2025 Sustainable Innovation For

BEAUTY & MORE

Kolmar Korea 2025 Sustainability Report

Kolmar

About this Report

Report Overview

KOLMAR KOREA CO., LTD. (hereinafter “Kolmar Korea”) first published its Sustainability Report in 2022 to transparently disclose the company’s direction and performance in sustainability management. This report includes the results of a double materiality assessment conducted to identify key issues facing the company in the course of its sustainability management and presents the material issues derived from this assessment along with corresponding response strategies and targets across the Environmental, Social, and Governance (ESG) domains. Kolmar Korea also continuously reflects its key initiatives and performance in its Sustainability Report and will continue to publish this report on an annual basis, transparently disclosing the sustainable values and achievements the company pursues while strengthening engagement with stakeholders.

Reporting Period and Frequency

This report covers sustainability management performance and activities from January 1st, 2025, to December 31st, 2025, with some performance data including information through the first half of 2026. Quantitative performance data includes figures from the most recent three years to enable year-over-year trend analysis. Kolmar Korea publishes its Sustainability Report annually, and the publication date for the 2025 Sustainability Report is June 30th, 2026.

Reporting Scope

This report covers the performance of all business sites under separate legal entities (R&D Complex, Sejong site, Bucheon site, Jeonui site, and Jeondong site) and some consolidated subsidiaries (HK inno.N Corporation and Yonwoo Co., Ltd.). Financial performance and some environmental data include overseas entities. Where data collection is limited or calculation standards have changed, the reporting scope and reasons for changes are separately noted in footnotes.

Reporting Standards

Kolmar Korea’s financial information disclosed in this report complies with the Korean International Financial Reporting Standards (K-IFRS), while non-financial information follows the Global Reporting Initiative (GRI) Standards 2021. The report also adheres to the UN Global Compact (UNGC) Communication on Progress (CoP) and the Task Force on Climate-related Financial Disclosures (TCFD) and reflects the International Sustainability Standards Board (ISSB) and S2 of the Korea Sustainability Standards Board (KSSB) to disclose governance, strategy, risk management, and metrics and targets related to key issues. In addition, the report incorporates the indicators required under the Household and Personal Products Standards of the Sustainability Accounting Standards Board (SASB), which is an industry-specific guideline reflecting the characteristics of each industry sector.

Report Limitations and Responsibility

This report includes forward-looking information such as Kolmar Korea’s sustainability management performance, climate change response strategies, and greenhouse gas reduction targets. Such information is based on data and reasonable assumptions available at the time of preparation, and actual results may differ from these projections due to changes in policy, regulatory, and market conditions. Climate-related financial impact and scenario analyses are provided for reference purposes only as estimated information, and do not represent actual financial performance or confirmed investment plans. The company does not guarantee the accuracy or completeness of the information contained in this report. While this report references the disclosure framework of KSSB S2 and IFRS S2, it does not presuppose full compliance with the relevant standards or external assurance.

External Verification

To ensure the accuracy, objectivity, and reliability of the reporting process and disclosed information, Kolmar Korea commissioned an independent verification specialist (BSI Group Korea) to conduct verification in accordance with the AA1000AS, an international verification standard. The third-party verification results are detailed on pages 162 - 164. The financial information in this report consists of audited data, and verification of greenhouse gas emissions and energy consumption was conducted in accordance with verification principles.

Report Inquiries

For additional inquiries regarding this report, please contact us at the information below.
ESG Management Team of Kolmar Korea (ESG@kolmar.co.kr)

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About Our Company

Kolmar Korea is committed to developing new technologies and advancing research to deliver healthy beauty. Based on our industry-leading R&D capabilities, the company will continuously strive to become the world's No.1 platform service company.

CEO Message

Dear Valued Stakeholders,

As we enter 2026, I would like to reflect on Kolmar Korea's sustainability journey and share our vision for the future.

The past year brought significant changes to the global landscape, including shifts in global supply chains, intensifying climate-related risks, and growing stakeholder expectations for ESG performance. At the same time, the cosmetics ODM industry has faced greater responsibilities as clients have strengthened their sustainability requirements and regulatory expectations continue to evolve.

In response, Kolmar Korea has remained proactive in addressing these challenges, focusing on strengthening our occupational health and safety management system, building a more sustainable supply chain, enhancing responsible corporate governance, and reinforcing our response to climate change.

Safety and Health: Our Top Priority

At Kolmar Korea, the safety and well-being of our employees remain our highest priority. During the past year, we strengthened our company-wide occupational health and safety management system and further enhanced our preventive risk management practices. We firmly believe that providing a safe and healthy workplace for every employee is fundamental to building a sustainable business.

Building a Sustainable Supply Chain Together

A sustainable supply chain is at the heart of our ESG strategy. We strengthened our ESG assessment framework for partner companies while actively supporting our business partners in improving their environmental, human rights, and ethical management capabilities. By enhancing transparency throughout our supply chain and fostering long-term partnerships, we continue to strengthen accountability across our entire value chain.

Transparent and Responsible Governance

Kolmar Korea has further solidified a transparent, board-centered decision-making framework. We have further strengthened the expertise and diversity of our Board of Directors and systematically integrated environmental, social, and governance considerations into key business decisions through our ESG Committee. Through the independent and professional operation of the Board of Directors, we will continue to enhance corporate transparency and uphold responsible management that earns the trust of all our stakeholders.

Addressing Climate Change Risks

We continue to systematically manage key environmental indicators, including greenhouse gas emissions and energy consumption. Through our transition toward renewable energy and improvements in energy efficiency, we have established a solid foundation for reducing our Scope 1 and 2 GHG emissions. We have also expanded the development of environmentally friendly packaging and strengthened Life Cycle Assessment (LCA) across our products to minimize environmental impacts throughout the product life cycle.

We view climate change not only as a risk but also as an opportunity. By advancing environmentally friendly technologies and accelerating low-carbon innovation, we will continue to deliver differentiated value to our clients while strengthening our long-term competitiveness.

Looking Ahead to 2026

In 2026, Kolmar Korea will focus on three strategic priorities:

First, we will further refine our carbon reduction targets and strengthen implementation monitoring to establish clear milestones on our path toward Net Zero by 2050. Second, we will advance our occupational health and safety, human rights, and supply chain due diligence systems to align with international standards, reinforcing our position as a responsible ODM partner. Third, we will further strengthen stakeholder engagement and enhance transparency by openly communicating our ESG performance.

Sustainability is no longer a choice—it is essential for long-term business resilience and our responsibility to future generations. As a global ODM partner supporting our clients' sustainability goals, Kolmar Korea will continue to create sustainable value together with all our stakeholders while leading the transformation of our industry.

As we publish our 2025 Sustainability Report, I would like to express my sincere appreciation to everyone who has supported us on this journey. Your trust and continued support inspire us to pursue even greater challenges and achievements.

Thank you.

