams in Foodmerce | 12 | 1 |
| Fair Agency Transactions Act | · Departments involved in agency transactions | 15 | 2 |
| Business Secrets Protection | · Relevant departments at Pulmuone Health & Living | 27 | 0.5 |
| | · Designated departments under Pulmuone CTO | 26 | 1 |

Tax Policy Enactment and Compliance

Pulmuone diligently complies with national tax laws and faithfully fulfills tax obligations arising from business activities. To ensure compliance, a formal Tax Policy has been established and regular training is provided to employees responsible for accounting and tax-related tasks. Tax risks are proactively managed through consultation with external experts, including legal, accounting, and tax professionals, as necessary.

Pulmuone Tax Policy

1 Basic Principles

- We comply with domestic and international tax laws and regulations and fulfill tax reporting and payment obligations in a transparent and fair manner.
- In line with the TISO management principles, we engage respectfully and sincerely with tax authorities, cooperating in tax matters without concealment, distortion, or exaggeration.
- We respond promptly to changes in tax legislation in each country and apply them swiftly to our operations.

2 Risk Management

- We make continuous efforts to minimize unexpected tax risks across all areas of our operations.
- We will constantly make company-wide efforts to build the external compliance inspection system, provide internal education, and set consistent business management standards. We will consult and cooperate with external experts to identify tax risks and upgrade our Tax Policy at all times.
- We meet all tax filing and payment deadlines, and ensure proper documentation and record-keeping of supporting evidence for decisions made in business contracts.

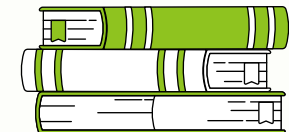
The officer responsible for overseeing Pulmuone's tax strategy is Chief Financial Officer (CFO) Kim Jong-heon.

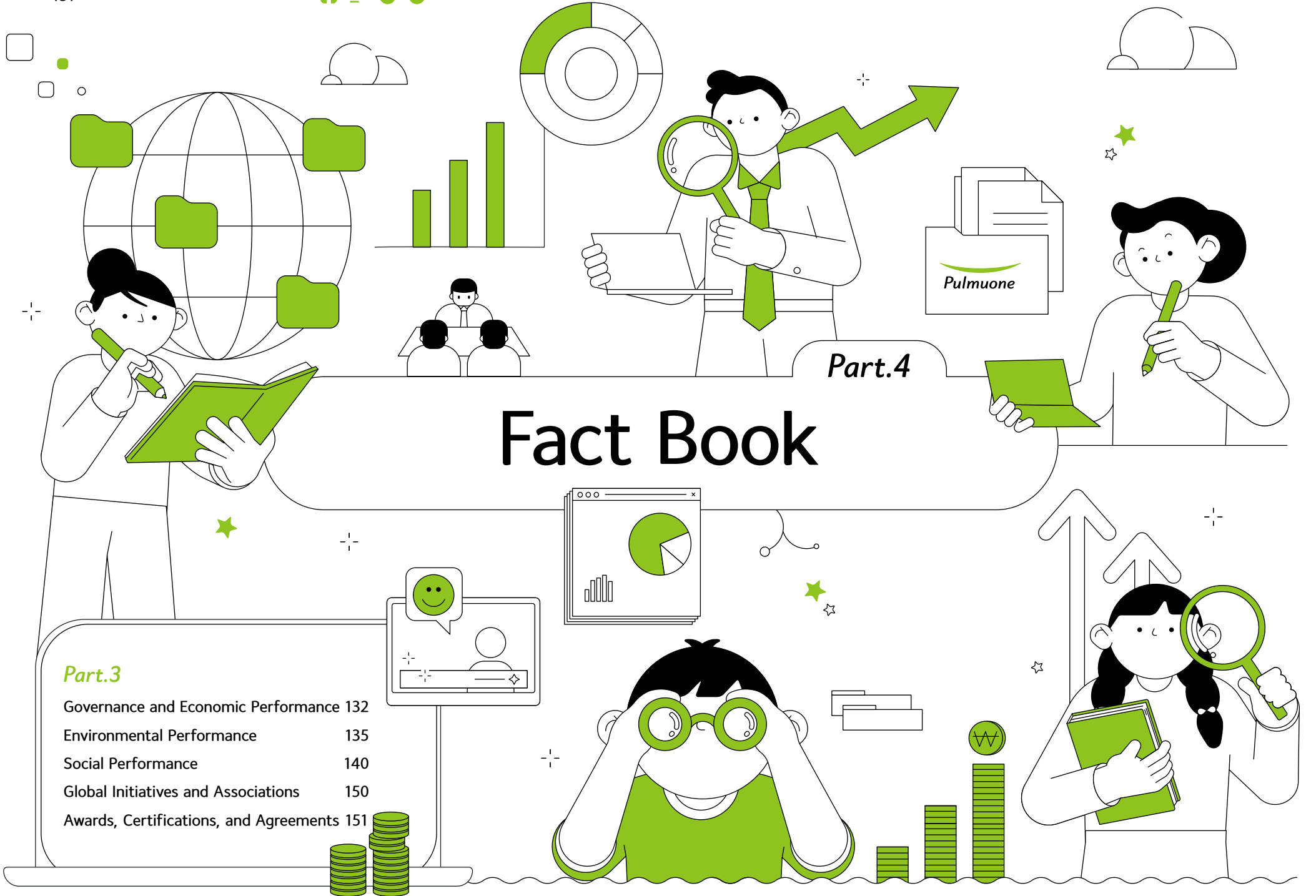
3 Eradication of Tax Avoidance

- We maintain normal investment and trade structures aligned with the intent of applicable tax laws, including transactions with both third parties and related parties.
- We ensure fair pricing in transactions with third parties and related parties, in accordance with Korean tax regulations, and follow the OECD Guidelines and BEPS (Base Erosion and Profit Shifting) standards for international dealings.
- We do not engage in the use of tax havens or artificial tax structures lacking commercial substance.
- We do not shift income generated through business activities to jurisdictions with lower tax rates.

4 Transfer Price Policy

- Transfer pricing refers to the pricing applied to international transactions of raw materials, products, or services among overseas subsidiaries or affiliates. Tax avoidance through transfer pricing has become a growing concern for global companies.
- Pulmuone does not engage in transfer pricing practices that are intended to reduce tax liabilities. All transfer prices are determined in strict accordance with the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and applicable tax laws in each jurisdiction. As a result, we pay tax on business profits in accordance with national regulations.



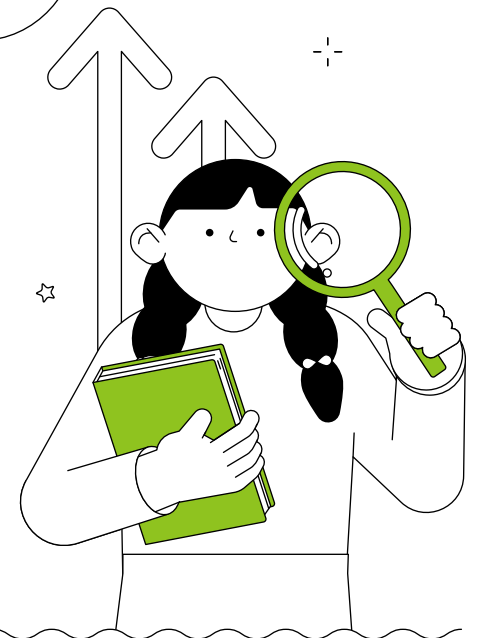
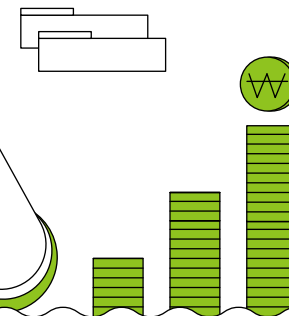
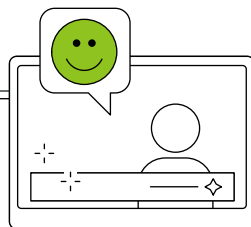
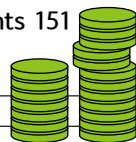


Part.4

Fact Book

Part.3

| | |
|--|-----|
| Governance and Economic Performance | 132 |
| Environmental Performance | 135 |
| Social Performance | 140 |
| Global Initiatives and Associations | 150 |
| Awards, Certifications, and Agreements | 151 |



Governance & Economic Performance

Key Financial Performances

| Category | Unit | 2022 | 2023 | 2024 |
|---------------------------------|-------------|---------------|---------------|---------------|
| Revenue | KRW million | 2,838,304 | 2,993,468 | 3,213,697 |
| | USD | 2,239,646,382 | 2,321,597,791 | 2,186,188,336 |
| Operating Income | KRW million | 26,332 | 61,981 | 91,829 |
| Net Operating Income | KRW million | -36,967 | 13,358 | 34,387 |
| Production Volume ¹⁾ | Ton | 629,782 | 642,556 | 694,474 |

1) Based on domestic and overseas company-wide manufacturing production.

Summary of the Consolidated Financial Statements²⁾

| Category | Unit | 2022 | 2023 | 2024 |
|-------------------------------|-------------|-----------|-----------|-----------|
| Current Assets | KRW million | 752,346 | 730,136 | 818,179 |
| Non-Current Assets | KRW million | 1,296,872 | 1,426,653 | 1,512,978 |
| Total Assets | KRW million | 2,049,218 | 2,156,789 | 2,331,158 |
| Current Liabilities | KRW million | 892,670 | 977,801 | 1,145,117 |
| Non-Current Liabilities | KRW million | 609,901 | 672,444 | 602,601 |
| Total Liabilities | KRW million | 1,502,571 | 1,650,245 | 1,747,718 |
| Controlling Company Interests | KRW million | 412,260 | 317,612 | 303,641 |
| Non-Controlling Interests | KRW million | 134,387 | 188,933 | 279,799 |
| Total Equity | KRW million | 546,647 | 506,545 | 583,440 |

2) Based on consolidated financial statements under K-IFRS. Detailed financial data can be found in the Business Report.

Creation and Distribution of Economic Values

| Category | Unit | 2022 | 2023 | 2024 | |
|----------------------------|--|-------------|-----------|-----------|-----------|
| Customers | Revenue | KRW million | 2,838,304 | 2,993,468 | 3,213,697 |
| Employees | Salaries | KRW million | 393,112 | 424,551 | 444,248 |
| | Employee benefits | KRW million | 65,511 | 71,853 | 80,580 |
| | Contributions to defined contribution plan | KRW million | 842 | 827 | 598 |
| | Expense related to defined benefit plans | KRW million | 30,432 | 29,224 | 29,571 |
| Shareholders And Investors | Stock settlement based equity incentive compensation | KRW million | 222 | 939 | 622 |
| | Cash dividend | KRW million | 3,751 | 3,751 | 3,760 |
| | Cash dividend payout ratio | % | -20.20 | 19.20 | 10.60 |
| Creditors | Interest cost | KRW million | 39,170 | 56,168 | 66,049 |
| Government | Corporate tax | KRW million | 18,554 | 954 | 6,584 |
| Suppliers | Purchasing total | KRW million | 624,012 | 644,409 | 675,196 |
| Local Communities | Donations | KRW million | 1,995 | 1,967 | 2,021 |

Online Sales¹⁾

| Category | Unit | 2022 | 2023 | 2024 | |
|---|-------------------|------|---------|---------|---------|
| Online Sales | Total | KRW | 137,328 | 172,438 | 204,570 |
| | Pulmuone malls | KRW | 25,807 | 31,397 | 35,975 |
| | Third-party malls | KRW | 111,521 | 141,041 | 168,595 |
| Online Sales Ratio (Company-Wide Sales Basis) | % | 4.84 | 5.76 | 6.37 | |

1) Based on changes in financial and accounting standards in 2024.

Governance & Economic Performance

Stock Information

| Category | Unit | 2022 | 2023 | 2024 | |
|---------------------|------------------|--------|------------|------------|------------|
| Par Value | KRW | 500 | 500 | 500 | |
| Total Shares Issued | Total | Shares | 42,155,122 | 38,120,542 | 38,120,542 |
| | Common shares | Shares | 36,770,842 | 36,770,842 | 36,863,355 |
| | Preferred shares | Shares | 4,034,580 | 0 | 0 |
| | Other | Shares | 1,349,700 | 1,349,700 | 1,257,187 |
| Closing Price | KRW | 11,200 | 10,490 | 10,700 | |

Stock Ownership

| Category | Unit | 2023 | 2024 |
|---|--------|------------|------------|
| Largest Shareholder and Related Parties | Shares | 22,900,876 | 22,894,020 |
| | % | 60.07 | 60.06 |
| National Pension Service | Shares | 1,366,753 | 1,332,833 |
| | % | 3.59 | 3.50 |
| Hanmaeum Foundation | Shares | 3,809,060 | 3,809,060 |
| | % | 9.99 | 9.99 |
| Treasury Shares | Shares | 1,349,700 | 1,257,187 |
| | % | 3.54 | 3.30 |
| Institutional Investors and Foreigners | Shares | 1,665,673 | 1,491,034 |
| | % | 4.37 | 3.91 |
| Individual Shareholders | Shares | 7,028,480 | 7,336,408 |
| | % | 18.44 | 19.25 |
| Total | Shares | 38,120,542 | 38,120,542 |
| | % | 100.00 | 100.00 |

Board Composition¹⁾

| Category | Unit | 2022 | 2023 | 2024 | |
|------------------------|-------------------------------|---------|-------|-------|-------|
| Board Composition | Total | Persons | 11 | 9 | 11 |
| | Executive directors | Persons | 2 | 1 | 2 |
| | Other non-executive directors | Persons | 1 | 1 | 1 |
| | Independent directors | Persons | 8 | 7 | 8 |
| Diversity in the Board | No. of female directors | Persons | 3 | 3 | 3 |
| | Ratio of female directors | % | 27.27 | 33.33 | 27.27 |

1) As of December 2024, may differ from the Board composition on p.111.

Board Operation

| Category | Unit | 2022 | 2023 | 2024 | |
|---|-----------------------------------|-------|-------|--------|-----------------|
| Board Meetings | Sessions | 7 | 8 | 9 | |
| Meeting Attendance | Total | % | 91.00 | 98.00 | 98.00 |
| | Executive directors ²⁾ | % | 95.00 | 100.00 | 100.00 |
| | Independent directors | % | 90.00 | 96.40 | 97.25 |
| Presentation of Opinions from the Board | Total no. of agenda items | Cases | 20 | 19 | 28 |
| | Opposed | Cases | 0 | 0 | 1 ³⁾ |
| | Held | Cases | 0 | 0 | 2 ⁴⁾ |
| | Amended | Cases | 0 | 0 | 2 |
| | Passed | Cases | 20 | 19 | 23 |

2) Including other non-executive directors.

3) Opposed by independent directors.

4) Held by independent directors.

Governance & Economic Performance

Stock Ownership by Management

| Category | Unit | 2023 | 2024 |
|--|-------|--------|--------------------|
| Ratio of General CEO's Base Salary to Value of Owned Shares | Times | 1.35 | 0.16 ¹⁾ |
| Ratio of Other Management's Base Salary to Value of Owned Shares | Times | 351.54 | 90.99 |

1) The change of CEO led to a significant difference from the previous year.