June 2026

CEO of Kolmar Korea, **Hyun-kyu Choi**

Kolmar Korea PROFILE

Company Overview

No.1 Platform Service Provider

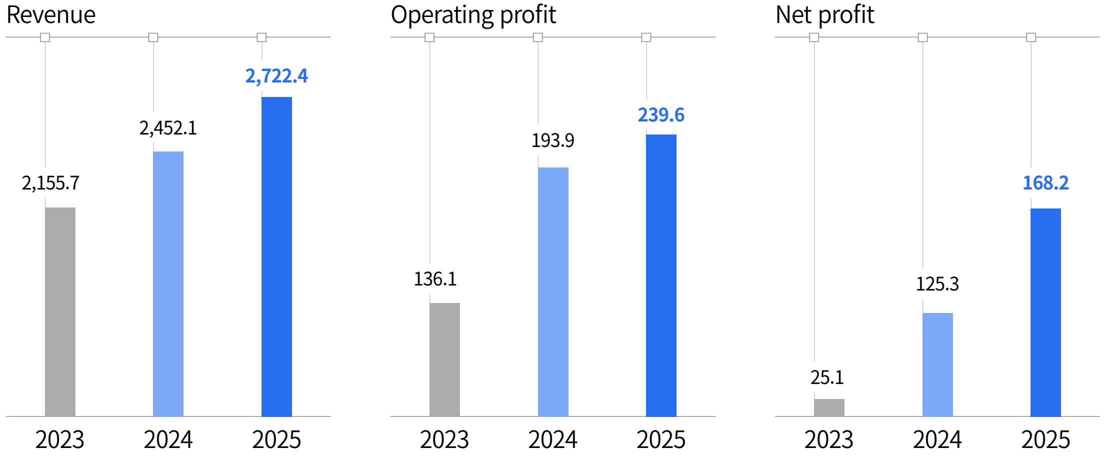
As Korea's first ODM company, Kolmar Korea provides comprehensive end-to-end services from trend analysis and product planning to development, shipment, and ongoing support, leveraging our exceptional technical expertise and high-quality standards. Through a customized platform that supports the global expansion of our client brands, we continue to lead the global market. Building on our unrivaled R&D capabilities, we will support the growth of our clients and remain as a trusted partner in bringing healthy beauty to people around the world.

Company Overview

Company	KOLMAR KOREA CO., LTD.
CEO	Hyun-kyu Choi
Date of Establishment	October 2, 2012 (Spun off from what is now Kolmar Holdings)
Address of HQ	12-11 Deokgogae-gil, Sejong-si, Republic of Korea
Credit Rating	A

Key Management Performance (Consolidated)

Unit: KRW billion



Corporate Philosophy

[Kolmar Korea focuses on people as an R&D company that leads new technology and is making efforts to become a company that fulfills its responsibilities for the health and beauty of humankind and ultimately contributes to a valuable life.]

Human Management
In principle, Kolmar Korea pursues organic management that enhances the autonomy of our employees. Kolmar Korea provides active support to allow individual employees to do what suits them best and what we do best.

Technology Management
Kolmar Korea continuously challenges to develop new technologies to become a 'world-first-class R&D manufacturing company'.

Value Management
Kolmar Korea leads by creating customer values. Because Kolmar Korea provides ODM total services, our customers' success is Kolmar Korea's success.

Responsibility Management
Kolmar Korea creates a management environment that allows all to participate in management activities with a sense of responsibility in each diversified business sector and have self-control in our performances.

Core Values

The core values, with 4 virtues and 5 practices, serve as fundamental guidelines for the organization of Kolmar Korea and represent the principles and beliefs that Kolmar employees should uphold.

4 Virtues

Creativity	Rationality	Initiative	Independency
Create a new value through improvement and refinement with a progressive attitude	Achieve a win-win situation by adhering to principles and basics while choosing the optimal method	Realize possibilities through meticulous planning and bold action	Create a rewarding workplace based on mutual trust

5 Practices

Reading	Being Simple	Modesty	Sharing	Slow & Steady
Gain broad indirect experiences through knowledge and wisdom	Reduce the unnecessary and focus on what is needed	Lower oneself to learn anytime and anywhere	Accumulate goodness to enjoy long-lasting blessings	Constantly advance on one's own path

Kolmar Korea PROFILE

Company History

The 35-year history of Kolmar Korea has been marked by a series of bold challenges. Driven by an unwavering commitment to evolution and innovation, we pioneered ODM services in the Korean cosmetics industry, made sustained investments in R&D, and expanded into the Chinese and North American markets. Kolmar Korea remains dedicated to pursuing sustainable growth by creating new value for our clients.

1990-2007

Creating the values of beauty and health

- 1990. 05. 15 Established Kolmar Korea
- 1991. 04. 12 Constructed Jeonui Cosmetics Factory
- 2000. 10. 25 Constructed and opened Central R&D Center
- 2002. 03. 15 Entered the pharmaceutical industry and completed its pharmaceutical plant
  - 04. 09 Listed on Korea Stock Exchange
- 2003. 01. 05 Established the first life science research center in the cosmetics industry
- 2004. 01. 07 Established first public/private corporation SunBio Tech Co., Ltd. (Current Kolmar BNH) with Korea Atomic Energy Research Institute
- 2007. 05. 28 Established HK Kolmar Cosmetics (Beijing) Co., Ltd. in China

2011-2017

Journey to a 100-year company of sustainable growth

- 2011. 01. 28 Korea's first to acquire ISO22716(CGMP)
  - 07. 18 Kolmar Korea skincare cosmetics factory, designated as the No. 1 CGMP compliant business in Korea (Korea Food & Drug Administration)
  - 08. 26 Kolmar Korea color cosmetics factory, designated as the No. 2 CGMP compliant business in Korea (Korea Food & Drug Administration)
- 2012. 04. 29 Selected as one of the 300 world-class supported companies(Ministry of Knowledge Economy)
  - 10. 01 Transformed to a holding company structure and has divided itself into a holding company and a cosmetic business subsidiary
- 2014. 06. 20 Constructed Asia's largest single cosmetic manufacturing factory
- 2016. 06. 28 Established Kolmask, a mask pack manufacturing specialized subsidiary
  - 09. 19 Acquired American cosmetics ODM company PTP (Process Technologies and Packaging)
  - 11. 30 Acquired Canadian cosmetics OEM/ODM company CSR Cosmetic Solutions
- 2017. 08. 16 Constructed Yeoju academy