Government and Founder Family's Stock Ownership

| Category | Unit | 2023 | 2024 | |
|--|--------------------------|-------|-------|------|
| Ratio of Shares Owned by Government Agencies | National pension service | % | 3.59 | 3.50 |
| Ratio of Shares Owned by The Founding Family ²⁾ | % | 57.80 | 57.59 | |

2) Includes direct and indirect shareholding by founder and family.

Tax Payments by Country³⁾

| Category | Unit | Revenue | Profit (Loss) before Tax | Income Tax Payable (Prepaid) | Corporate Taxes |
|----------|-------------|-----------|--------------------------|------------------------------|-----------------|
| Korea | KRW million | 3,573,421 | 59,229 | 13,499 | 6,848 |
| USA | KRW million | 525,066 | -20,971 | 131 | 190 |
| China | KRW million | 98,578 | 2,314 | 201 | 201 |
| Japan | KRW million | 98,284 | -6,454 | 142 | 472 |
| Vietnam | KRW million | 3,530 | -887 | 0 | 0 |

3) Refer to p.12 for number of subsidiaries, industries, and employees by country.

R&D Costs

| Category | Unit | 2022 | 2023 | 2024 |
|------------------------------|-------------|--------|--------|--------|
| Total R&D Cost ⁴⁾ | KRW million | 27,630 | 29,646 | 29,790 |
| Government Subsidies | KRW million | 25 | 221 | 211 |

4) Total R&D expenditure is before deduction of government subsidies.

Environmental Performance

GHG Emissions^{1), 2)}

| Category | Unit | 2022 | 2023 | 2024 | |
|---|---|-------------------------------------|---------|---------|---------|
| Direct Emissions (Scope 1) | Company-wide | tCO ₂ eq | 59,238 | 55,594 | 54,188 |
| | Pulmuone Corpration | tCO ₂ eq | 146 | 246 | 249 |
| | Pulmuone Foods_Domestic | tCO ₂ eq | 15,693 | 12,916 | 11,541 |
| | Pulmuone Foods_Overseas | tCO ₂ eq | 33,402 | 31,671 | 33,144 |
| | Other companies ⁴⁾ | tCO ₂ eq | 9,997 | 10,761 | 9,253 |
| Indirect Emissions (Scope 2) | Company-wide | tCO ₂ eq | 97,667 | 103,895 | 99,065 |
| | Pulmuone Corpration | tCO ₂ eq | 1,039 | 1,075 | 1,072 |
| | Pulmuone Foods_Domestic | tCO ₂ eq | 42,286 | 43,336 | 43,516 |
| | Pulmuone Foods_Overseas | tCO ₂ eq | 22,100 | 22,719 | 21,379 |
| | Other companies | tCO ₂ eq | 32,241 | 36,765 | 33,098 |
| Business Site Ghg Emissions (Scope 1+2) | Company-wide | tCO ₂ eq | 156,905 | 159,489 | 153,253 |
| | Pulmuone Corpration | tCO ₂ eq | 1,186 | 1,321 | 1,321 |
| | Pulmuone Foods_Domestic | tCO ₂ eq | 57,979 | 56,252 | 55,057 |
| | Pulmuone Foods_Overseas | tCO ₂ eq | 55,502 | 54,390 | 54,523 |
| | Other companies | tCO ₂ eq | 42,238 | 47,526 | 42,351 |
| Emmissions Intensity | Company-wide ⁵⁾ | tCO ₂ eq/KRW 100 million | 5.53 | 5.33 | 4.77 |
| | Pulmuone Foods ^{6), 7)} intensity | tCO ₂ eq/Ton of product | 0.40 | 0.42 | 0.41 |
| | Manufacturing workplace ⁸⁾ intensity aside from Pulmuone Foods | tCO ₂ eq/Ton of product | 0.15 | 0.17 | 0.17 |
| Other Ghg Emissions ³⁾ (Scope 3) | Company-wide | tCO ₂ eq | 338,494 | 342,044 | 333,600 |
| | Pulmuone Corpration | tCO ₂ eq | 743 | 842 | 841 |
| | Pulmuone Foods | tCO ₂ eq | 258,877 | 262,363 | 250,131 |
| | Other companies | tCO ₂ eq | 78,875 | 78,839 | 82,628 |

1) Based on IPCC and national GHG guidelines.

2) Categorization refined for clearer data communication.

3) In 2024, emissions were reported based on six Scope 3 categories. However, starting in 2025, Category 1 emissions have also been calculated, enabling reporting based on seven categories over a three-year period.

4) Based on major sites: Pulmuone Health & Living, Danone Pulmuone, Pulmione Waters, Pulmuone Food & Culture (Together), Pulmuone Academy, CDC Associates, and some leased operations.

5) Based on revenue.

6) Calculated by product production volume, aggregated within Pulmuone Foods.

7) Data from 2022–2023 corrected due to calculation errors (production volume range).

8) Calculated by product production volume, calculated for all sites under Pulmuone's management targets.

This includes domestic sites operated by Pulmuone Health & Living, and the manufacturing sites of Danone Pulmuone and Pulmuone Waters.

Other GHG Emission Details^{9), 10)}

| Category | Unit | 2022 ¹²⁾ | 2023 ¹³⁾ | 2024 | |
|---|---|---------------------|---------------------|---------|---------|
| Total | Company-wide | tCO ₂ eq | 338,494 | 342,044 | 333,600 |
| | Pulmuone Corpration | tCO ₂ eq | 743 | 842 | 841 |
| | Pulmuone Foods | tCO ₂ eq | 258,877 | 262,363 | 250,131 |
| | Other companies | tCO ₂ eq | 78,874 | 78,839 | 82,628 |
| Category 1. Purchased Goods and Services ¹¹⁾ | Company-wide | tCO ₂ eq | 229,301 | 229,100 | 212,701 |
| | Purchased goods and services ¹¹⁾ | tCO ₂ eq | 0 | 0 | 0 |
| | Pulmuone Foods | tCO ₂ eq | 165,627 | 165,518 | 149,726 |
| | Other companies | tCO ₂ eq | 63,675 | 63,582 | 62,974 |
| Category 3. Fuel-and Energy-Related Activities | Company-wide | tCO ₂ eq | 44,488 | 42,178 | 45,049 |
| | Category 3. | tCO ₂ eq | 254 | 320 | 287 |
| | Fuel- and energy- related activities | tCO ₂ eq | 37,501 | 34,822 | 35,290 |
| | Other companies | tCO ₂ eq | 6,733 | 7,036 | 9,472 |
| Category 4. Upstream Transportation and Distribution | Company-wide | tCO ₂ eq | 41,137 | 46,890 | 50,232 |
| | Pulmuone Corpration | tCO ₂ eq | 0 | 0 | 0 |
| | Category 4. | tCO ₂ eq | 41,137 | 46,890 | 50,232 |
| | Upstream transportation and distribution | tCO ₂ eq | 0 | 0 | 0 |
| Category 5. Waste Generated in Operations | Company-wide | tCO ₂ eq | 7,300 | 8,770 | 9,623 |
| | Pulmuone Corpration | tCO ₂ eq | 53 | 63 | 58 |
| | Pulmuone Foods | tCO ₂ eq | 5,698 | 7,202 | 6,955 |
| | Category 5. | tCO ₂ eq | 1,549 | 1,505 | 2,609 |

Environmental Performance

Other GHG Emission Details^{9), 10)}

| Category | | Unit | 2022 ¹²⁾ | 2023 ¹³⁾ | 2024 |
|--|----------------------|---------------------|---------------------|---------------------|--------|
| Category 6. Business Travel | Company-wide | tCO ₂ eq | 1,292 | 1,421 | 1,584 |
| | Pulmuone Corporation | tCO ₂ eq | 430 | 453 | 491 |
| | Pulmuone Foods | tCO ₂ eq | 543 | 838 | 900 |
| | Other companies | tCO ₂ eq | 319 | 129 | 192 |
| Category 7. Employee Commuting | Company-wide | tCO ₂ eq | 163 | 176 | 208 |
| | Pulmuone Corporation | tCO ₂ eq | 6 | 5 | 5 |
| | Pulmuone Foods | tCO ₂ eq | 19 | 23 | 30 |
| | Other companies | tCO ₂ eq | 138 | 148 | 173 |
| Category 12. End-of-Life Treatment of Sold Products | Company-wide | tCO ₂ eq | 14,813 | 13,508 | 14,204 |
| | Pulmuone Corporation | tCO ₂ eq | 0 | 0 | 0 |
| | Pulmuone Foods | tCO ₂ eq | 8,342 | 7,069 | 6,997 |
| | Other companies | tCO ₂ eq | 6,471 | 6,439 | 7,207 |

9) Rounded values for tCO₂eq may result in ±1 deviation.

10) Scope categorization refined for clarity.

11) In 2024, emissions were reported based on six Scope 3 categories. However, starting in 2025, Category 1 emissions have also been calculated, enabling reporting based on seven categories over a three-year period.

12), 13) Scope 3 emissions data for 2022 and 2023 were restated based on the following:

- ① Category 1: Recalculated by narrowing the scope of purchased goods and services to raw and subsidiary materials with high dependency on in-house product manufacturing (e.g., soybeans, packaging, animal products, flour, seafood, and others).
- ② Category 3: Recalculated by including upstream emissions related to fuel, electricity, and hydrogen use in both domestic and overseas operations.
- ③ Category 4: Recalculated based on the annual transport distances for outsourced logistics operations in Korea, the United States, and China.
- ④ Category 5: Recalculated by updating the waste emission factor from Korea's Environmental Product Declaration (EPD) to Ecoinvent 3.10 (cutoff method).
- ⑤ Category 6: Recalculated by expanding the scope of corporate travel and transportation types included in the calculation.
- ⑥ Category 12: Recalculated by updating the waste emission factor from Korea's Environmental Product Declaration (EPD) to Ecoinvent 3.10 (cutoff method).

Low-Carbon Products

| Category | | Unit | 2022 | 2023 | 2024 |
|--|--------------------------------|--|--------------------------|---------|---------|
| Emission Evasion Through Low-Carbon Products | Pulmuone Waters by Nature 0.5L | Emission evasion ¹⁴⁾ | gCO ₂ eq | 1,005 | 1,822 |
| | | Sales volume | 1000s | 101,046 | 118,031 |
| | | Emission reductions per product ¹⁵⁾ | gCO ₂ eq/Unit | 9.95 | 15.44 |
| | Pulmuone Waters by Nature 2L | Emission evasion | gCO ₂ eq | 3,021 | 3,404 |
| | | Sales volume | 1000s | 20,166 | 27,926 |
| | | Emission reductions per product | gCO ₂ eq/Unit | 149.80 | 121.90 |

14) Emission reductions per product: per-product carbon reduction × product sales volume

15) Based on low-carbon product certification emission reduction criteria from Korea Environmental Industry & Technology Institute.

Energy Consumption

| Category | | Unit | 2022 | 2023 | 2024 |
|----------------------------------|-----------------------------|------|-------|-------|-------|
| Total Energy Consumption | | TJ | 2,956 | 3,027 | 2,979 |
| Non-Renewable Energy Consumption | | TJ | 2,901 | 2,954 | 2,868 |
| By Type | Direct energy consumption | TJ | 1,107 | 1,049 | 1,028 |
| | Indirect energy consumption | TJ | 1,794 | 1,905 | 1,840 |
| | Power grid | TJ | 1,792 | 1,898 | 1,837 |
| | Steam and external heat | TJ | 3 | 7 | 4 |
| For Business Sector | Company-wide | TJ | 2,956 | 3,027 | 2,979 |
| | Pulmuone Corporation | TJ | 26 | 27 | 27 |
| | Pulmuone Foods_Domestic | TJ | 1,232 | 1,215 | 1,229 |
| | Pulmuone Foods_Overseas | TJ | 839 | 818 | 858 |
| | Other companies | TJ | 859 | 967 | 865 |
| By Region | Domestic | TJ | 2,117 | 2,209 | 2,121 |
| | Overseas | TJ | 839 | 818 | 858 |

Environmental Performance

Energy Consumption

| Category | Unit | 2022 | 2023 | 2024 | |
|--|---|--------------------|--------------------|--------------------|--------|
| Energy Intensity | Company-wide ¹⁾ | TJ/KRW 100 million | 0.102 | 0.099 | 0.089 |
| | Pulmuone Foods ²⁾ | TJ/ton | 6.90 | 7.17 | 7.14 |
| | Manufacturing aside from Pulmuone Foods ³⁾ | TJ/ton | 2.69 | 3.06 | 3.06 |
| Renewable Energy Generation and Consumption | | TJ | 55.03 | 72.49 | 111.40 |
| By Type | Solar | TJ | 4.79 | 7.23 | 9.05 |
| | Bio | TJ | 46.94 | 61.49 | 96.58 |
| | Other | TJ | 3.29 | 3.76 | 5.77 |
| By Region | Domestic | TJ | 55.03 | 71.83 | 108.55 |
| | Overseas | TJ | 0.00 | 0.65 | 2.85 |
| Percentage of Power Grid ⁴⁾ | | % | 60.61 | 62.71 | 61.65 |
| Percentage of Renewable Energy Consumption ⁵⁾ | | % | 1.86 ⁶⁾ | 2.39 ⁷⁾ | 3.74 |

1) Based on revenue.

2) Calculated by product production volume, aggregated within Pulmuone Foods.

3) Calculated by product production volume, calculated for all sites under Pulmuone's management targets.
This includes domestic sites operated by Pulmuone Health & Living, and the manufacturing sites of Danone Pulmuone and Pulmuone Waters.

4) Indirect energy ratio = (indirect energy - steam / external heat) ÷ total energy × 100

5) Renewable energy ratio = renewable energy generation / use ÷ total energy × 100

6), 7) Data corrected due to simple aggregation error (2022-2023).

Water Resource Management

| Category | Unit | 2022 | 2023 | 2024 | |
|------------------------|-------------------------|-----------|-------|-------|-------|
| Total Water Withdrawal | | 1,000 Ton | 6,586 | 6,471 | 6,712 |
| By Company | Pulmuone Corporation | 1,000 Ton | 16 | 14 | 13 |
| | Pulmuone Foods_Domestic | 1,000 Ton | 2,855 | 2,494 | 2,601 |
| | Pulmuone Foods_Overseas | 1,000 Ton | 2,355 | 2,362 | 2,359 |
| | Other companies | 1,000 Ton | 1,360 | 1,601 | 1,739 |

Water Resource Management

| Category | Unit | 2022 | 2023 | 2024 | |
|--|--|-----------|----------------------|----------------------|-------|
| By Source | Municipal water supply | 1,000 Ton | 3,732 | 3,525 | 3,717 |
| | Groundwater | 1,000 Ton | 2,560 | 2,681 | 2,700 |
| | Surface water ¹²⁾ | 1,000 Ton | 294 | 266 | 294 |
| Total Amount of Water Discharged ⁸⁾ | | 1,000 Ton | 5,340 | 5,228 | 5,470 |
| By Company | Pulmuone Corporation | 1,000 Ton | 13 | 12 | 6,565 |
| | Pulmuone Foods_Domestic | 1,000 Ton | 2,403 | 2,127 | 2,172 |
| | Pulmuone Foods_Overseas | 1,000 Ton | 1,980 | 1,949 | 2,050 |
| | Other companies | 1,000 Ton | 944 | 1,140 | 1,242 |
| By Treatment Method | Directly discharged | 1,000 Ton | 2,319 | 2,418 | 2,508 |
| | Directly discharged without water processing | 1,000 Ton | 842 | 767 | 782 |
| | Linkage processing | 1,000 Ton | 2,179 | 2,043 | 2,180 |
| Total Water Consumption ⁹⁾ | | 1,000 Ton | 1,246 ¹³⁾ | 1,243 ¹⁴⁾ | 1,241 |
| By Company | Pulmuone Corporation | 1,000 Ton | 3 | 2 | 7 |
| | Pulmuone Foods_Domestic | 1,000 Ton | 451 | 367 | 429 |
| | Pulmuone Foods_Overseas | 1,000 Ton | 376 | 412 | 309 |
| | Other companies | 1,000 Ton | 416 | 461 | 496 |
| Water Reused ^{10), 11)} | Total water reused | 1,000 Ton | - | - | 57.56 |
| | Percentage of water reused | % | | | 0.86 |

8) Where groundwater is unmeasured, estimated using tap water usage.

9) Total water consumption = total water withdrawal - total amount of water discharged

10) 2024 marks first disclosure of treated wastewater reuse data.

11) Reused water volume is calculated based on cleaning water reuse at PPEC Uiryong and Danone Pulmuone, and toilet water reuse at the Iseo (up & down) and Anseong (up) highway rest areas operated by Pulmuone Food & Culture.

12) Water sources include river water, rainwater, permanent drainage.

13), 14) Aggregation errors in 2022-2023 corrected.

Environmental Performance

Waste Management

| Category | | Unit | 2022 ¹⁾ | 2023 ²⁾ | 2024 | |
|---------------------------|-------------------------------|-------------|--------------------|--------------------|--------|--------|
| Amount of Waste Generated | Company-wide | Ton | 52,991 | 53,621 | 69,817 | |
| | Pulmuone Corpration | Ton | 136 | 160 | 164 | |
| | Pulmuone Foods_Domestic | Ton | 10,023 | 8,160 | 7,906 | |
| | Pulmuone Foods_Overseas | Ton | 38,340 | 41,440 | 41,865 | |
| | Other companies ³⁾ | Ton | 4,492 | 3,861 | 19,882 | |
| Amount of Waste Treated | General waste | Recycled | Ton | 35,910 | 35,101 | 54,337 |
| | | Landfilled | Ton | 1,967 | 3,958 | 4,998 |
| | | Incinerated | Ton | 15,059 | 14,369 | 10,396 |
| | | Other | Ton | 0 | 0 | 0 |
| | Designated waste | Recycled | Ton | 46 | 89 | 77 |
| | | Landfilled | Ton | 1 | | |
| | | Incinerated | Ton | 8 | 104 | 9 |
| | Other | Ton | 0 | 0 | 0 | |
| Waste Recycling Ratio | | % | 67.85 | 65.63 | 77.94 | |

1), 2) Data for 2022 and 2023 disclosed in the previous year were restated to ensure consistency in domestic and overseas waste generation calculation standards.

3) Until 2023, waste generation from Pulmuone Food & Culture was calculated based solely on highway rest areas.

From 2024, data is aggregated from all business sites, including concession and contract food service operations.

Food Waste Management

| Category | Unit | 2022 | 2023 | 2024 |
|--|---------------------|--------|--------|--------|
| Net Food Waste (A-B) | Ton | 28 | 61 | 529 |
| Food Waste Generated (A) ⁴⁾ | Ton | 23,852 | 24,369 | 41,098 |
| Food Waste Used for Alternative Purposes (B) | Ton | 23,824 | 24,309 | 40,569 |
| Food Waste Intensity ⁵⁾ | Ton/KRW 100 million | 0.84 | 0.81 | 1.26 |

4) Similarly, food waste generation from Pulmuone Food & Culture included only rest areas up to 2023. From 2024, all business sites, including concession and contract food service locations, are included in data aggregation.

5) Food waste intensity: food waste reused for alternative purposes ÷ total company sales

Pollutant Management

| Category | | Unit | 2022 | 2023 | 2024 |
|---|------|------|-------|-------|-------|
| Atmospheric Pollutant Emissions ⁶⁾ | NOx | Ton | 14.07 | 14.69 | 15.10 |
| | SOx | Ton | 0.49 | 0.08 | 1.12 |
| | Dust | Ton | 0.71 | 0.62 | 1.12 |
| Water Pollutant Discharge ⁷⁾ | BOD | Ton | 424 | 503 | 640 |
| | TOC | Ton | 48 | 206 | 270 |
| | SS | Ton | 191 | 336 | 292 |
| | T-N | Ton | 21 | 38 | 47 |
| | T-P | Ton | 3 | 4 | 5 |

6) Based on Class 5 Air Emission Facility (under Korean law) emissions. Logistics centers are excluded due to the absence of air emission facilities.

7) Until 2022, only domestic manufacturing and logistics operating wastewater treatment facilities and the Pulmuone Institute of Technology were included in the calculation. From 2023, overseas manufacturing sites and highway rest areas (where wastewater treatment is outsourced) under Pulmuone Food & Culture and Pulmuone Foods are included.

* Overseas sites manage water pollutants in accordance with applicable local laws and report only items with legal obligations.

Violations of Environment Laws and Regulations

| Category | | Unit | 2022 | 2023 | 2024 |
|--|---|-------|------|------|------|
| Violations of Environmental Laws and Regulations ⁸⁾ | Confirmed violations | Cases | 0 | 0 | 0 |
| | Fines and penalties for violations | KRW | 0 | 0 | 0 |
| | Environmental liabilities ⁹⁾ | KRW | 0 | 0 | 0 |

8) Includes violations under the Act on Resource Recycling, Environmental Technology Act, Water Quality Preservation Act, Air Quality Preservation Act, Chemical Substances Control Act, Framework Act on Carbon Neutrality, Act on Rational Energy Use.

9) Cumulative figures for potential fines, unpaid penalties, administrative actions.



Environmental Performance

Proportion of Raw Materials with Sustainability Certification¹⁾

| Category | Unit | 2022 | 2023 | 2024 | |
|--|---------------|---------------|-------|-------|-------|
| Ratio of Certified Sustainable Raw Materials ²⁾ | % | 0.009 | 0.007 | 0.009 | |
| Soy ³⁾ | Certification | 40.41 | 30.80 | 32.87 | |
| | Exposure | 5.21 | 3.63 | 2.84 | |
| Cereal ⁴⁾ | Certification | 34.13 | 32.78 | 33.12 | |
| | Exposure | 3.23 | 3.06 | 2.41 | |
| Livestock Products | Cattle | Certification | 6.56 | 12.18 | 12.07 |
| | | Exposure | 1.38 | 1.45 | 1.83 |
| | Swine | Certification | 20.73 | 19.23 | 22.36 |
| | | Exposure | 1.40 | 1.63 | 1.91 |
| Poultry Products ⁵⁾ | Certification | 86.62 | 84.14 | 97.37 | |
| | Exposure | 5.96 | 5.59 | 5.44 | |
| Aquaculture Products (Seaweed) | Certification | 4.16 | 9.39 | 8.80 | |
| | Exposure | 1.84 | 1.65 | 1.94 | |

1) Pulmuone does not directly purchase or produce palm oil, cacao, coffee, cotton, or tobacco.

2) Current data likely underestimates the true ratio due to limited data availability, calculated as sustainable-certified ingredient purchase amount ÷ total direct purchase amount.

3) Includes soybean sprouts, mung beans, white beans, and others.

4) Includes rice, wheat flour, and corn (starch and starch syrup).

5) Includes chicken meat and eggs.

Plastic Packaging Management

| Category | Unit | 2022 | 2023 | 2024 |
|--|------|--------|--------|--------|
| Total Plastic Packaging Consumption | Ton | 19,060 | 17,975 | 18,734 |
| Recyclable Plastic Packaging Consumption Ratio | % | 84.15 | 84.33 | 84.28 |

Eco-Friendly Sales

| Category | Unit | 2022 | 2023 | 2024 |
|---|----------------|-----------|-----------|-----------|
| Total Sales of Eco-Friendly Products and Services ⁶⁾ | KRW 10 million | 1,116,897 | 1,191,791 | 1,264,765 |
| Ratio of Eco-Friendly Products and Services ⁷⁾ Sales | % | 50.18 | 51.15 | 51.97 |

6) Based on sustainable food product revenue.

7) Revenue-based calculation limited to Pulmuone Foods.

Social Performance

Employees

| Category | Unit | 2023 | 2024 |
|------------------------|------------------------------------|-------|-------|
| Total No. of Employees | Persons | 7,809 | 7,953 |
| By Contract Type | Permanent employees | 6,230 | 6,305 |
| | Fixed term employees ¹⁾ | 1,579 | 1,648 |
| By Age | Under 30 | 1,260 | 1,230 |
| | 30s | 2,120 | 2,231 |
| | 40s | 1,796 | 1,873 |
| | 50s | 1,817 | 1,819 |
| | Over 60 | 816 | 800 |
| By Management Level | Executive ²⁾ | 130 | 137 |
| | Manager ³⁾ | 435 | 457 |
| | Senior | 1,744 | 1,820 |
| | Staff and other ⁴⁾ | 5,500 | 5,539 |

1) Based on the Act on the Protection of Fixed-term and Part-time Employees.

2) Includes executives, external directors, and advisors.

3) Includes team and part leads.

4) Includes manufacturing workers.

Diversity and Inclusion

| Category | Unit | 2023 | 2024 |
|---|---|-------|-------|
| Ratio of Female Employees ⁵⁾ | % | 54.63 | 54.29 |
| By Job Category | Revenue generating department ⁶⁾ | 61.95 | 53.44 |
| | STEM department ⁷⁾ | 48.07 | 46.30 |
| By Management Level | Overall management-level | 36.94 | 41.59 |
| | Executive | 19.23 | 19.71 |
| | Manager | 21.38 | 21.88 |
| | Senior | 42.14 | 43.57 |

| Category | Unit | 2023 | 2024 | | |
|-----------------|-------------------|-----------|------|-------|-------|
| By Nationality | Republic of Korea | Total | % | 84.27 | 84.89 |
| | | Executive | % | | 1.58 |
| | | Manager | % | 20.86 | 4.87 |
| | | Senior | % | | 15.13 |
| | USA ⁸⁾ | Total | % | 0.00 | 6.20 |
| | | Executive | % | | 0.10 |
| | | Manager | % | 0.00 | 0.40 |
| | | Senior | % | | 5.70 |
| | China | Total | % | 3.33 | 3.06 |
| | | Executive | % | | 0.00 |
| | | Manager | % | 1.14 | 0.08 |
| | | Senior | % | | 1.11 |
| Japan | Total | % | 4.97 | 4.49 | |
| | Executive | % | | 0.04 | |
| | Manager | % | 1.40 | 0.40 | |
| | Senior | % | | 0.92 | |
| Vietnam | Total | % | 0.00 | 1.11 | |
| | Executive | % | | 0.00 | |
| | Manager | % | 0.00 | 0.00 | |
| | Senior | % | | 0.05 | |
| Staff and other | Total | % | 0.00 | 0.15 | |
| | Executive | % | | | |

Social Performance

Diversity and Inclusion

| Category | Unit | 2023 | 2024 |
|---|-----------------|------|------|
| By Nationality | Total | 7.43 | 0.26 |
| | Executive | | 0.00 |
| | Manager | 6.13 | 0.00 |
| | Senior | | 0.00 |
| | Staff and other | 1.3 | 0.1 |
| Employees with Disabilities ⁹⁾ | Persons | 125 | 157 |
| Veterans | Persons | 22 | 17 |

5) Based on all employees company-wide.

6) Refers to sales, production, and marketing departments.

7) Refers to departments in the fields of science, technology, engineering, and mathematics.

8) Until 2023, employees of U.S. and Vietnamese nationality were grouped under 'Other' category.

9) Based on mandatory contributions under the Act on Employment of Persons with Disabilities .

10) Starting in 2024, employees of U.S. and Vietnamese nationality have been classified separately, resulting in a significant difference compared to the 2023 data, making year-on-year comparison less meaningful.

11) Includes Brazil, Myanmar, Peru, Philippines, Nigeria, Taiwan, Cambodia, Thailand, Tanzania, and Laos.

Recruitment¹²⁾

| Category | Unit | 2023 | 2024 |
|-----------------|----------|-------|-------|
| Total New Hires | Persons | 2,789 | 2,476 |
| By Gender | Male | 733 | 707 |
| | Female | 2,056 | 1,769 |
| By Age | Under 30 | 661 | 549 |
| | 30s | 459 | 408 |
| | 40s | 390 | 338 |
| | 50s | 642 | 616 |
| | Over 60 | 637 | 565 |

| Category | Unit | 2023 | 2024 |
|----------------|---|-------|-------|
| Internal Hires | Total | 1,967 | 1,553 |
| | Transitions to jobs with permanent status | 394 | 161 |
| | Promotions | 488 | 427 |
| | Transfers within the department | 1,085 | 965 |
| | Percentage of internal hires ¹³⁾ | % | 41.36 |

12) Limited to Pulmuone Corporation and domestic subsidiaries.

13) Internal promotion ratio = internal promotions ÷ (new hires + internal promotions) × 100

Turnovers¹⁵⁾ and Retirements

| Category | Unit | 2023 | 2024 |
|-----------------|---------------|-------|-------|
| Total turnovers | No. of people | 2,835 | 2,488 |
| | Turnover rate | 36.30 | 31.28 |
| By gender | Male | 726 | 689 |
| | Female | 2,109 | 1,799 |
| By age | Under 30 | 455 | 396 |
| | 30s | 425 | 404 |
| | 40s | 442 | 325 |
| | 50s | 717 | 708 |
| | Over 60 | 796 | 655 |

Social Performance

Turnovers¹⁵⁾ and Retirements

| Category | | Unit | 2023 | 2024 |
|-----------------------|----------------------------|--------|-------|-------|
| Voluntary Turnovers | No. of people | Person | 1,210 | 1,005 |
| | Turnover rate | % | 15.49 | 12.64 |
| By Cause | Voluntary early retirement | Person | 0 | 0 |
| | Voluntary retirement | Person | 1,210 | 1,005 |
| By Gender | Male | Person | 546 | 491 |
| | Female | Person | 664 | 514 |
| By Age | Under 30 | Person | 359 | 328 |
| | 30s | Person | 338 | 289 |
| | 40s | Person | 244 | 146 |
| | 50s | Person | 189 | 173 |
| | Over 60 | Person | 80 | 69 |
| Involuntary Turnovers | No. of people | Person | 1,625 | 1,483 |
| By Cause | Regular retirement | Person | 98 | 102 |
| | Disciplinary dismissal | Person | 20 | 37 |
| | Advised resignation | Person | 127 | 94 |
| | Expired contract | Person | 1,378 | 1,215 |
| | Other ¹⁶⁾ | Person | 2 | 35 |

15) Excluding intercompany turnovers.