2018-present

Kolmar Korea, Korea's leading platform company

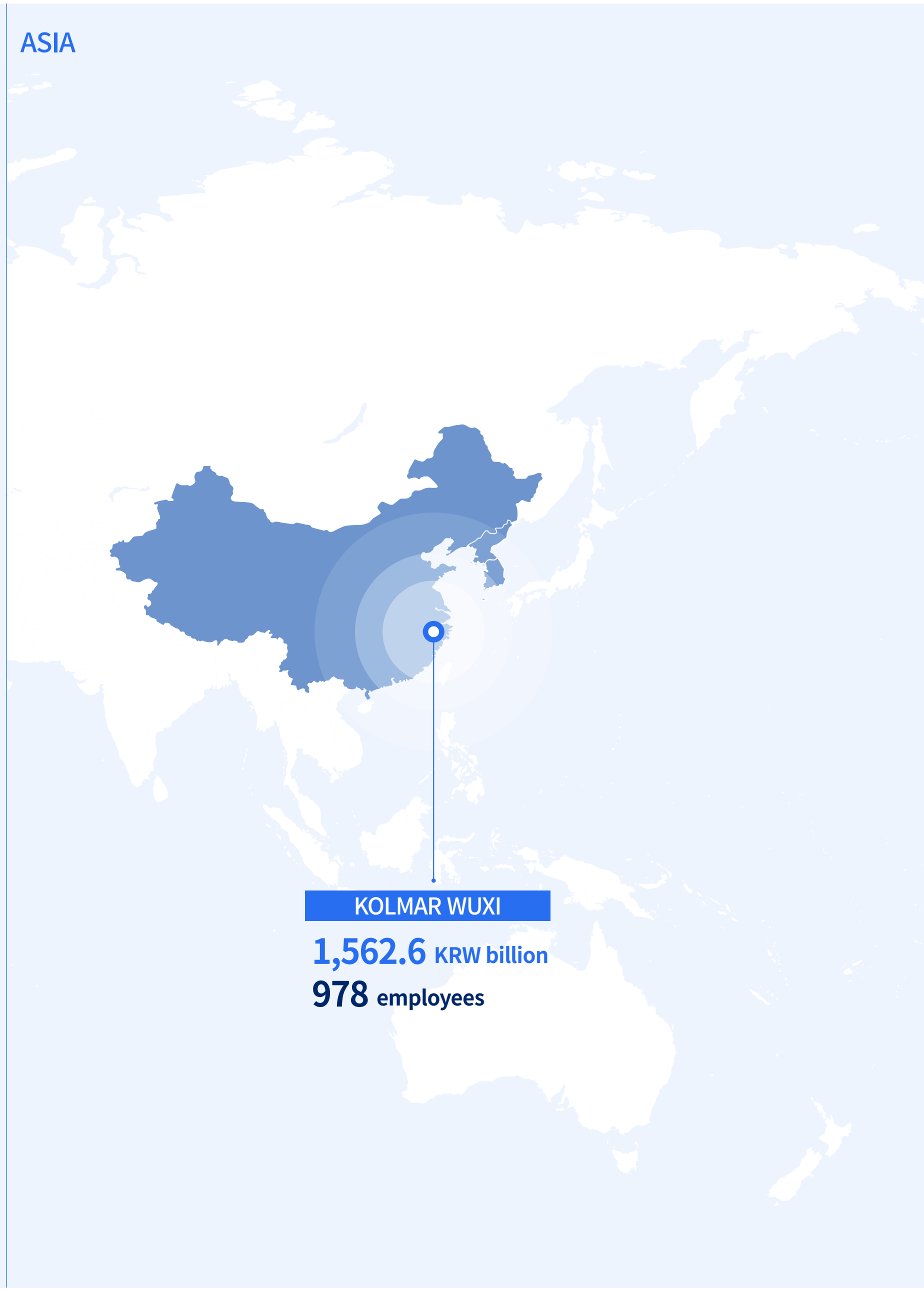
- 2018. 01. 30 Kolmar Korea/Kolmar Holdings/Kolmar BNH were included in the KRX 300
  - 04. 18 Acquired CJ HealthCare(current HK inno.N)
  - 10. 11 Constructed HK Kolmar Cosmetic(Wuxi) Co., Ltd. in China
- 2019. 07. 31 Launched the 'Kolmar Korea R&D Complex', the first research center in Korea converging cosmetics, pharmaceuticals, and health supplements
- 2020. 12. 18 Newly established health & beauty production platform 'PLANIT147'
- 2021. 05. 15 Presented a new corporate identity(CI)
- 2022. 05. 17 Acquired the global trademark of 'Kolmar'
  - 06. 28 Acquired global cosmetics packaging company 'Yonwoo'
  - 09. 19 Established Kolmar Mugunghwa History and Culture Center
  - 11. 21 First company in the cosmetics industry to obtain integrated certification for ISO 37001 & 37301 (Anti-bribery & Compliance Management System)
- 2023. 01. 01 Kolmar Korea transitioned to an intermediate holding company
  - 01. 19 Acquired Osstem Sejong Site
  - 04. 27 Developed environmentally friendly paper stick
  - 06. 29 Published the 2022 Sustainability Report
  - 10. 19 Entered into a comprehensive share exchange agreement to incorporate 'Yonwoo Co., Ltd.' as a wholly owned subsidiary
  - 10. 27 Achieved 'A' Grade in KCGS 2023 ESG Integrated Evaluation
  - 12. 18 Awarded the Grand Prize in the mid-sized enterprise category at the Korea ESG Management Awards
- 2024. 03. 15 Won the IF Design Award 2024 Beauty & Care Category for Paper Stick
  - 04. 25 First company in the industry to obtain Green Technology Product Certification for Sunscreen
  - 06. 20 Published the 2023 Sustainability Report
  - 09. 12 Won Gold Prize at IDEA (International Design Excellence Awards), One of the World's Top 3 Design Awards (Kolmar Korea·Yonwoo)
  - 10.25 Achieved 'A' Grade in KCGS 2023 ESG Integrated Evaluation
  - 11. 27 Kolmar Korea, selected as the world's top sustainable growth company of 2025 by TIME, a U.S. weekly magazine
- 2025. 02. 25 Achieved Integrated 'A+' Grade in ESG Sustainable Management Assessment for Top 250 Korean Companies by Market Capitalization (hosted by ESG Happiness Economy Research Institute)
  - 03. 06 Acquired Kolmar UX., LTD.
  - 03. 27 Won Grand Prize in Two Categories - Innovation Technology and Sustainability - at Cosmopack Awards
  - 04. 08 Won Silver Prize in Cosmetics/Functional Ingredients and Bronze Prize in Natural Products/Functional Ingredients at the BSB Innovation Awards for Cosmetic Ingredients
  - 05. 30 Launched KolmarPackage.com, a global cosmetics packaging sourcing platform
  - 11. 13 Selected as the world's top sustainable growth company of 2026 for the second consecutive year (TIME Magazine)
  - 11. 17 Received the Minister of Trade, Industry and Energy Award for Excellence in Supporting Women in Engineering (Ministry of Trade, Industry and Resources)
  - 12. 30 Obtained the industry's first KOLAS accreditation (Korea Laboratory Accreditation Scheme) accreditation for UV protection testing

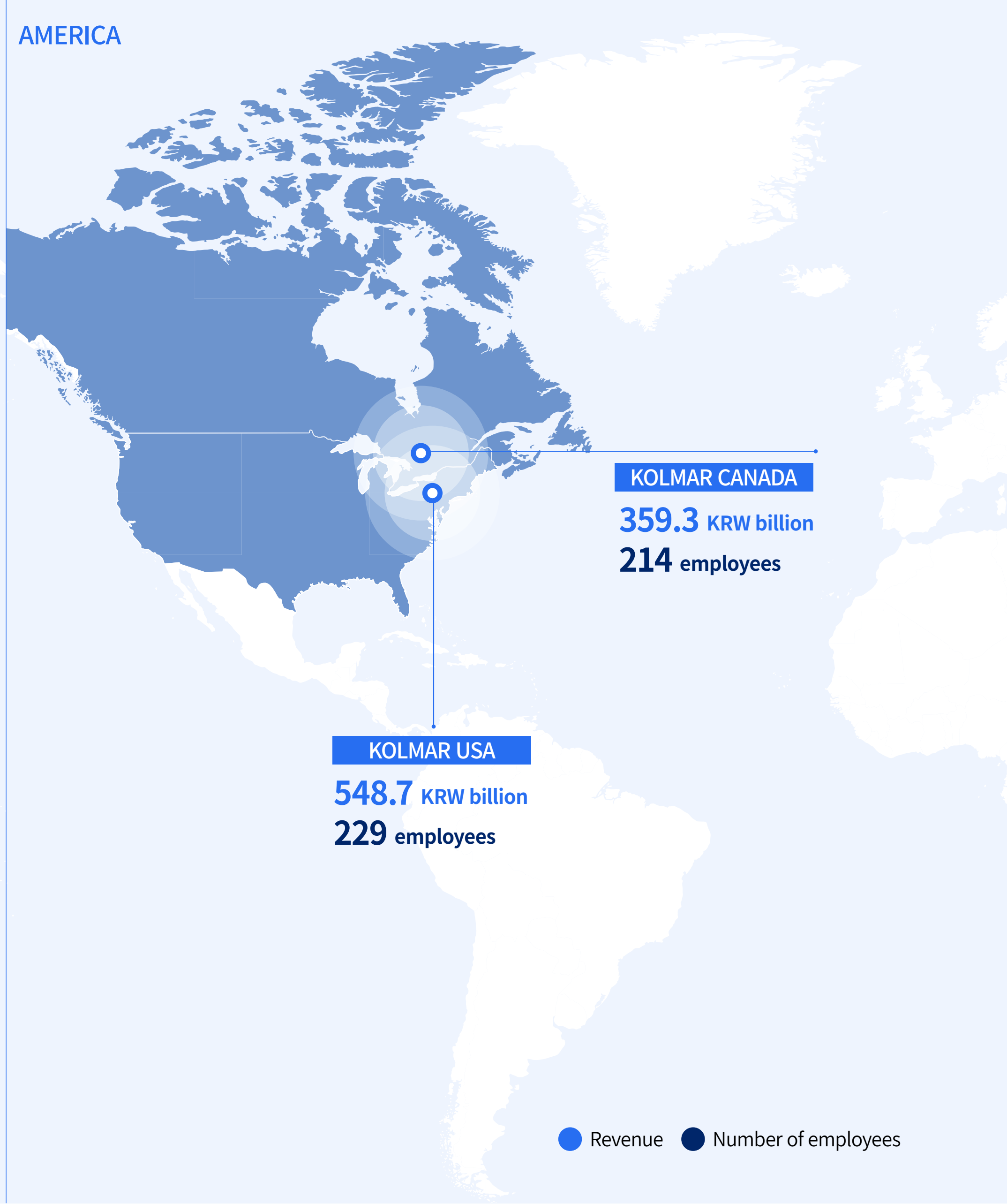
Kolmar Korea PROFILE

Global Network

Kolmar Korea delivers region-specific solutions by leveraging its R&D capabilities and manufacturing technologies in local markets, spanning raw material research, dermatology, and packaging development. By establishing a global production infrastructure across key markets, including North America and China, we are strengthening strategic partnerships that support our clients' global expansion. Building on the opening of our North American Technical Sales Center in 2024, our second North American plant is scheduled for completion in 2025, further expanding our global business footprint.

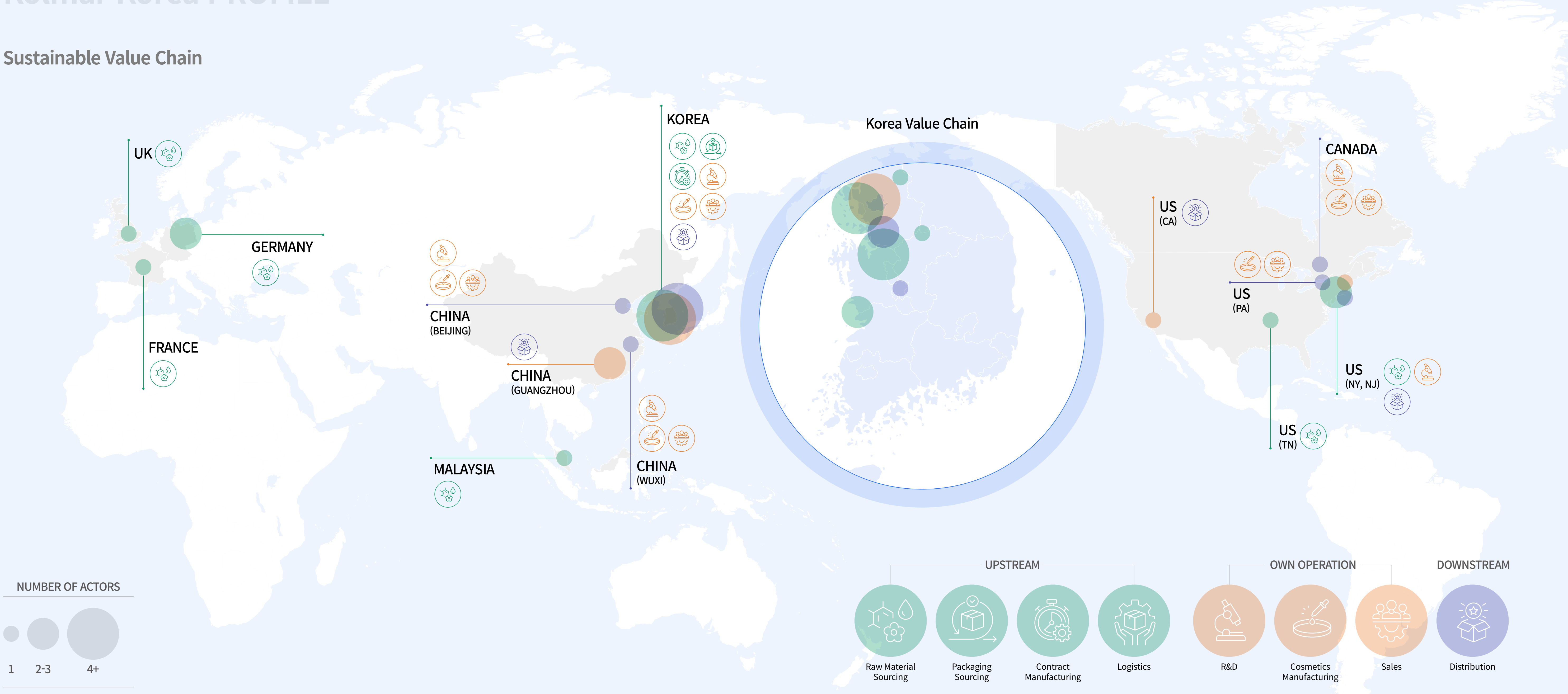
Major Subsidiaries	Location
HK inno.N Corporation	South Korea
Yonwoo Co., Ltd.	South Korea
Kolmar Cosmetics (Beijing) Co., Ltd.	China
Kolmar Cosmetics (Wuxi) Co., Ltd.	China
HK Kolmar Laboratories, Inc.	U.S.
HK Kolmar Canada, Inc.	Canada
MOD Materials Co., Ltd.	South Korea
Seokoh Canada, Inc.	Canada
Kolmar UX Co., Ltd.	South Korea





Kolmar Korea PROFILE

Sustainable Value Chain



* Includes major subsidiaries only

Kolmar Korea PROFILE

Sustainable Value Chain

Kolmar Korea conducted a value chain analysis to systematically identify and manage potential risks and emerging opportunities across our value chain, including our supply chain. Based on the non-financial impacts and key insights identified through this analysis, we will expand our ESG management framework across the entire value chain and strengthen the foundation for sustainable business growth.