16) Includes involuntary separations resulting from business site closures, death, or similar causes.

Employee Performance Evaluation¹⁷⁾

| Category | Unit | 2023 | 2024 |
|--|--------|-------|-------|
| No. of Employee Subject to Evaluation | Person | 5,530 | 5,731 |
| No. of Employee Who Completed Evaluation | Person | 5,420 | 5,667 |
| Completion Rate | % | 98.01 | 98.88 |

17) Regular employees only. Excludes employees on leave or with <1 year tenure.

Compensation¹⁸⁾

| Category | | Unit | 2023 | 2024 |
|---|-----------------------------|------|-------------|-------------|
| Average Base Salary ^{19), 20)} | Male | KRW | 43,577,762 | 38,312,255 |
| | Female | KRW | 31,985,425 | 22,442,847 |
| | Male to female salary ratio | % | 73.40 | 58.58 |
| Average Base Salary for Executives ²¹⁾ | Male | KRW | 143,956,517 | 123,690,905 |
| | Female | KRW | 112,239,983 | 115,554,612 |
| Average Base Salary for Managers ²²⁾ | Male | KRW | 65,644,876 | 50,102,495 |
| | Female | KRW | 54,121,968 | 41,898,186 |
| Average Base Salary for Non-Managers ²³⁾ | Male | KRW | 23,859,636 | 26,464,485 |
| | Female | KRW | 22,528,588 | 25,538,456 |
| Average Compensation for Executives ²⁴⁾ | Male | KRW | 163,258,258 | 148,260,517 |
| | Female | KRW | 130,478,246 | 133,701,257 |
| Average Compensation for Managers ²⁵⁾ | Male | KRW | 62,866,981 | 54,094,862 |
| | Female | KRW | 55,333,129 | 45,540,521 |

18) While compensation differences between male and female employees within the same category may occur due to factors such as tenure and performance evaluations, Pulmuone guarantees equal base salaries for male and female employees holding the same position and salary grade.

19) Annual salary basis.

20) Because of the unique nature of employment and work hours for sales promotion staff at Pulmuone I&N (included in the reporting scope), simple averaging may result in figures below the statutory minimum wage.

21), 22), 23) Based on annual salary.

24), 25) Based on annual salary and performance-based bonuses.

Starting Salary for New Hires²⁶⁾

| Category | Unit | 2023 | 2024 | |
|-------------------------------|---------------|----------|------------|------------|
| Starting Salary for New Hires | Annual salary | KRW | 40,500,000 | 42,000,000 |
| | Hourly wage | KRW/hour | 12,736 | 13,208 |
| Ratio to Minimum Wage | Times | 1 | 1 | |

26) Based on Pulmuone Corporation, Pulmuone Food, and Pulmuone Foodmerce.

Social Performance

CEO–Employee Salary Ratio

| Category | Unit | 2023 | 2024 |
|---|-------|-----------------|---------------|
| General CEO Salary ¹⁾ | KRW | 907,000,000 | 1,151,000,000 |
| Median Employee Salary ²⁾ | KRW | 55,529,321 | 55,263,471 |
| General CEO–Employee Salary Ratio ³⁾ | Times | 16.33 | 20.83 |
| General CEO Salary Increase Rate | % | -0.02 | 26.90 |
| Median Employee Salary Increase Rate | % | - ⁵⁾ | -0.48 |
| General CEO–Employee Salary Increase Rate ⁴⁾ | Times | 0.25 | 56.19 |

1) Highest-paid executive.

2) Based on full-time employees at Pulmuone Corporation and domestic subsidiaries, excluding the highest-paid executive.

3) General CEO–Employee salary ratio = CEO pay ÷ employee median pay

4) General CEO–Employee salary increase rate = CEO pay increase rate ÷ median employee pay increase rate

5) Starting in 2024, reporting is based on the median, while previously it was based on the average.

Human Capital Return on Investment (ROI)

| Category | | Unit | 2023 | 2024 |
|---------------------------------|-------------------------------------|-------------|-----------|-----------|
| Profit (A) | Revenue | KRW million | 2,993,468 | 3,213,697 |
| Operating Expenses (B) | Total | KRW million | 2,931,314 | 3,121,570 |
| | Cost of goods sold | KRW million | 2,234,427 | 2,399,222 |
| | Logistics expenses | KRW million | 212,717 | 234,381 |
| | General and administrative expenses | KRW million | 454,522 | 458,174 |
| | R&D expenses | KRW million | 29,646 | 29,790 |
| Employee-Related Expenses (C) | Employee wages ⁷⁾ | KRW million | 527,394 | 444,248 |
| Human Capital Roi ⁶⁾ | | - | 1.12 | 1.21 |

6) Human capital ROI = [a - (b - c)] ÷ c

7) Includes welfare benefits and retirement payments.

Labor–Management Relations⁸⁾

| Category | | Unit | 2023 | 2024 |
|---|------------------|-------|-------|-------|
| Collective Bargaining Agreement Coverage Rate ⁹⁾ | | % | 72.30 | 75.60 |
| Labor Union Membership Rate ¹⁰⁾ | | % | 89.50 | 86.60 |
| Open Committee Meeting Status ¹¹⁾ | Agenda raised | Cases | 266 | 198 |
| | Agenda addressed | Cases | 233 | 162 |
| | Addressing rate | % | 87.59 | 81.82 |

8) Limited to Pulmuone Corporation and domestic subsidiaries.

9), 10) Limited to nine manufacturing facilities operated by: Pulmuone Foods

(Eumseong Tofu Plant, PPEC Chuncheon, PPEC Uiryeong, PPEC Eumseong Fresh Noodles, PPEC Eumseong Namul, Pulmuone Kibun), Pulmuone Green Juice (Doan Green Juice Plant), Pulmuone Health & Living (Doan Health Supplement Plant).

11) Corporations and business sites with fewer than 30 regular employees, which are not required to establish a Labor-Management Council, are excluded.

Social Performance

Ethics and Compliance Management Violation Reports

| Category | Unit | 2023 | 2024 | | | |
|--------------------------|-----------------------------|---|----------------------|--------|--------|--------|
| Corruption ¹⁾ | Reported | Total | Cases | 9 | | |
| | | Falsely reported | Cases | 1 | | |
| | | Accounting fraud | Cases | 0 | | |
| | | Embezzlement of public funds | Cases | 5 | | |
| | | Unfair trade | Cases | 2 | | |
| | | Hospitality/Entertainment | Cases | 10 | 1 | |
| | | Bribery | Cases | 0 | | |
| | | Leakage or theft of customers' personal information | Cases | 0 | | |
| | | Money laundering and trading between insiders | Cases | 0 | | |
| | Investigated and dealt with | Total | Cases | 10 | 9 | |
| | | Total | % | 100.00 | 100.00 | |
| | | Disciplinary actions ³⁾ | Cases | 5 | 6 | |
| | | Implemented/redressed ⁴⁾ | Cases | 0 | 0 | |
| | N/A ⁵⁾ | Cases | 5 | 3 | | |
| | Other ²⁾ | Reported | Total | Cases | 20 | 23 |
| | | | Total | % | 100.00 | 100.00 |
| | | Investigated and dealt with | Disciplinary actions | Cases | 1 | 0 |
| Implemented/redressed | | | Cases | 0 | 0 | |
| N/A | | | Cases | 19 | 23 | |

1) Includes accounting fraud, embezzlement, unfair trade, bribery, personal data leakage, and money laundering.
 2) Includes inquiries, suggestions, and customer complaints.
 3) Includes termination, suspension, pay cut, reprimand, and warning.
 4) Includes coaching, counseling, and advisory.
 5) No action taken in cases of insufficient evidence or false claims.

Human Rights Violation Reports

| Category | Unit | 2023 | 2024 | | |
|------------------------------------|-----------------------------|-----------------------|-------|--------|--------|
| Sexual Harassment in The Workplace | Reported | Cases | 8 | 4 | |
| | | Total | Cases | 8 | 4 |
| | Investigated and dealt with | Total | % | 100.00 | 100.00 |
| | | Disciplinary actions | Cases | 2 | 2 |
| | | Implemented/redressed | Cases | 6 | 0 |
| | | N/A | Cases | 0 | 2 |
| | | Total | Cases | 35 | 33 |
| Bullying in The Workplace | Reported | CASES | 35 | 33 | |
| | | Total | Cases | 35 | 33 |
| | Investigated and dealt with | Total | % | 100.00 | 100.00 |
| | | Disciplinary actions | Cases | 5 | 10 |
| | | Implemented/redressed | Cases | 30 | 17 |
| N/A | Cases | 0 | 6 | | |
| Grievances ⁶⁾ | Reported | Cases | 9 | 25 | |
| | | Total | Cases | 9 | 25 |
| | Investigated and dealt with | Total | % | 100.00 | 100.00 |
| | | Disciplinary actions | Cases | 0 | 0 |
| | | Implemented/redressed | Cases | 9 | 25 |
| N/A | Cases | 0 | 0 | | |
| Other | Reported | Cases | 2 | 0 | |
| | | Total | Cases | 2 | 0 |
| | Investigated and dealt with | Total | % | 100.00 | N/A |
| | | Disciplinary actions | Cases | 0 | 0 |
| | | Implemented/redressed | Cases | 2 | 0 |
| N/A | Cases | 0 | 0 | | |

6) Actions that disrupt the work environment aside from sexual harassment and bullying.

Social Performance

Family-Friendly Programs

| Category | Unit | 2023 | 2024 |
|--|--|---------|--------|
| No. of Children Cared at The in-House Daycare Center | KRW | 72 | 68 |
| Parental Leave | No. of employees on parental leave | Persons | 233 |
| | No. of employees who returned to work | Persons | 127 |
| | Return-to-work ratio | % | 95.49 |
| | No. of employees who have worked over 12 months after parental leave | Persons | 96 |
| | Ratio of employees who have worked over 12 months after parental leave | % | 100.00 |

Employee Training¹⁾

| Category | Unit | 2023 ²⁾ | 2024 |
|--------------------------|------------|--------------------|-------------|
| Total Training Cost | KRW | 1,034,537,372 | 941,706,519 |
| Total Training Hours | Hours | 10,812 | 8,701 |
| Training Cost Per Person | KRW/Person | 132,480 | 118,409 |
| By Gender | Male | KRW/Person | 187,526 |
| | Female | KRW/Person | 86,764 |

| Category | Unit | 2023 ²⁾ | 2024 |
|---------------------------|-----------------|--------------------|---------|
| By Age | Under 30 | KRW/Person | 51,088 |
| | 30s | KRW/Person | 172,784 |
| | 40s | KRW/Person | 238,303 |
| | 50s | KRW/Person | 90,677 |
| | Over 60 | KRW/Person | 14,556 |
| By Management Level | Executive | KRW/Person | 483,374 |
| | Manager | KRW/Person | 659,743 |
| | Senior | KRW/Person | 338,782 |
| | Staff and other | KRW/Person | 173,335 |
| Training Hours Per Person | Hour/Person | 1.38 | 1.09 |
| By Gender | Male | Hour/Person | 1.87 |
| | Female | Hour/Person | 0.98 |
| By Age | Under 30 | Hour/Person | 0.11 |
| | 30s | Hour/Person | 0.61 |
| | 40s | Hour/Person | 2.82 |
| | 50s | Hour/Person | 0.21 |
| | Over 60 | Hour/Person | 0.02 |
| By Management Level | Executive | Hour/Person | 0.77 |
| | Manager | Hour/Person | 0.90 |
| | Senior | Hour/Person | 3.47 |
| | Staff and other | Hour/Person | 1.54 |

Social Performance

Employee Training¹⁾

| Category | | Unit | 2023 ²⁾ | 2024 |
|---------------------|--|---------|---------------------|-------|
| By Training Program | Human rights training (online/offline) | Persons | 5,090 ³⁾ | 131 |
| | Compliance training | Persons | 1,427 ⁴⁾ | 465 |
| | Onboarding and value system training | Persons | 589 | 473 |
| | Leadership training | Persons | 202 | 182 |
| | DX and job competency training | Persons | 1,412 | 926 |
| | Self-directed training | Persons | 731 | 1,269 |

1) Limited to Pulmuone Corporation and domestic subsidiaries.

2) The 2023 data disclosed last year has been restated due to a change in the calculation standard. Under the revised standard, only training programs conducted by Pulmuone Corporation for all employees company-wide are included, while programs independently operated at each business site continue to be managed by the respective legal entities.

* Human rights and compliance training excluded.

3) In 2023, human rights training was conducted company-wide as an initial step to build awareness. In 2024, tailored programs were provided to specific divisions and offices based on needs or requests, resulting in notable year-on-year variation.

4) Significant differences reflect changes in the target groups selected for compliance training. Suppliers rated 'critical' or 'serious' in the regular food safety management system evaluation, and those rated 'C' in the ESG diagnosis.

Supplier Details⁵⁾

| Category | | Unit | 2023 | 2024 |
|---|---------------------------------------|-------------|---------|---------|
| All Suppliers | Total | Items | 726 | 690 |
| | Pulmuone Foods | Companies | 334 | 335 |
| | Pulmuone Foods | % | 46.01 | 48.55 |
| | Other | Companies | 392 | 355 |
| Significant Suppliers | Total | % | 53.99 | 51.45 |
| | Total | Companies | 44 | 121 |
| | Significant Suppliers ⁶⁾ | Companies | 6.06 | 17.54 |
| | Significant Suppliers | % | 44 | 121 |
| | Critical Suppliers ^{7), 8)} | Companies | 6.06 | 17.54 |
| | Critical Suppliers | % | - | 34 |
| | ESG High-Risk Suppliers ⁹⁾ | Companies | - | 4.93 |
| Newly Registered Suppliers | Total | % | 2 | 2 |
| | Pulmuone Foods | Companies | 0.28 | 0.29 |
| | Other | Companies | 53 | 35 |
| All Suppliers | Total | Companies | 18 | 11 |
| | Pulmuone Foods | Companies | 35 | 24 |
| | Total | KRW million | 644,409 | 675,196 |
| | Pulmuone Foods | KRW million | 505,247 | 539,820 |
| | Pulmuone Foods | % | 78.40 | 79.95 |
| Total Purchase From Significant Suppliers | Other | KRW million | 139,162 | 135,376 |
| | Total | % | 21.60 | 20.05 |
| | Total | KRW million | 344,595 | 730,420 |
| | Significant Suppliers | % | 53.47 | 108.18 |
| | Significant Suppliers | KRW million | 344,416 | 420,240 |
| Total Purchase From Significant Suppliers | Significant Suppliers | % | 53.45 | 62.24 |
| | Critical Suppliers | KRW million | - | 271,659 |
| | Critical Suppliers | % | - | 40.23 |
| | ESG High-Risk Suppliers | KRW million | 179 | 38,521 |
| | ESG High-Risk Suppliers | % | 0.03 | 5.71 |

5) Applies only to Tier-1 suppliers, with no significant suppliers identified among Tier-2 or higher-tier suppliers.

6) Defined as suppliers with significant business impact or long-standing, high-volume transactions with Pulmuone.

7) A subset of significant suppliers whose ESG risk exposure necessitates closer monitoring.

8) Pulmuone began defining and managing Critical Suppliers starting in 2024.

9) Refers to Critical Suppliers identified through ESG assessments as having a high probability of negative sustainability impact or future ESG risks.

Social Performance

Mutual Growth

| Category | | Unit | 2022 | 2023 | 2024 |
|------------------------------|---|-------------|-------------|-----------|---------------|
| Mutual Growth and Fair Trade | Mutual growth rating | Companies | Excellent | Excellent | ¹⁾ |
| | Fair trade compliance assessment | Companies | Outstanding | Excellent | ¹⁾ |
| Mutual Growth Fund | Total amount raised | KRW million | 10,000 | 10,000 | 10,000 |
| | Amount raised by financial institutions | KRW million | 7,500 | 7,500 | 7,500 |
| | Amount raised by Pulmuone | KRW million | 2,500 | 2,500 | 2,500 |
| | Amount spent | KRW million | 4,000 | 4,000 | 10,000 |

1) Scheduled to be announced in July 2025.

Supplier Evaluation^{2), 3)}

| Category | | Unit | 2023 | 2024 |
|---|-----------------------|-----------|------|------|
| No. Of Evaluated Suppliers | Total | Companies | 299 | 276 |
| | Significant Suppliers | Companies | 42 | 29 |
| | Other suppliers | Companies | 257 | 247 |
| Suppliers With Practical and Potential Risks Detected ⁴⁾ | Total | Companies | 161 | 153 |
| | Significant Suppliers | Companies | 25 | 22 |
| | Other suppliers | Companies | 136 | 131 |
| Suppliers That Established Corrective Measures and Improvement Plans | Total | Companies | 161 | 150 |
| | Significant Suppliers | Companies | 25 | 19 |
| | Other suppliers | Companies | 136 | 131 |
| Suppliers That Completed The Correction of Practical and Potential Risks | Total | Companies | 92 | 32 |
| | Significant Suppliers | Companies | 16 | 3 |
| | Other suppliers | Companies | 76 | 29 |
| Suppliers That Received Support for Corrective Measures and Improvement Plans | Total | Companies | 264 | 272 |
| | Significant Suppliers | Companies | 42 | 22 |
| | Other suppliers | Companies | 222 | 250 |

| Category | | Unit | 2023 | 2024 |
|--|-----------------------|-----------|------|------|
| Suppliers That Participated in The Competence Strengthening Program | Total | Companies | 28 | 9 |
| | Significant Suppliers | Companies | 21 | 9 |
| | Other suppliers | Companies | 7 | 0 |
| Suppliers Of Terminated Contracts With Practical And Potential Risks ⁵⁾ | | Companies | 0 | 0 |

2) Total number of annual supplier evaluations conducted under the Food Safety Management System and the Critical Supplier ESG Assessment.

3) Significant differences reflect the revised supplier classification criteria in 2024.

4) Suppliers rated as 'High-Risk' or 'Serious' in the regular Food Safety Management System evaluation, and those rated 'C' in the ESG assessment.

5) Based on Significant Suppliers.

Supplier Support

| Category | | Unit | 2023 | 2024 |
|---|---|-----------------|------|------|
| Technical Support | No. of technical support cases | Cases | 39 | 31 |
| | Amount spent for technical support | KRW million | 325 | 285 |
| | Technical data deposit support | Cases | 1 | 1 |
| | Support for improving productivity | Cases | 5 | 2 |
| Training Support | No. of programs | Programs | 4 | 3 |
| | No. of training sessions provided | Sessions | 9 | 13 |
| | No. of participant companies | Companies | 377 | 250 |
| | No. of employees from participating suppliers | Persons | 455 | 318 |
| | Total training hours ⁶⁾ | Hours | 19 | 19 |
| Financial Support for Quality Improvement | | KRW million | 368 | 75 |
| Support for Employee Benefits | | KRW 10 thousand | 380 | 80 |
| Consulting and Diagnostics Support | Total | Companies | 95 | 80 |
| | Product and service quality | Companies | 70 | 70 |
| | ESG management | Companies | 25 | 10 |

6) Sum of training hours by program.

Social Performance

Safety and Health

| Category | Unit | 2023 | 2024 | |
|-------------------------|--|--------------------------|------------|------------|
| Pulmuone | Total working hours | Hours | 12,767,966 | 12,845,760 |
| | Occupational accidents | Cases | 56 | 50 |
| | Occupational accident rate ¹⁾ | % | 0.81 | 0.79 |
| | LTIR ²⁾ | Cases/200 thousand hours | 0.80 | 0.78 |
| | Fatality | Persons | 0 | 0 |
| | Fatality rate | - | 0.00 | 0.00 |
| Suppliers ³⁾ | Total working hours | Hours | 9,878,640 | 11,078,664 |
| | Occupational accidents | Cases | 43 | 54 |
| | Occupational accident rate | % | 0.85 | 0.96 |
| | LTIR | Cases/200 thousand hours | 0.87 | 0.97 |
| | Fatality | Persons | 0 | 0 |
| | Fatality rate | - | 0.00 | 0.00 |

1) Occupational accident rate = number of victims ÷ total number of employees × 100, includes disaster and disease occurrence rates calculated in accordance with the Industrial Safety and Health Act.

2) Lost Time Injury Rate = number of lost-time incidents × 1,000,000 ÷ total working hours

3) Suppliers stationed within Pulmuone production facilities.

* No serious work-related illnesses were identified during the reporting period, except for one case of musculoskeletal disorder.

Health & Wellness Program⁴⁾

| Category | Unit | 2023 | 2024 | | |
|--|--|------------------------------------|---------|-------|-------|
| Health & Wellness Program Participation Rate | Goal | % | 10.00 | 15.00 | |
| | No. of participants ⁵⁾ | Persons | 490 | 735 | |
| | Performance | % | 7.99 | 11.80 | |
| Metabolic Syndrome Improvement Results | No. of persons with risk factors | Before | Persons | 118 | 154 |
| | | After (Improvement in over 1 area) | Persons | 74 | 96 |
| | | Reduction rate | % | 37.29 | 37.66 |
| | No. of persons with metabolic syndrome | Before | Persons | 52 | 67 |
| | | After | Persons | 25 | 33 |
| | | Reduction rate | % | 51.92 | 50.75 |

4) The number of employees eligible for the Health & Wellness program is calculated based on domestic subsidiaries only, by summing ① and ② below:

① Employees registered in the ESH system, excluding overseas subsidiaries and supplier personnel.

② Office-based employees at the Suseo site not registered in the ESH system, estimated at approximately 700 persons.

5) Calculated by aggregating the number of participants in various programs, including challenges, health consultations, and clinical trials.

Violations of Socioeconomic Laws and Regulations⁶⁾

| Category | Unit | 2023 | 2024 |
|--|-------|-----------------|------|
| Fair Competition | Cases | 0 | 2 |
| Anti-Corruption | Cases | 0 | 0 |
| Marketing and Labeling ⁷⁾ | Cases | 0 | 0 |
| Product Safety and Quality ⁸⁾ | Cases | 0 | 0 |
| Other | Cases | 1 ⁹⁾ | 0 |

6) In accordance with disclosure standards in the Business Report, information is provided on criminal penalties or administrative measures imposed on the company or its personnel for violations of laws and regulations related to business activities.

7), 8) Violation history not disclosed in the Business Report, including administrative dispositions and fines imposed by key regulatory authorities (e.g., the Ministry of Food and Drug Safety), is separately managed by each legal entity.

9) One case was corrected after Pulmuone Green Juice received a correction order from Jeungpyeong County Office, which had only been reported to the Legal Team in June 2024 and was therefore initially omitted.

Information Security Training

| Category | Unit | 2023 | 2024 | |
|--|---------------------|----------|-------|-------|
| Information Protection | Training hours | Hours | 1 | 1 |
| | Training sessions | Sessions | 15 | 15 |
| | No. of participants | Persons | 5,345 | 4,819 |
| Personal Information Protection | Training hours | Hours | 1 | 1 |
| | Training sessions | Sessions | 4 | 3 |
| | No. of participants | Persons | 5,345 | 4,819 |
| Mock Training and Exercise for Malicious Email | Training sessions | Sessions | 2 | 2 |

Violations of Information Protection Laws and Regulations

| Category | Unit | 2023 | 2024 |
|--|-------|------|------|
| No. of Personal Information Leakage | Cases | 0 | 0 |
| No. of Personally Identifiable Information Leakage | Cases | 0 | 0 |
| No. of Information Security Breaches Or Cyber Security Incidents | Cases | 0 | 0 |

Social Performance

Information Security Operation

| Category | Unit | 2023 | 2024 |
|--|-----------------|-----------------|------|
| No. of Security Personnel | Persons | 5 | 5 |
| Information Security Budget and Investment | Budget spent | KRW 100 million | 2 |
| | Investment made | KRW 100 million | 1 |
| | Personnel | Persons | 5 |

Contributions and Other Expenses

| Category | Unit | 2023 | 2024 |
|---|--|-----------------|-------------|
| Contribution to Lobbying and Interest Groups ¹⁾ | KRW | 0 | 0 |
| Contributions to Political Campaigns, Organizations, and Candidates ²⁾ | KRW | 0 | 0 |
| Associations and Initiatives | Total | KRW 252,692,643 | 353,845,849 |
| | Korea Food Industry Association | KRW 76,800,000 | 90,000,000 |
| | Korea Natural Mineral Water Association | KRW 24,000,000 | 28,800,000 |
| | Consumer Goods Forum | KRW 22,776,643 | 30,342,191 |
| | Korea Health Functional Food Association | KRW 20,000,000 | 20,000,000 |
| | Korea Enterprises Federation | KRW 12,972,000 | 13,197,000 |
| | Korea Highway Service Association | KRW - | 23,178,000 |
| | Korea Dairy Industries Association | KRW - | 12,331,000 |
| | Korean Bean Sprouts Association | KRW - | 10,000,000 |
| | Korea Foodservice Distributors Association | KRW - | 32,410,000 |
| | Other | KRW 96,144,000 | 93,587,658 |

1), 2) Pulmuone strictly complies with Article 31 of the Political Funds Act and does not engage in lobbying or political donations.

Contribution to Local Communities

| Category | Unit | 2023 | 2024 |
|---------------------|---|-------------------|---------------|
| Donation | Pulmuone Foundation | KRW 1,697,816,254 | 1,833,203,138 |
| | Company donations (Love the Earth Fund) | KRW 1,567,747,766 | 1,713,545,308 |
| | Employee donations (Love Our Neighbor Fund) | KRW 130,068,488 | 119,657,830 |
| Social Contribution | Korea Foundation for Cooperation of Large & Small Business, Rural Affairs | KRW 162,519,000 | 59,200,000 |
| | Donation to community organizations and societies | KRW 53,743,000 | 78,353,400 |
| | Support for charities and NGOs | KRW 80,481,226 | 79,709,340 |
| Volunteer Work | Social contribution project expenses | KRW 21,649,946 | 27,155,800 |
| | Work hours | Hours | 641 |
| | No. of participants | Person | 206 |

Customer Satisfaction

| Category | Unit | 2023 | 2024 |
|---|--|------------|------|
| Customer Satisfaction Center Rating ³⁾ | Initial Consultation Satisfaction | Points | 90.6 |
| | Professional Consultation Satisfaction | Points | 93.5 |
| Voc | Total | 1000 cases | 307 |
| | Records | 1000 cases | 33 |
| | Order | 1000 cases | 68 |
| | Products | 1000 cases | 66 |
| | Shipping | 1000 cases | 89 |
| | Service | 1000 cases | 16 |
| | Corporate | 1000 cases | 35 |

3) Scored on a 100-point scale.

Product Recalls

| Category | Unit | 2023 | 2024 |
|--------------------|--------------------------|----------|--------|
| Legal Standards | No. of recalls | Times | 0 |
| | No. of recalled products | Products | 0 |
| Internal Standards | No. of recalls | Times | 10 |
| | No. of recalled products | Products | 52,879 |

Global Initiatives and Associations

Pulmuone actively engages in joint global tasks for a sustainable future, joining various initiatives and carrying out association activities to enhance ESG capabilities of both the company and the industry as a whole.

Initiatives and Associations Joined in 2024

| Category | Organization Name | |
|-------------------------|--|--|
| Global Initiatives | UN SDGs | |
| | UN Universal Declaration of Human Rights | |
| | International Labour Organization | |
| | WWF PACT (Plastic ACTion) | |
| Associations and Groups | Korea Food Industry Association | |
| | Korea Natural Mineral Water Association | |
| | Korea Health Functional Food Association | |
| | Korea Foodservice Distributors Association | |
| | Korea Direct Selling Industry Association | |
| | Korea Dairy Industries Association | |
| | Korean Society of Food Science and Technology | |
| | The Korean Society of Food Science and Nutrition | |
| | Development of food and beverage industry | Korea Foodservice Distributors Association |
| | | Korean Meat Products Industry Cooperative |
| | | Korea Agriculture Food Trade Association |
| | | Korea Society of Food & Cookery Science |
| | | Association of Food Research Institute Directors |
| | | The Korean Society of Food Hygiene and Safety |
| | | The Korean Society of Community Nutrition |
| | | Kimchi Association of Korea |
| | | Korean Bean Sprouts Association |
| | | Korean Pet Food Association |
| | | Korea Soybean Society |
| | | Precision Nutrition Association |

| Category | Organization Name | |
|-------------------------|-----------------------------|--|
| Associations and Groups | Consumer Goods Forum | |
| | Carbon Disclosure Project | |
| | Expansion of ESG management | Korea Fair Competition Federation |
| | | Korea Consumer-centered Enterprise Association |
| | | B.E.S.T ESG Forum |
| | | Wonju Regional Green Business Association |
| | Other | Korea Enterprises Federation |
| | | Federation of Middle Market Enterprises of Korea |
| | | Korea Highway Service Association |
| | | Korea Chainstores Association |
| | | Korea Industrial Technology Association |
| | | Korea Exchange |
| | | Korea Investor Relations Service |
| | | Jeonju Chamber of Commerce and Industry |
| | | Iksan Chamber of Commerce and Industry |
| | | World Federation of Great Towers |
| | | Korea Private Museums Association |
| | | The Korea National Food Cluster |
| | | Busan Tourism Association |
| | | Muju Industrial Complex Association |

Awards, Selections, Certifications, and Agreements

In 2024, Pulmuone obtained certifications from various external institutions in ESG management performance, food safety, product quality, and technological innovation. Key annual awards, certifications, and agreements are summarized in the table below.