	1-1. Raw Material Sourcing	1-2. Packaging Sourcing	2. Contract Manufacturing	3. Logistics
Material Impacts	· Ecosystem impacts from raw material extraction · Labor and human rights at raw material origins and corporate accountability in raw material sourcing · Transparency and disclosure quality of partner company ESG information	· Environmental impacts from packaging material production and disposal · Occupational safety issues, including hazardous substance exposure, in packaging manufacturing · Impact of partner company certification management on quality and reliability	· Environmental impacts and Scope 3 GHG emissions from outsourced manufacturing · Social impacts, including industrial accidents and poor working conditions · Quality, product consistency, and client trust in outsourced manufacturing	· Scope 3 GHG emissions from fossil fuel-based inbound logistics · Occupational health and safety impacts, including overwork and accidents · Transport partners' regulatory compliance, safety, and supply chain management
Identified Risks	· Procurement constraints and cost increase driven by growing demand for Eco-certification and traceability · Loss of orders and revenue decline due to inadequate supply chain traceability and human rights risk management under stricter human rights due diligence requirements · Recalls, disputes, and reputational damage due to insufficient verification of raw material safety and origin	· Increased procurement costs and product development lead times due to packaging change under stricter plastic regulations, including the EU PPWR · Supply chain audit findings and contract termination by client brands due to labor issues at partner company facilities · Regulatory and contractual issues, including shipment suspension and product claims, due to inadequate management of hazardous substances in packaging	· Project delays and increased procurement costs from process changes and identifying alternative partner companies under stricter environmental regulations · Reputational damage and loss of client trust from supply chain accountability issues following major industrial accidents at outsourced manufacturing facilities · Product recalls, audit failures, contract termination, and business discontinuation due to GMP and regulatory non-compliance at outsourced manufacturing facilities	· Rising logistics costs and reduced cost competitiveness due to stricter carbon taxes and transport regulations · Reputational impacts related to supply chain social responsibility due to labor issues involving logistics personnel · Supply disruptions and delivery delays due to dependence on specific logistics providers during strikes or accidents
Identified Opportunities	· Strengthening competitiveness by proactively identifying environmentally friendly alternative ingredients and delivering differentiated solutions to clients · Strengthening partnerships with global brands through the adoption of ethical sourcing certifications · Enhancing due diligence capabilities and stakeholder confidence by establishing partner company ESG assessment and traceability systems	· Enhancing client competitiveness through expanded use of environmentally friendly packaging, including PCR materials and refillable containers · Improving working conditions and brand trust through implementing and monitoring labor safety standards for partner companies · Proactively managing risks and building a high-performing partner company network through integrated environmental and quality assessments	· Expanding business opportunities with global clients by supporting environmental management at contract manufacturers · Enhancing partner company capabilities and building a mutually beneficial supply chain through occupational health and safety training and support for outsourced manufacturers · Proactively preventing manufacturing risks by establishing integrated quality and ESG management standards and conducting regular audits	· Reducing Scope 3 GHG emissions and strengthening environmental disclosure readiness through environmentally friendly transportation and route optimization · Expanding supply chain social responsibility through collaboration to improve safety and working conditions at logistics partners · Improving Scope 3 data quality and proactively addressing client requirements through carbon emissions measurement and reporting systems

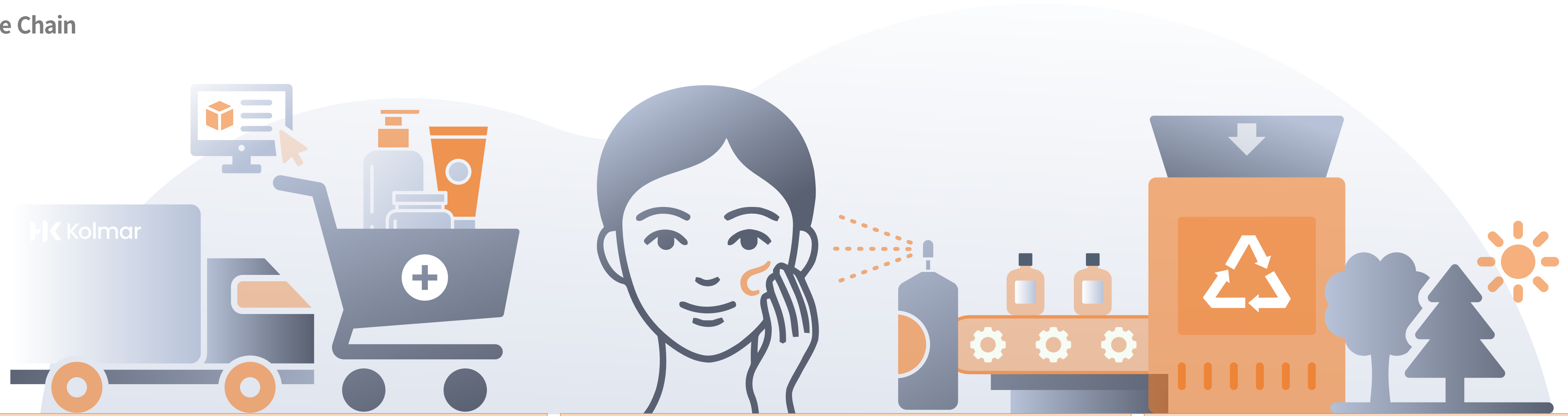
Kolmar Korea PROFILE

Sustainable Value Chain

	1. R&D	2. Cosmetics Manufacturing	3. Sales
Material Impacts	• Environmental burdens from chemicals and waste reagents in the R&D process • Occupational exposure and safety risks for researchers handling hazardous chemicals • R&D ingredient safety assessment for product quality and compliance	• Environmental burdens from energy, water, and chemical consumption and wastewater and waste generation in manufacturing processes, along with scope 1 and 2 GHG emissions from energy use • Occupational accident and occupational disease risks related to chemicals and equipment at manufacturing sites • Manufacturing GMP compliance for product quality and long-term client relationships	• Environmental footprint of final consumer products influenced by products proposed to clients • Accuracy of product ingredient and safety information, consumer safety, and client product liability • Fair trade compliance in contract and pricing negotiations as a reflection of corporate ethics and governance
Identified Risks	• Increased costs and lead times due to the redesign of existing development processes in response to stricter environmental regulations on raw material ingredients • Growing need to transition existing safety verification methods due to stricter ethical standards for ingredient safety assessments • Reduced client responsiveness and technical competitiveness due to IP risks, including ingredient patents and exclusive raw material supply	• Increased manufacturing costs and reduced price competitiveness due to the strengthening of the Emissions Trading Scheme (ETS) and rising energy costs • Criminal liability for management and business interruption risks in the event of occupational accidents under stricter regulations, including the Serious Accidents Punishment Act • Regulatory audit findings, production permit revocation, and contract termination risks due to inadequate management of process data and quality records	• Lower competitiveness of existing product portfolios due to stricter environmental requirements from clients • Reputational damage and legal dispute risks due to exaggerated or false claims about product performance and ingredients • Declining profitability due to revenue concentration in specific clients resulting from contract termination or changes in commercial terms
Identified Opportunities	• Achieving technological differentiation in the sustainable beauty market by expanding environmentally friendly product lines • Enhancing client trust and alignment with global ethical standards by strengthening alternative testing capabilities • Establishing long-term client partnerships based on technological competitiveness enabled by patents and proprietary ingredient technologies	• Enhancing low-carbon production capabilities and cost efficiency through energy efficiency, renewable energy transition, and water recycling • Retaining top talent and enhancing production efficiency by establishing a safe working environment • Strengthening competitiveness in securing orders from overseas clients by advancing quality management systems and obtaining global certifications (ISO, CGMP, etc.)	• Attracting ESG-conscious clients by offering environmentally friendly product and packaging solutions • Strengthening long-term partnerships with clients by establishing processes for ingredient transparency and safety information disclosure • Mitigating revenue concentration risks and establishing a stable revenue base through client portfolio diversification and strengthening long-term supply agreements