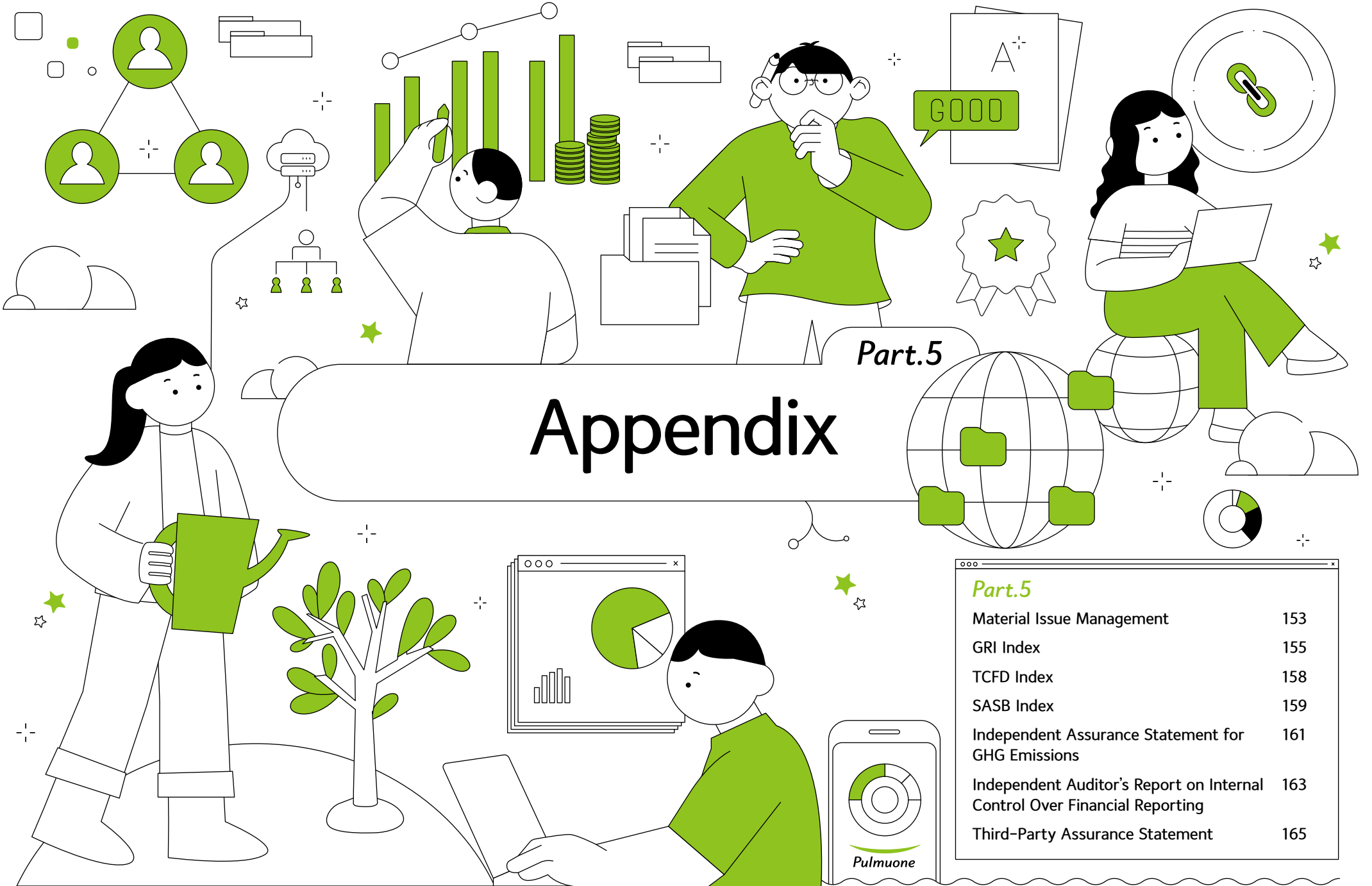
2024 Status of Awards, Selections, Certifications, and Agreements

| Month | Category | Corporate | Product, Brand, Facility | Institution | Details | Link (QR) |
|-------|-----------|--------------------------|--------------------------|---|---|-----------|
| JAN. | Award | Danone Pulmuone | Activia | Customers Council | Received the <i>Grand Prize</i> in the Fermented Milk category at the 2024 Korea First Brand Awards for the fifth consecutive year | |
| | Award | Pulmuone Foodmerce | N/A | Ministry of Employment and Labor | Received the <i>Minister's Award</i> at the Labor-Management Culture Awards | |
| | Aard | Pulmuone Foods | YaP Mando | Ministry of Science and ICT | Received the <i>IR (Industrial Research) 52 Jang Yeong-sil Award</i> | |
| FEB. | Agreement | Pulmuone | N/A | Iksan-si, Jeollabuk-do | Signed an MOU for fostering foodtech innovation and technology industries | |
| | Selection | Pulmuone | N/A | Korea Management Association Consulting | Ranked No. 1 in the Comprehensive Food Sector and selected as one of the <i>Top 30 All Stars</i> across all industries in the Korea's Most Respected Companies Survey | |
| MAR. | Selection | Pulmuone | N/A | Carbon Disclosure Project | Received the <i>CDP Water Excellence Award</i> | |
| MAY | Agreement | Pulmuone | N/A | ABB Korea Robotics | Signed an MOU for cell-cultured food AI robotics R&D | |
| JUN. | Selection | Pulmuone Foods | N/A | Korea Occupational Safety and Health Agency | Selected as an <i>Excellent Workplace</i> for Employee Health Promotion | |
| JUL. | Award | Pulmuone Health & Living | Steam Cook Air Fryer | Dong-A Ilbo Korea Customer Appraisal | Received the <i>Grand Prize</i> in the Air Fryer category at the 2024 Korea Consumer Awards | |

| Month | Category | Corporate | Product, Brand, Facility | Institution | Details | Link (QR) |
|-------|---------------|---|-----------------------------------|--|---|-----------|
| AUG. | Agreement | Pulmuone | N/A | Jeollabuk-do, Seoul National University, LARTBIO | Signed an MOU for establishing future ranches for animal welfare and joint research | |
| OCT. | Award | Pulmuone | N/A | Ministry of Agriculture, Food and Rural Affairs | Received the <i>Minister's Award</i> at the Agri-Food Science and Technology Awards | |
| NOV. | Award | Pulmuone Foodmerce | N/A | Gangdong-gu Office | <i>Awarded a Certificate of Commendation</i> at the Commendation Ceremony by the Gangdong-gu Office | |
| | Agreement | Pulmuone | N/A | Daejeon | Signed an MOU for fostering the plant-based foodtech alternative food industry | |
| DEC. | Certification | Pulmuone U.S.A | 4 types of products ¹⁾ | Korea Agency of HACCP Accreditation and Services | Received Korea's first K-Foods and Safety (KFS) Certification and entered the US market | |
| | Certification | Pulmuone and subsidiaries ²⁾ | N/A | B.E.S.T ESG Forum | Pulmuone and 11 subsidiaries received Verbal Abuse-Free Company Certification with Pulmuone additionally receiving the <i>Grand Award</i> | |
| DEC. | Selection | Pulmuone Food & Culture | BUSAN X the SKY | Ministry of Culture, Sports and Tourism, Korea Tourism Organization | Selected for <i>2025-2026 100 Must-Visit Tourist Spots of Korea</i> for 2 consecutive years | |
| | Award | Pulmuone Together | N/A | Ministry of Employment and Labor, Korea Employment Agency for the Disabled | Received the <i>Comfortable Workplace of The Year Minister Award</i> | |
| DEC. | Selection | Pulmuone Food & Culture | Restaurant Asadal | Gyeongsangbuk-do Office | Selected as one of the <i>2024 Gyeongbuk Representative Best Restaurants</i> | |

1) Nasoya Kimchi Mild, Pulmuone Nasoya Kimchi Spicy, Pulmuone Seoul Ramen, and Pulmuone Seoul Jjajang.

2) Pulmuone, Pulmuone foods, Foodmerce, CDIS Associates, Pulmuone I&N, Pulmuone Food & Culture, Pulmuone Green Juice, Pulmuone Health & Living, Danone Pulmuone, Pulmuone Waters, and ORGA Whole Foods.



Appendix

Part.5

| <i>Part.5</i> | |
|---|-----|
| Material Issue Management | 153 |
| GRI Index | 155 |
| TCFD Index | 158 |
| SASB Index | 159 |
| Independent Assurance Statement for GHG Emissions | 161 |
| Independent Auditor's Report on Internal Control Over Financial Reporting | 163 |
| Third-Party Assurance Statement | 165 |

Material Issue Management

| Material Issue ¹⁾ | Potential and Actual Impacts | Approach | Management and Improvement Activities | Effectiveness Tracking | Stakeholder Opinion Collection |
|--|--|---|---|---|--|
| Climate Change Responses & Achievement of Net Zero | Extreme weather events, including heatwaves, snowstorms, typhoons, and wildfires, are increasing globally as a result of climate change. As the impacts of climate change that threaten human survival become increasingly evident, corporate action on climate issues and fulfillment of environmental responsibilities have become essential for stable business operations. | Under the Eco-Caring Strategy, we have set targets to reduce GHG emissions by 20% by 2035 (compared to 2022 levels) and to achieve Net Zero emissions by 2050. | To achieve our GHG reduction goals, we have identified three key areas of action: transitioning to sustainable energy, enhancing energy efficiency, and adopting eco-friendly vehicles. | We calculate Scope 1, 2, and 3 emissions annually to monitor progress toward our reduction targets. | Stakeholder feedback, both internal and external, is incorporated into our materiality assessments to identify significant climate risks and related opportunities. |
| Water Use Reduction & Wastewater Management | Given that food companies consume large volumes of water in manufacturing processes, effective water resource management is essential not only for cost reduction but also for sustainable production. | As part of the Eco-Caring Strategy, we have set a target to reduce water usage by 13% by 2035, relative to 2022 levels. | We aim to reduce water consumption by improving process efficiency and implementing water reuse systems, while also expanding wastewater treatment facilities to ensure ongoing management of pollutant discharge. | We calculate annual water usage to manage progress toward our targets and continuously monitor pollutant discharge levels. | We assess water-related risks across both company sites and suppliers and incorporate the findings into our overall water resource management plans. |
| Improvement in Health & Nutrition | Founded on the values of 'Love for Neighbors, Respect for Life,' Pulmuone aims to build a healthier future for both people and the planet through authentic wholesome foods. | To help prevent lifestyle-related diseases caused by poor dietary habits, we manage product nutritional content in accordance with the Pulmuone Nutritional Management Standards. | We offer nutritionally balanced products and meals that limit excessive intake of sodium, sugars, and saturated fats, while providing essential vitamins, minerals, and phytochemicals. | We monitor compliance with our nutritional standards annually. | We collaborate with professional societies to conduct academic research in health and nutrition. |
| Strengthening Supplier ESG Management & Promoting Mutual Growth | There is increasing societal awareness that ESG risks must be addressed not only internally but across the entire supply chain, particularly in areas related to the environment and human rights. In response, companies face heightened stakeholder expectations and regulatory requirements to build responsible supply chains. | We conduct regular assessments of Significant Suppliers and operate a supply chain ESG management system to mitigate potential risks. | During the supplier selection process, we conduct ESG screenings and restrict contracts with companies that fail to meet our standards. Suppliers are required to agree to the Pulmuone Supplier Code of Conduct when entering or renewing contracts via our procurement system. Furthermore, we perform ESG analyses and on-site inspections of critical suppliers to assess compliance with the Code of Conduct and evaluate their ESG performance. | We track and manage scores from ESG Screening, Supplier Importance Evaluation, and Critical Supplier ESG Assessment and Inspection. | In close collaboration with suppliers, we conduct ESG assessments and due diligence. We also host the <i>Wonder-Pul Partners Meeting</i> annually to recognize outstanding suppliers. Also, an online grievance channel for suppliers is in place and actively promoted. |
| Practicing Compliance & Ethical Management | Compliance and ethical management are closely linked to business risk, as a single violation can significantly damage corporate reputation and lead to financial penalties. It is a fundamental expectation from customers and investors, and a key component of building mutually beneficial partnerships with suppliers. | To uphold ethical and compliance principles, Pulmuone implements TISO Management and supports it through the TISO Management Policy framework. | A dedicated office oversees the internal whistleblower system, conducts audits, and runs awareness programs to foster a culture of compliance and ethics. | We collect and monitor annual data on violations related to fair trade, anti-corruption, marketing, and labeling. | Reports of compliance or ethical violations can be submitted by internal and external stakeholders via phone, mail, our website (Online Audit Room), or intranet. |



Material Issue Management

| Material Issue ¹⁾ | Potential and Actual Impacts | Approach | Management and Improvement Activities | Effectiveness Tracking | Stakeholder Opinion Collection |
|--|---|--|--|---|---|
| Business Innovation & Economic Growth | To effectively respond to the rapidly evolving food industry landscape and shifting consumer demands, ongoing enhancement of competitiveness through business innovation is essential. | We pursue innovation and challenge ourselves continuously, aiming to achieve a second leap forward as a sustainable food company. | We promote business innovation and overseas expansion efforts, including the development of sustainable food and diet, digital transformation, and the pursuit of growth as a food tech company. | The impact and validity of these efforts are monitored through our financial statements. | Pulmuone holds an open general shareholders' meeting, allowing all shareholders to participate and express their opinions before approving the financial statements. |
| Industrial Safety & Health Management | Industrial safety and health are essential components of sustainable management, directly tied to the lives and well-being of employees and supplier personnel. They represent one of the most significant social responsibilities a company must uphold. | Policies and a management system have been established in accordance with ISO 45001 to ensure workplace safety and health. | Multiple systems are in place to detect safety and health risks, along with programs to raise awareness among employees. | We set and manage annual targets for accident rates and severity rates. | During company-wide risk assessments, we collect input from employees (both supervisors and on-site workers) to identify potential hazards. |
| Human Rights Management | Pulmuone emphasizes a human-centric management philosophy. Systematic human rights management is crucial, as human rights issues have a direct impact on corporate reputation and sustainability. | We have established fundamental principles for human rights and apply them as a foundation for both internal and external management practices. | We are pursuing human rights initiatives with the objectives of enhancing our human rights risk management system, eliminating blind spots, and fostering a culture of respect for people. | In 2025, we restructured our human rights due diligence process to conduct company-wide human rights impact assessments. Identified risks will be addressed through improvement plans and monitored in stages. | We accept human rights-related reports through formal online and offline grievance channels, and integrate them into our human rights risk pool. |
| Talent Development & Management | Developing high-quality talent is essential for fostering innovation, enhancing productivity, and securing the company's long-term competitiveness. | We provide both online and offline training programs tailored to job function and seniority. Offline programs focus on strengthening professional and general competencies, while our e-learning platform enables flexible access to learning anytime, anywhere. | In 2024, we operated programs such as the New Team Leader Program and the New Executive Program to strengthen leadership capabilities, and also launched the Strengthening Generative AI Competence Program and the DX Innovation Task Research Group to accelerate digital transformation. | We track training effectiveness by calculating per-person training cost and time annually. For select training types, we also manage performance using specific quantitative indicators such as satisfaction and perceived usefulness. | Feedback is gathered through satisfaction surveys administered to participants after each training session, and is used to inform improvements to education content and operations. |
| Board-Centric Management | Board-centric management is key to ensuring transparency, independence, and long-term corporate value. Balanced supervision and checks by the board during major decisions enhance trust and underpin sustainable governance. | We clearly define the board's roles and responsibilities, and continuously improve policies to enhance the independence, expertise, and diversity of its members. | In 2024, we enhanced the independent director nomination process and established a dedicated secretariat to support board operations. Two new independent directors with expertise in accounting and finance were appointed to strengthen the Audit Committee's internal control and risk oversight. | Board-centric management level is assessed using indicators such as the proportion of independent directors, female representation on the board, the skills matrix, and the board's operational effectiveness. | Pulmuone approves director appointments and remuneration limits through an open general shareholders' meeting, enabling all shareholders to participate and express their views. |
| Biodiversity Protection | As a food company highly dependent on natural capital, Pulmuone must minimize ecosystem impacts across procurement and production activities. This is essential for securing long-term supply chain stability and fulfilling environmental and social responsibilities. | We have implemented the Nature Positive Pledge in our operations to protect biodiversity and prevent deforestation. | We regularly conduct assessments of biodiversity and natural capital risks and impacts, while simultaneously carrying out a variety of biodiversity protection initiatives. | Results of our risk and impact assessments are disclosed in the annual integrated report. Methodologies to monitor the effectiveness of biodiversity efforts will be developed going forward. | We collaborate with local communities and relevant institutions when implementing biodiversity conservation activities. |
| Strategic Social Contribution | Beyond simple donations, ongoing collaboration and mutual growth with local communities help promote Pulmuone's core values of Authentic Wholesome Foods, while enhancing long-term brand value and increasing social influence. | Pulmuone pursues the creation of both economic and social value, in alignment with its core business strategy and social responsibility charter. | Corporate social responsibility is implemented through initiatives led by Pulmuone and its subsidiaries, as well as diverse educational programs by the Pulmuone Foundation, focusing on health promotion, environmental protection, and support for vulnerable groups. | We manage the effectiveness of Pulmuone Foundation's social contribution activities by setting targets for social value creation based on the cumulative number of programs and participants. Separate social contribution targets for the holding company and subsidiaries will be established at a later stage. | We receive social contribution suggestions via email from external stakeholders and evaluate the performance of Pulmuone Foundation education programs through surveys. |