Kolmar Korea PROFILE

Sustainable Value Chain



	1. Distribution	2. Product Use	3. Disposal
Material Impacts	• Scope 3 GHG emissions from client distribution and logistics and regulatory compliance through product information accuracy and transparency	• Product ingredient safety, consumer skin health, and corporate responsibility for adverse reactions	• Environmental burdens from landfilling and incineration of packaging materials • Disproportionate environmental impacts of end-of-life management on local communities and vulnerable groups
Identified Risks	• Packaging redesign costs due to stricter environmental packaging requirements • Client disputes and reputational risks from product deterioration, contamination, and other quality issues during distribution • Customs rejection and recall risks due to inadequate review of country-specific ingredient and labeling regulations	• Client demands for product reformulation due to the designation of ingredients under stricter biodegradability and environmental toxicity standards • Exposure to indirect legal and reputational risks through client brands due to rising consumer allergy and adverse reaction claims • Contractual and legal dispute risks arising from retrospective manufacturer accountability for consumer safety and ingredient issues	• Risks of unmet recyclability standards at the end-of-life stage and increased packaging modification costs due to stricter EPR and packaging regulations • Reputational risks due to increased scrutiny of packaging design accountability amid rising criticism over cosmetic container waste • Contractual dispute risks due to client non-compliance with stricter end-of-life regulations
Identified Opportunities	• Strengthening brand image and market competitiveness through the adoption of lightweight environmentally friendly packaging • Reducing quality claim risks by providing formulation stability data for each distribution channel • Strengthening order competitiveness through the systematic management and proactive provision of regulatory information for major export markets	• Achieving differentiation through reduced environmental burdens at the consumer use stage by strengthening capabilities in biodegradable ingredient and hypoallergenic product development • Strengthening order competitiveness and proactively managing consumer adverse reaction risks through the systematic provision of safety assessment data • Strengthening competitive advantage and reducing future risks by establishing internal ingredient safety review standards based on global regulations	• Supporting clients' circular economy transition and enhancing trust through design for recyclability and the use of PCR materials • Fulfilling social responsibility and expanding partnership opportunities by supporting the design of empty container collection and recycling programs • Providing compliant packaging and building trusted partnerships with clients through the establishment of a packaging regulation monitoring system

Kolmar Korea PROFILE

Business Portfolio

Based on market trend analysis, Kolmar Korea manages the entire process from product planning and development to manufacturing. Through cross-functional collaboration among key departments, including the Sales Division and Technical Research Lab, the company delivers customized beauty solutions across skincare, makeup, hair, and body care, covering every stage from clients' initial product development requests to manufacturing and final shipment.

SKIN

Skin Care

- Skin
- Lotion
- Mist
- Balm
- Ampoule
- Serum
- Essence
- Cream
- Cleanser
- Pack, Peeling
- Facial Oil
- Pad
- Mask

Sun Care

- Sunscreen
- Sun Lotion, Sun Milk
- Sun Cushion
- Sun Stick
- Sun Spray

MAKE UP

Base Makeup

- Foundation
- Cushion
- BB Cream
- CC Cream
- Concealer
- Primer
- Powder Pact

Point makeup

Lip
- Lipstick
- Lip Balm
- Lip Gloss
- Lip Tint
- Lip & Cheek

Face
- Shading
- Highlighter
- Blusher

Eye
- Mascara
- Eyeliner
- Eyebrow
- Eyeshadow

HAIR/BODY

Personal Care

- Body
- Hair
- Dental
- Perfume

Kolmar Korea PROFILE

R&D HIGHLIGHT

Kolmar Korea's world-class researchers are dedicated to continuous technological innovation and creative product development. The company's technological capabilities, which serve as the foundation for numerous domestic and international cosmetics brands, are built on the expertise of researchers who explore the essence of beauty and build a solid foundation for skin health.

Skin Care Lab.

Kolmar Korea's technological expertise, which serves as the backbone of numerous domestic and international cosmetics brands, originates from our Skin Care Lab. Our exceptional research team explores the essence of beauty and establishes a solid foundation for skin health.

Make-up Lab.

The Make-up Lab. develops differentiated makeup products based on global trend analysis and accumulated formulation research know-how, realizing the dreams and beauty of people around the world.

UV TECH Innovation Lab.

The UV TECH Innovation Lab. is accelerating the development of future technologies to lead the sun care market through the development of proprietary materials with excellent UV protection performance, building on the technological leadership that has driven innovation in sun care products.

Personal Care Lab.

The Personal Care Lab. provides total solutions that realize the value of 'Healthy Beauty' in the fields of hair, body, and dental care, presenting a healthy and beautiful lifestyle inherent to individuals.

Convergence Technology Lab.

Convergence Technology Lab's researchers, possessing outstanding creativity and expertise in each field, pursue technological synergy and innovation. We create new value for a new era through creative fusion and integrated thinking aimed at implementing future technologies.

Skin & Natural Products Lab.

The Skin & Natural Products Lab. research core technologies that add value to precious natural biological resources. We develop high-value-added materials based on research into natural product-derived ingredients and their efficacy, while ensuring product safety through skin clinical trials and various tests so that consumers can use them with trust.

Perfumery Lab.

The Perfumery Lab. is an emotional laboratory that enhances product value by breathing spirit and life into products through charming fragrances. Our top fragrance researchers, equipped with delicate senses, develop and research scents that touch the emotions of our clients across cosmetics, pharmaceuticals, biotechnology, and health functional foods.

Analysis Center

The Analysis Center precisely analyzes and evaluates the characteristics of raw materials and products utilizing diverse analytical technologies and specialized equipment. It supports research and development by securing objective test data, contributing to strengthening the quality competitiveness of our products.

Chroma Kolmar Studio

Through prospective research on color and texture trends, we plan and create the colors that will lead makeup products, and provide comprehensive color services—from establishing a global makeup color inventory to developing globally optimized colors.

U'r Lab.

To communicate with a diverse range of clients, the User Resource Laboratory works more closely with our clients proposing Kolmar's diverse formulation categories from the client's perspective and communicating promptly to support successful product launches.

RAS(Regulatory Affairs) Center

As a regulatory expert organization dedicated to responding accurately and swiftly to domestic and global regulatory information and changes, the RAS Center has established a rapid response system to support our clients' domestic and global expansion.

Kolmar Korea PROFILE

Enhancing Global Competitiveness

Amid the rapid growth of K-indie brands in the global beauty market, Kolmar Korea, a leading manufacturing partner for K-indie brands, continues to achieve remarkable growth. Products developed with Kolmar Korea's technological expertise have gained strong market recognition, enabling the company to achieve record financial performance last year, with revenue of approximately KRW 1.19 trillion and operating profit of KRW 149.5 billion on a standalone basis. As of April 2025, the company held 1,256 patent applications and 756 registered patents, demonstrating its continued commitment to strengthening its R&D capabilities. As a key partner in the K-beauty industry, Kolmar Korea continues to reinforce its position in the global market.

R&D Investment and Workforce

5.58%
R&D Investment as a Percentage of Revenue

31%
R&D Experts as a Percentage of the Total Workforce

Patents, Utility Models, and Design

	Patents	Utility Models	Design
Applied	1,256	54	321
Registered	756	37	288

* Based on cumulative figures, excluding abandoned cases.

Kolmar Korea 2025 R&D Achievements

First-Ever CES Best of Innovation Award in the Cosmetics Industry for AI Beauty Technology

Kolmar Korea demonstrated its AI beauty technology capabilities at CES, the world's largest consumer technology exhibition, for two consecutive years. At CES 2025, the company introduced CAIOME, an ultra-personalized platform that analyzes skin microbiomes within five minutes using a single swab and provides AI-driven customized skincare recommendations. Building on this achievement, Kolmar Korea received both the Best of Innovation Award in the Beauty Tech category and an Innovation Award in the Digital Health category at CES 2026, becoming the first company in the cosmetics industry to receive the Best of Innovation Award. The award-winning Scar Beauty Device integrates AI-based scar analysis, therapeutic ointment application, and customized makeup application into a single solution, demonstrating Kolmar Korea's capabilities in integrating diagnosis, treatment, and beauty care.




Dual Winner at the Cosmopack Awards 2025

Kolmar Korea won the Innovation Technology and Sustainability categories at the Cosmopack Awards 2025, one of the beauty industry's most prestigious awards. CAIOME, an AI-powered skin microbiome analysis platform, won in Innovation Technology, while ECO-PULSE™ Centella, a centella asiatica extract produced through an environmentally friendly, non-heating process, won in Sustainability. These achievements reinforced Kolmar Korea's technological competitiveness as a leading global ODM company.

Two Awards at the BSB Innovation Awards 2025

Kolmar Korea received two awards at the 23rd BSB Innovation Awards 2025, one of Europe's most prestigious cosmetic ingredient awards. Flollagen, a proprietary functional cosmetic ingredient, received the Silver Award in Cosmetics/Raw Materials, while Mololock, a natural ingredient derived from molokhia, received the Bronze Award in Natural Products/Raw Materials. These achievements demonstrated Kolmar Korea's capabilities in developing innovative cosmetic ingredients for the global market.

Commercialization of a New UV Filter Developed in Collaboration with BASF

Through years of joint research with BASF, Kolmar Korea registered Tris-Biphenyl Triazine, a new UV filter, under the Ministry of Food and Drug Safety (MFDS)'s cosmetic ingredient regulations in September 2025. By combining its proprietary UV X-pert Boosting technology with this hybrid ingredient, which absorbs and reflects UV, Kolmar Korea introduced a next-generation sun care solution that effectively blocks UV-A and UV-B even in small amounts, strengthening its competitiveness in next-generation sun care technologies.

Selection as the Cosmetics Industry's Only Lead Company in MOTIE's AI Autonomous Manufacturing Project

Kolmar Korea was selected as the first and only cosmetics industry lead company for the AI Factory Alliance, a key initiative under the Ministry of Trade, Industry and Energy (MOTIE)'s AI Autonomous Manufacturing Project. By 2029, the company plans to implement real-time AI analysis and autonomous control across compounding, filling, and packaging processes. With a target of zero defects and process accuracy of over 95%, Kolmar Korea aims to set a new benchmark for next-generation beauty smart factories.

2.4-fold Improvement in Skin Absorption with Hybrid Exosome Technology

At ISEV 2025, the annual meeting of the International Society for Extracellular Vesicles (ISEV), Kolmar Korea presented its Hybrid Exosome technology for improved skin absorption. By combining exosomes with skin-mimicking liposomes, the technology increases the stability and penetration of active ingredients by a factor of more than 2.4 and enables targeted delivery to support wrinkle improvement and skin barrier enhancement. It is expected to be applied to next-generation slow-aging cosmetics, further strengthening Kolmar Korea's advanced skin delivery capabilities.

Kolmar's Growth Pillars

Kolmar Korea has consistently achieved growth above the cosmetics industry average, maintaining its position as a leading global ODM and OEM company. The key drivers of this distinctive value creation and core competitive advantages include R&D, Quality Control Capabilities, Production Reponsiveness Capabilities, and Global Competitiveness.

Growth Foundation of Kolmar Korea

Quality Control Capabilities

Kolmar Korea continues to strengthen its position as an industry leader through a robust quality assurance system that enables a swift response to changing market demands. The company was the first in Korea to obtain both CGMP certification designated by the Ministry of Food and Drug Safety (MFDS) and ISO 22716 certification, establishing a manufacturing environment that complies with global regulatory standards. To ensure product safety and reliability, Kolmar Korea also operates one of the industry's largest quality control workforces. In January 2020, its Sejong Site, the company's primary production site for skincare products, obtained KOLAS accreditation to ISO/IEC 17025, the international standard for testing and calibration laboratories, demonstrating its world-class quality testing and analytical capabilities.

R&D

Kolmar Korea has established world-class technological capabilities in the research and development (R&D) of skincare and functional cosmetics. In 2013, the company became the first in the Korean cosmetics industry to obtain U.S. FDA approval for a sun care product, demonstrating its global technological capabilities. Kolmar Korea consistently reinvests more than 5% of its revenue in R&D each year. In addition, R&D experts comprise one-third of the company's total workforce, reinforcing its position as a technology-driven company.

To maximize synergies through technology convergence, Kolmar Korea established the R&D Complex, bringing together its previously dispersed research centers into a single location. The R&D Complex provides an environment where R&D experts in cosmetics, pharmaceuticals, and health functional foods can collaborate closely.

Production Responsiveness Capabilities

In October 2014, Kolmar Korea completed its new skincare manufacturing factory in Sejong Special Self-Governing City, securing one of the largest production capacities in Korea. The company currently has domestic production capacity valued at KRW 1.55 trillion, including KRW 1.35 trillion for skincare and KRW 200 billion for makeup. Overseas, it has production capacity of approximately KRW 1 trillion, including KRW 550 billion at Kolmar Wuxi, KRW 335 billion at Kolmar USA, and KRW 115 billion at Kolmar Canada. This production capacity is on par with that of major domestic brand owners and serves as a foundation for Kolmar Korea's global manufacturing competitiveness. As product life cycles continue to shorten and global beauty companies increase their reliance on ODM and OEM outsourcing in Korea, Kolmar Korea continues to strengthen its manufacturing competitiveness and expand its presence in the global market.