1) Excludes issues of Reducing Waste & Building a Circular Economy, Enhancing Product Quality Management, Sustainable Products & Services, and Responsible Sourcing & Sustainable Agro-Fisheries reported in Key Topics.

GRI Index

We report our activities and performance for the period from January 1, 2024 to December 31, 2024 in accordance with the GRI Standards. In addition, activities related to certain material issues have been disclosed up to June 2025 where applicable.

| | |
|-----------------------------|---|
| Applied GRI 1 | GRI 1: Foundation 2021 |
| Applicable Sector Standards | Under the SASB SICS industry classification, Pulmuone falls within the Food & Beverage category under Processed Foods, with no applicable Sector Standards available. |

GRI 2: General disclosures

| Category | Disclosure | Reporting Page | Notes |
|--|--|-------------------------------|--|
| The Organization and Its Reporting Practices | 2-1 Organizational details | 7-8 | |
| | 2-2 Entities included in the organization's sustainability reporting | 2, 8 | |
| | 2-3 Reporting period, frequency and contact point | 2 | |
| | 2-4 Restatements of information | 2 | |
| | 2-5 External assurance | 165-167 | |
| Activities and Workers | 2-6 Activities, value chain and other business relationships | 10-12, Business Report 11-18 | |
| | 2-7 Employees | 140 | |
| | 2-8 Workers who are not employees | Information unavailable | Information on non-employee workers, such as dispatched and contract workers, is not collected or managed company-wide |
| Governance | 2-9 Governance structure and composition | 110-113 | |
| | 2-10 Nomination and selection of the highest governance body | 112-113 | |
| | 2-11 Chair of the highest governance body | 111-112 | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 110, 113 | |
| | 2-13 Delegation of responsibility for managing impacts | 42, 46, 78, 83, 101, 118, 126 | |
| | 2-14 Role of the highest governance body in sustainability reporting | 13 | |
| | 2-15 Conflicts of interest | 111-113 | |
| | 2-16 Communication of critical concerns | 114, Business Report 271-273 | |
| | 2-17 Collective knowledge of the highest governance body | 115 | |
| | 2-18 Evaluation of the performance of the highest governance body | 115 | |
| | 2-19 Remuneration policies | 116 | |
| | 2-20 Process to determine remuneration | 116 | |
| 2-21 Annual total compensation ratio | 143 | | |

| Category | Disclosure | Reporting Page | Notes |
|-----------------------------------|---|--------------------|-------|
| Strategy, Policies, and Practices | 2-22 Statement on sustainable development strategy | 5 | |
| | 2-23 Policy commitments | 77, 124 | |
| | 2-24 Embedding policy commitments | 77-78, 82, 127-128 | |
| | 2-25 Processes to remediate negative impacts | 81, 93, 99 | |
| | 2-26 Mechanisms for seeking advice and raising concerns | 127 | |
| | 2-27 Compliance with laws and regulations | 138, 148 | |
| Stakeholder Engagement | 2-28 Membership associations | 150 | |
| | 2-29 Approach to stakeholder engagement | 15 | |
| | 2-30 Collective bargaining agreements | 143 | |

GRI Index

GRI 3: Material Topics

| Category | Disclosure | Reporting Page | Notes |
|---|------------|---|--------------------------------|
| Disclosures on Material Topics | 3-1 | Process to determine material topics | 13 |
| | 3-2 | List of material topics | 14 |
| Core Material Issue 1: Reducing Waste & Building a Circular Economy | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 17-18 |
| Waste | 306-1 | Waste generation and significant waste-related impacts | 17-18 |
| | 306-2 | Management of significant waste-related impacts | 19 |
| | 306-3 | Waste generated | 138 |
| | 306-4 | Waste diverted from disposal | 138 |
| | 306-5 | Waste directed to disposal | 138 |
| Core Material Issue 2: Climate Change Responses & Achievement of Net Zero | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 153 |
| Economic Performance | 201-2 | Financial implications and other risks and opportunities due to climate change | 48-51 |
| Energy | 302-1 | Energy consumption within the organization | 136-137 |
| | 302-3 | Energy intensity | 136-137 |
| | 302-4 | Reduction of energy consumption | 56-57 |
| | 302-5 | Reductions in energy requirements of products and services | 136 |
| | Emissions | 305-1 | Direct (Scope 1) GHG emissions |
| 305-2 | | Indirect (Scope 2) GHG emissions | 135 |
| 305-3 | | Other indirect (Scope 3) GHG emissions | 135-136 |
| 305-4 | | GHG emissions intensity | 135 |
| 305-5 | | Reduction of GHG emissions | 56 |
| 305-7 | | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 138 |
| Core Material Issue 3: Product quality management and product safety enhancement | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 25 |
| Customer Health and Safety | 416-1 | Assessment of the health and safety impacts of product and service categories | 25-29 |
| | 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | 148 |
| Core Material Issue 5: Water Use Reduction & Wastewater Management | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 30 |
| Materials | 301-1 | Materials usage based on weight or volume | 139 |

| Category | Disclosure | Reporting Page | Notes |
|--|------------|--|-------|
| Material Issue 5: Water Use Reduction & Wastewater Management | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 153 |
| Water | 303-1 | Interactions with water as a shared resource | 58-61 |
| | 303-2 | Management of water discharge-related impacts | 59 |
| | 303-3 | Water withdrawal | 137 |
| | 303-4 | Water discharge | 137 |
| | 303-5 | Water consumption | 137 |
| Material Issue 6: Improvement in Health & Nutrition | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 153 |
| Marketing and Labeling | 417-1 | Requirements for product and service information and labeling | 96 |
| | 417-2 | Incidents of no-compliance concerning products and service information and labelling | 148 |
| | | Incidents of non-compliance concerning marketing communications | 148 |
| Material Issue 7: Strengthening Supplier ESG Management & Promoting Mutual Growth | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 153 |
| Supplier Environment Assessment | 308-1 | New suppliers that were screened using environmental criteria | 90 |
| | 308-2 | Negative environmental impacts in the supply chain and actions taken | 91 |
| Suppliers Social Assessment | 414-1 | New suppliers that were screened using social criteria | 90 |
| | 414-2 | Negative social impacts in the supply chain and actions taken | 91 |
| Material Issue 8: Practicing Compliance & Ethical Management | | | |
| Disclosures on Material Topics | 3-3 | Management of material topics | 153 |
| Anti-Corruption | 205-1 | Operations assessed for risks related to corruption | 128 |
| | 205-2 | Communication and training about anti-corruption policies and procedures | 129 |
| | 205-3 | Confirmed incidents of corruption and actions taken | 144 |
| Anti-Competitive Behavior | 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | 148 |
| Tax | 207-1 | Approach to tax | 130 |
| | 207-2 | Tax governance, control, and risk management | 130 |
| | 207-4 | Country-by-country reporting | 134 |
| Public Policy | 415-1 | Political contributions | 124 |
| Customer Privacy | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | 148 |

GRI Index

GRI 3: Material Topics

| Category | Disclosure | Reporting Page | Notes |
|---|---|----------------|-------|
| Material Issue 10: Business Innovation & Economic Growth | | | |
| Disclosures on Material Topics | 3-3 Management of material topics | 153 | |
| Economic Performance | 201-1 Direct economic value generated and distributed | 132 | |
| | 201-4 Financial assistance received from government | 134 | |
| Material Issue 11: Industrial Safety & Health Management | | | |
| Disclosures on Material Topics | 3-3 Management of material topics | 153 | |
| Occupational Health and Safety | 403-1 Occupational health and safety management system | 83 | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 84-87 | |
| | 403-3 Occupational health services | 84-85 | |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | 84-85 | |
| | 403-5 Worker training on occupational health and safety | 87 | |
| | 403-6 Promotion of worker health | 73, 148 | |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 85 | |
| | 403-8 Workers covered by an occupational health and safety management system | 83 | |
| | 403-9 Work-related injuries | 148 | |
| | 403-10 Work-related ill health | 148 | |
| Material Issue 12: Human Rights Management | | | |
| Disclosures on Material Topics | 3-3 Management of material topics | 153 | |
| Diversity and Equal Opportunity | 405-1 Diversity of governance bodies and employees | 133, 140-141 | |
| | 405-2 Ratio of basic salary and remuneration of women to men | 142 146 | |
| Non-Discrimination | 406-1 Incidents of discrimination and corrective actions taken | 144 | |
| Material Issue 13: Talent Development & Management | | | |
| Disclosures on Material Topics | 3-3 Management of material topics | 153 | |
| Economic Performance | 201-3 Defined benefit plan obligations and other retirement plans | 73 | |
| Market Presence | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | 142 | |

| Category | Disclosure | Reporting Page | Notes |
|---|---|----------------|----------------------------|
| Employment | 401-1 New employee hires and employee turnover | 141-142 | |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees | 72-73 | |
| | 401-3 Parental leave | 145 | |
| Training and Education | 404-1 Average hours of training per year per employee | 145 | |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 68-70 | |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | 142 | |
| Material Issue 14: Board-Centric Management | | | |
| Non-GRI | - No relevant Topic Standards available | 153 | |
| Material Issue 15: Biodiversity Protection | | | |
| Disclosures on Material Topics | 3-3 Management of material topics | 153 | |
| Biodiversity | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | 65-66 | |
| | 304-2 Significant impacts of activities, products and services on biodiversity | 65-66 | |
| | 304-3 Habitats protected or restored | 63-64 | |
| Material Issue 16: Strategic Social Contribution | | | |
| Disclosures on Material Topics | 3-3 Management of material topics | 153 | |
| Indirect Economic Impact | 203-1 Infrastructure investments and services supported | 105-106 | |
| | 203-2 Significant indirect economic impacts | 106-108 | |
| Local Communities | 413-2 Operations with significant actual and potential negative impacts on local communities | 105 | No relevant business sites |



TCFD Index

| Recommendations | Recommended Disclosures | Reporting Page | Notes |
|---------------------|---|----------------|-------|
| Governance | a. Describe the board's oversight of climate-related risks and opportunities | 46-47 | |
| | b. Describe management's role in assessing and managing climate-related risks and opportunities | 46-47 | |
| Strategy | a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term | 50-51 | |
| | b. Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning | 48-49 | |
| | c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | 51 | |
| Risk Management | a. Describe the organization's processes for identifying and assessing climate-related risks | 52 | |
| | b. Describe the organization's processes for managing climate-related risks | 52 | |
| | c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management | 52 | |
| Metrics and Targets | a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process | 52-53 | |
| | b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks | 135-136 | |
| | c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets | 54-55 | |

SASB Index

In line with the SASB Industry Standards, Pulmuone discloses indicators applicable to the Processed Foods sector within the Food & Beverage industry.

| Category | Code | Metric | Page and Details | Notes |
|--------------------------------|---|--|---|--|
| Processed Foods | | | | |
| Energy Management | FB-PF-130a.1 | (1) Total energy consumed | 2,979 TJ | |
| | | (2) Percentage grid electricity | | 61.60% |
| | | (3) Percentage renewable | | 3.60% |
| Water Resource Management | FB-PF-140a.1 | (1) Total water withdrawn; % of each in regions with high or extremely high baseline water stress | <ul style="list-style-type: none"> Total water withdrawals: 6,711.6 thousand tons Water withdrawal in stress areas: 2,602.9 thousand tons | |
| | | (2) Total water consumed; % of each in regions with high or extremely high baseline water stress | <ul style="list-style-type: none"> Total water consumption: 1,249.3 thousand tons Water consumption in stress areas: 201.6 thousand tons | |
| | FB-PF-140a.2 | Number of incidents of non-compliance associated with water quality permits, standards and regulations | None | |
| | FB-PF-140a.3 | Description of water management risks and discussion of strategies and practices to mitigate those risks | 59-61 | |
| Food Safety | FB-PF-250a.1 | Global Food Safety Initiative (GFSI) audit (1) non-conformance rates | - | Not for external disclosure (confidential) ⁶⁾ |
| | | Global Food Safety Initiative (GFSI) audit (2) associated corrective action rates for (a) major and (b) minor non-conformances | - | |
| | FB-PF-250a.2 | Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognised food safety certification programme | - | Not for external disclosure (confidential) |
| | FB-PF-250a.3 | (1) Total number of notices of food safety violation received | None | |
| | | (2) Percentage corrected | N/A | |
| FB-PF-250a.4 | (1) Number of recalls issued | <ul style="list-style-type: none"> Legal standards: 0 cases Internal standards: 4 cases | | |
| | (2) Total amount of food product recalled | <ul style="list-style-type: none"> Legal standards: N/A Internal standards: 35,005 tons | | |
| Health and Nutrition | FB-PF-260a.1 | Revenue from products labelled or marketed to promote health and nutrition attributes | - | Not for external disclosure (Information not aggregable) ⁷⁾ |
| | FB-PF-260a.2 | Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers | 25-29 | |
| Product Labeling and Marketing | FB-PF-270a.1 | Percentage of advertising impressions (1) made on children | - | Not for external disclosure (Information not aggregable) |
| | | Percentage of advertising impressions (2) made on children promoting products that meet dietary guidelines | - | |
| | FB-PF-270a.2 | Revenue from products labelled as (1) containing genetically modified organisms (GMOs) | - | Not for external disclosure (confidential) |
| | | Revenue from products labelled as (2) non-GMO | - | |
| | FB-PF-270a.3 | Number of incidents of non-compliance with industry or regulatory labelling and/or marketing codes | None | |
| FB-PF-270a.4 | Total amount of monetary losses as a result of legal proceedings associated with labelling and/or marketing practices | N/A | | |



SASB Index

| Category | Code | Metric | Reporting Page and Details | Notes |
|---|--------------|--|--|--|
| Packaging Lifecycle Management | FB-PF-410a.1 | (1) Total packaging weight | None | |
| | | (2) Percentage of recycled and/or reuseable materials usage | N/A | Not for external disclosure (Information not aggregable) |
| | | (3) percentage that is recyclable, reusable, or compostable | | 84.28% |
| | FB-PF-410a.2 | Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle | | 17 |
| Environmental & Social Impacts of Ingredient Supply Chain | FB-PF-430a.1 | Percentage of third-party environmental and/or social standards certification and certification for each criteria among procured food ingredients | <ul style="list-style-type: none"> • Soy²⁾: 32.9% • Cereal³⁾: 33.1% • Livestock (Cattle): 12.1% • Livestock (Swine): 22.4% • Poultry⁴⁾: 97.4% • Seaweed: 8.8% | |
| | FB-PF-430a.2 | Suppliers' social and environmental responsibility audit non-conformance rate and associated corrective action rate for (a) major non-conformances | <ul style="list-style-type: none"> • Key non-conformity rate: 22.2% • Corrective action rate: 50.0% | |
| | | Suppliers' social and environmental responsibility audit non-conformance rate and associated corrective action rate for (b) minor non-conformances | <ul style="list-style-type: none"> • Key minor non-conformity rate: 22.2% • Corrective action rate: 0.0% | |
| Ingredient Sourcing | FB-PF-440a.1 | Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress | <ul style="list-style-type: none"> • Cattle products: 40.26% • Maize: 27.61% • Rice: 52.11% • Soy: 100.00% • Other⁵⁾: 34.88% | |
| | FB-PF-440a.2 | List of priority food ingredients and discussion of sourcing risks related to environmental and social considerations | 21, 24, 35 | |
| Activity Metrics | FB-PF-000.A | Weight of products sold ⁶⁾ | 694,474 tons | |
| | FB-PF-000.B | Number of production facilities | | 2 |

1) Based on production volume at domestic and overseas manufacturing sites.

2) Includes soybean sprouts, mung beans, white beans, and others.

3) Includes rice, wheat flour, and corn (starch and starch syrup).

4) Includes chicken meat and eggs.

5) Includes dairy products and eggs.

6) Seven plants under Pulmuone Foods, Danone Pulmuone, Pulmuone Green Juice, Pulmuone Health & Living, Pulmuone Waters, Pulmuone Kibun, and Beijing Pulmuone Green Foods hold FSSC 22000 certification.

7) As Pulmuone promotes the health and nutrition attributes of its products using various standards and methods, it is difficult to compile precise information.

Independent Assurance Statement for GHG Emissions

Introduction

DNV Business Assurance Korea Ltd. (“DNV”) was commissioned by Pulmuone Co., Ltd. (“Company”) to perform third-party verification of the Greenhouse Gas Statement, including its consolidated subsidiaries. The Company is responsible for preparing the GHG Statement in accordance with ‘ISO 14064-1:2018’, the ‘WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard’, and the ‘2006 IPCC Guidelines’, and assumes full responsibility for its contents. With respect to this verification opinion, DNV expressly disclaims any liability or responsibility to any third party other than the contracting entity, in accordance with the terms of engagement.

Objective and Scope of Verification

The objective of the verification is to present an independent verification opinion on the company's GHG statement, and the scope of verification is as follows;

- Organizational Boundary : Pulmuone Co., Ltd., Pulmuone Foods Co., Ltd., Pulmuone Academy Co., Ltd., Pulmuone Danone Co., Ltd., CD'S Associates Co., Ltd., Pulmuone Water Co., Ltd., Pulmuone Health & Living Co., Ltd., Pulmuone Food & Culture Co., Ltd.
- Operational Boundary : Scope 1 (Direct emissions), Scope 2 (Indirect emissions)
- Reporting Period : 2024.01.01 ~ 2024.12.31

Verification Approach

The verification has been conducted in accordance with the verification principles and tasks outlined in the ‘ISO 14064-3:2019’, based upon a Limited Level of assurance. DNV planned and concluded our work so as to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a verification opinion with 5% materiality level.

As part of the verification process, we have reviewed as follows;

- Adequacy of GHG data control, collection and emission calculation and report process
- The GHG inventory is based on measurements and has inherent limitations that may arise from the process of calculating, estimating, and finalizing the reported data.

Conclusions

Based on the verification, there is no evidence that the GHG statement is not materially correct and is not a fair representation of GHG data and information.

- DNV represents “unmodified” opinion on Greenhouse Gas Emissions.

| 2024 | Greenhouse Gas emissions(tCO ₂ -eq) | | | Energy consumption(TJ) | | | | | | |
|----------|--|--|---------------------|------------------------|------------------------------|--|---------------|------------------|---------|---------------------|
| | Scope 1 | Scope 2 (Location-based) ¹⁾ | Total ³⁾ | Fuel | Scope 2 (E, H) ²⁾ | Renewable Energy | | | | Total ³⁾ |
| | | | | | | Solar Total ³⁾ Photovoltaic | Solar Thermal | Small hydropower | Biomass | |
| Pulmuone | 54,188 | 99,065 | 153,253 | 1,028 | 1,840 | 9 | 6 | 0.09 | 97 | 2,979 |

1) Location-based emissions are greenhouse gas (GHG) emissions reported as Scope 2, calculated using the average emissions intensity of the electricity grid where the energy is consumed, typically based on grid-average emission factor data.

2) E: Electricity, H: Heat

3) In order to report the GHG emissions as an integer, the rounded number might be different from the number on the calculation tool with ± 1 tCO₂-eq (± 1 TJ).

This Assurance Opinion is valid as of the date of the issuance. Please note that this Assurance Opinion would be revised if any material discrepancy which may impact the Greenhouse Gas Emissions of the Company is subsequently brought to our attention.

2025. 5. 30
Seoul, Republic of Korea

Lee, Jang Sup
Country Representative
DNV Business Assurance Korea Ltd.



Independent Assurance Statement for GHG Emissions

Introduction

DNV Business Assurance Korea Ltd. (“DNV”) was commissioned by Pulmuone Co., Ltd. (“Company”) to perform third-party verification of the Company’s Greenhouse Gas (GHG) Statement, including its consolidated subsidiaries. The Company is responsible for preparing the GHG Statement in accordance with ‘ISO 14064-1:2018’, ‘The Corporate Value Chain (Scope 3) Accounting and Reporting Standard’, and the ‘2006 IPCC Guidelines’, and assumes full responsibility for its contents. With respect to this verification opinion, DNV expressly disclaims any liability or responsibility to any third party other than the contracting entity, in accordance with the terms of engagement.

Objective and Scope of Verification

The objective of the verification is to present an independent verification opinion on the company’s GHG statement, and the scope of verification is as follows;

- Organizational Boundary : Pulmuone and subsidiaries (refer to annex for the list of subsidiaries)
- Operational Boundary : Scope 3 (Other Indirect emissions - Category 1, 3, 4, 5, 6, 7, 12)
- Reporting Period : 2024.01.01 ~ 2024.12.31

Verification Approach

The verification has been conducted in accordance with the verification principles and tasks outlined in the ‘ISO 14064-3:2019’, based upon a Limited Level of assurance. DNV planned and concluded our work so as to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a verification opinion with 5% materiality level. As part of the verification process, we have reviewed as follows;

- Adequacy of GHG data control, collection and emission calculation and report process
- The GHG inventory is based on measurements and has inherent limitations that may arise from the process of calculating, estimating, and finalizing the reported data.

Conclusions

Based on the verification, there is no evidence that the GHG statement is not materially correct and is not a fair representation of GHG data and information.

- DNV represents “unmodified” opinion on Greenhouse Gas Emissions.

(Unit: ton CO₂eq)

| Reporting year | Upstream Emissions | Downstream Emissions | Total emissions |
|----------------|--------------------|----------------------|-----------------|
| 2024 | 319,395 | 14,204 | 333,600 |

* In order to report the GHG emissions as an integer, the rounded number might be different from the number on the calculation tool with ± 1 tCO₂-eq.

This Assurance Opinion is valid as of the date of the issuance. Please note that this Assurance Opinion would be revised if any material discrepancy which may impact the Greenhouse Gas Emissions of the Company is subsequently brought to our attention.

May 30, 2025
Seoul, Republic of Korea

Lee, Jang Sup
Country Representative
DNV Business Assurance Korea Ltd.



Independent Auditor's Report on the Internal Accounting Control System

To the Shareholders and the BOD of Pulmuone Corporation

Audit Opinion

We have audited the financial statements of Pulmuone Co., Ltd. (the "Company"), which comprise the statements of financial position as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and cash flows for the years then ended in accordance with Korean International Financial Reporting Standards (K-IFRS).

We have also audited the Company's internal accounting control system as of December 31, 2024 in accordance with the auditing standards of the Republic of Korea, based on the Conceptual Framework for the Design and Operation of Internal Accounting Control System, and expressed an unqualified opinion in our audit report dated March 18, 2025.

Basis for Opinion

We conducted our audit in accordance with the auditing standards of the Republic of Korea. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the ethical requirements relevant to our audit of the financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the current period's financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Investments in Subsidiaries with Identified Impairment Indicators

Why it was determined to be a key audit matter

As disclosed in Note 13 to the financial statements, the Company identified impairment indicators for its investments in certain subsidiaries, specifically Pulmuone Danone Co., Ltd. and Pulmuone Health & Living Co., Ltd., whose carrying amounts are considered significant.

Given the high degree of management judgment involved in the impairment assessment, particularly in the estimation of future cash flows, growth rates, and discount rates, we determined this to be a key audit matter.

How the matter was addressed in the audit

To address this key audit matter, we performed the following audit procedures:

- Evaluated the design and operating effectiveness of internal controls over the impairment assessment of investments in subsidiaries
- Assessed the qualifications of external experts engaged by the Company
- Evaluated the appropriateness of the impairment model used
- Verified that the future cash flow projections were consistent with the business plans approved by management
- Reviewed the accuracy of the valuation calculations and conducted sensitivity analyses to assess the reasonableness of the value in use

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Korean International Financial Reporting Standards (K-IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report on the Internal Accounting Control System

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards of the Republic of Korea will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Korean auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to

cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure or, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

This audit was conducted under the supervision of engagement partner Yang-Soo Jung, CPA.

March 18, 2025

삼 일 회 계 법 인
대표이사 尹勳洙



This report is valid as of the date of the auditor's report (March 18, 2025). Events or circumstances that occur after the auditor's report date may have a significant impact on the accompanying financial statements and could require revision of this audit report.

Third-Party Assurance Statement

To Valued Stakeholders of Pulmuone Corporation

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the 2024 PULMUONE INTEGRATED REPORT (hereinafter referred to as the "Report"). The Assurer is independent of the Pulmuone Corporate and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the Pulmuone Corporate report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the Pulmuone Corporate and the assurance was carried out under the assumption that presented the information, and data were complete and accurate.

Pulmuone Corporate is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Pulmuone Corporate only.

The Assurer is responsible for providing Pulmuone Corporate management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of Pulmuone Corporate. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than Pulmuone Corporate in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

The scope of engagement agreed upon with Pulmuone Corporate includes the following:

- Reporting contents during the period from January 1st to December 31st 2024 included in the report, some data included the first half of 2025.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.

- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI, SASB and TCFD.
- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance levels and types are as follows;

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by Pulmuone Corporate.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1~4, 202-1, 203-1~2, 205-1~3, 206-1, 207-1~2, 207-4, 301-1, 302-1, 302-3~5, 303-1~5, 304-1~3, 305-1~5, 305-7, 306-1~5, 308-1~2, 401-~3, 403-1~10, 404-1~3, 405-1~2, 406-1, 413-2, 414-1~2, 415-1, 416-1~2, 417-1~3, 418-1

Third-Party Assurance Statement

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the departments responsible.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and ocument review of relevant systems, policies, and procedures where available

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with Pulmuone Corporate. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth

understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurer was carried out by a team of sustainability report assurors in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that Pulmuone Corporate's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

Pulmuone Corporate defined customers, shareholders, employees, suppliers, local communities and the environment as a Key Stakeholder Groups. In order to collect opinions by each stakeholder group in the context of sustainability, operated the stakeholder engagement process. Pulmuone Corporate conducted a review of the stakeholder engagement process at the Steering Committee in order to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. Pulmuone Corporate disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

Pulmuone Corporate implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality assessment, Pulmuone Corporate conducted the analysis of global sustainability disclosure and evaluation standards to derive the impact and financial materiality. Pulmuone Corporate derived 16 material issues through the process, and disclosed GRI topic standards disclosures related to material issues in the Report.

Third-Party Assurance Statement

Responsiveness: Responding to material sustainability topics and related impacts

Pulmuone Corporate operated a management process for material issues in the context of sustainability derived from the materiality assessment. Pulmuone Corporate established mid- to long-term sustainability plans and goals in according to the management methodology established to effectively reflect the expectations of key stakeholders. Pulmuone Corporate disclosed the process including policy, indicator, activity and response performance on key issues in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

Pulmuone Corporate identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material issues reported. Pulmuone Corporate established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material issues at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclosure related Economic, Social and Environmental were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic standards: 201-1~4, 202-1, 203-1~2, 205-1~3, 206-1, 207-1~2, 207-4, 302-1, 302-3~5, 303-1~5, 304-1~3, 305-1~5, 305-7, 306-1~5, 308-1~2, 403-1~10, 404-1~3, 405-2, 406-1, 413-2, 414-1~2, 416-1~2, 417-1~3, 418-1

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance; Considering the industry and business characteristics of Pulmuone Corporate,

- In accordance with the major sustainability policies and strategic directions, Pulmuone has specified the goals and key achievements for each sustainability issue. It may be helpful to advance the sustainability management system by disclosing the major achievements as well as detailed strategic plans based on the achievement status by year.
- It may be helpful to advance the sustainability management system by integrating the scope and structure of major sustainability performance indicators such as the environment and society with the operational structure, and strengthening the sustainability performance indicator management system and internal control procedures.

GRI-reporting

Pulmuone Corporate provided us with their self-declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by Pulmuone Corporate. The sector standard was not applied.

Issue Date: June 23, 2025

For and on behalf of BSI (British Standards Institution):

BSI representative

Jungwoo Lee,
Lead Assurer, LCSAP



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