Global Competitiveness

Kolmar Korea has consistently achieved growth above the cosmetics industry average, maintaining a strong position as a leading ODM and OEM company. By developing proprietary formulation technologies through its R&D and supplying products tailored to client needs, more than 95% of its cosmetics revenue is generated through this approach. Supported by a broad product portfolio ranging from mid- to high-end cosmetics to functional cosmetics, Kolmar Korea has established strong partnerships with more than 900 clients, including major domestic brands such as Atomy, Carver Korea, and CJ Olive Young, as well as global clients. Building on its differentiated technological capabilities and global manufacturing capacity, Kolmar Korea will continue to strengthen its role as a key partner supporting the global expansion of K-beauty.

Subsidiary Introduction

HK inno.N Corporation

Company Overview

Company Name	HK inno.N Co., Ltd.
CEO	Dal-won Kwak
Head Office	239, Osongsaengmyeong 2 ro, Osong-eup, Heungdeok-gu, Cheongju-si, Chungcheongbuk-do, Korea
Capital Stock	KRW 14,452,250,000
Number of Employees	1,723

Financial Information

Unit: KRW 100 million

Category	2023	2024	2025
Revenue	8,289	8,971	10,632
Operating Income	659	882	1,109
Total Assets	18,480	18,896	20,969
Total Equity	12,036	12,514	13,284

Business Areas

Prescription Drugs

The company is expanding its competitiveness in both domestic and international markets by manufacturing and distributing pharmaceuticals across a broad range of therapeutic areas, including K-CAB, a treatment for gastroesophageal reflux disease (GERD), as well as infusion products, cardiovascular therapies, and diabetes and nephrology treatments. Since its domestic launch in 2019, K-CAB has become the leading product in the domestic market for anti-ulcer drugs. The company also continues to deliver stable revenue growth in its infusion business, supported by its new Osong infusion manufacturing plant, which began full-scale operations in 2022.

- Development of K-CAB, Korea's 30th Novel Drug
- K-CAB: No. 1 in Domestic Prescription Sales and Presence in 35 Countries
- Possesses the Largest Fluids Production Capacity in Korea

H&B (Health & Beauty)

Since entering the beverage business in 1988, the company has achieved steady growth through flagship brands such as CONDITION, Oriental Raisin Water, and Tealog. In 2020, it expanded into the Health & Beauty (H&B) sector, entering the cosmetics, hair care, and scalp care markets. Since 2022, it has continued to expand its business by launching new products, including CONDITION Stick and the skincare brand bewants.

2025 Revenue by Major Business Sector

Unit: KRW million

Category	Products	Revenue	Share of the Revenue
Prescription Drugs	K-CAB, Fluids, Rovazet, Epokine, etc.	985,407	92.7%
H&B	CONDITION, Oriental Raisin Water, etc.	77,744	7.3%

Subsidiary Introduction

Yonwoo Co., Ltd.

Company Overview

Company Name	Yonwoo Co., Ltd.
CEO	Sang-yong Park
Head Office	13, Gajwa-ro 84beon-gil, Seo-gu, Incheon, Republic of Korea
Capital Stock	KRW 6,199,000,000
Number of Employees	1,185

Financial Information

Unit: KRW 100 million

Category	2023	2024	2025
Revenue	2,278	2,615	2,400
Operating Income	27	41	6
Total Assets	2,578	2,642	2,605
Total Equity	1,828	1,903	1,952

Business Areas

Cosmetic Container Manufacturing

Since its establishment in 1983, Yonwoo has specialized in the manufacture and supply of cosmetic packaging, offering a diverse product portfolio that includes pump packaging, tubes, and sample containers. After developing and commercializing Korea's first dispenser pump for cosmetic products, the company established pump packaging as its flagship product line. Its accumulated technological expertise has since been applied not only to cosmetics but also to the pharmaceutical, biopharmaceutical, and household goods industries.

Leveraging its strengths in design, technology, and product competitiveness, Yonwoo actively pursues intellectual property protection while continuously strengthening its R&D capabilities. Beyond manufacturing products that meet client specifications, the company also proposes differentiated technologies and new product ideas, enabling it to respond to evolving market needs with innovative packaging solutions.

- Development of environmentally friendly Packaging Products based on the 5R (Reduce, Refill (Reuse), Recycle (Recyclable), Recycled, Renewable) Policy
- Won the Minister of Trade, Industry and Energy Award at the Korea Packaging Awards for five consecutive years
- Red Dot Design Award (Cosmetic Packaging Category) for the Paper Stick and Ez Up Stick

2025 Revenue by Major Business Sector

Unit: KRW million

Category	Specific Use	Revenue	Share of the Revenue
Pump Containers	Cosmetic Packaging	165,186	68.8%
Tube Containers	Cosmetic Packaging	55,657	23.2%
Samples	Mold	19,122	8.0%

Sustainability Framework

To support sustainable business operations, Kolmar Korea conducts a Double Materiality Assessment to proactively identify the potential impacts of its business activities and respond to them in a systematic manner. Through continuous engagement with stakeholders, Kolmar Korea will continue to advance sustainability together.

ESG Management

ESG Strategy

Kolmar Korea has established mid- and long-term ESG strategies based on its management philosophy of "Pursuing the Value of Beauty and Health for Humanity" and has built a sustainability management framework that integrates its business strategy with ESG. Based on the three strategic pillars of Responsible Innovation, Innovation for Product, and Innovation for Society, the company is pursuing sustainable growth as a global beauty and healthcare company while striving to achieve corporate growth alongside the creation of social value.

ESG Management

ESG Key Activities and Performance

Kolmar Korea continues to advance its sustainability efforts across environmental, social, and governance (ESG) areas and strengthen its ESG management framework through participation in various global initiatives. As a result of these efforts, the company has received recognition from both domestic and international organizations for its sustainability and ESG performance. As an ODM company, Kolmar Korea will continue its efforts to foster a sustainable ecosystem for the cosmetics industry.

Global Initiative Participation Status

- **August 2021**: Joined UNGC
- **April 2022**: Joined K-RE100
- **June 2022**: Responded to the Carbon Disclosure Project Evaluation
- **January 2023**: Joined the Roundtable on Sustainable Palm Oil
- **June 2023**: Sustainability Accounting Standards Board / Global Reporting Initiative — First Applied in the 2022 Sustainability Report
- **June 2024**: TCFD — First Applied in the 2023 Sustainability Report
- **January 2025**: Joined the Biz N Biodiversity Platform
- **June 2026**: Korean Sustainability Disclosure Standard No. 2 First Applied in the 2025 Sustainability Report

Internal and External ESG Evaluation and Award

TIME
Selected as the World's Best Companies in Sustainable Growth 2025 for the second consecutive year

KCGS(Korea Institute of Corporate Governance and Sustainability)
Received Integrated A Grade in ESG Assessment

Europe BSB
Won two awards at the BSB Innovation Awards Europe

Red Dot Design Award 2025
Won in the Packaging category for the One-Hand Pump Paper Pack

ESG Management

ESG Governance

Kolmar Korea integrates sustainability management with its business operations through its ESG governance framework and embeds ESG across the company. The company established a dedicated ESG Management Team in 2022 and the ESG Committee under the Board of Directors in 2023 to strengthen its ESG governance system. Building on this foundation, Kolmar Korea continues to advance responsible ESG management by enhancing its ESG strategy and expanding stakeholder engagement.

Kolmar Korea's ESG Implementation System

Kolmar Korea has established a company-wide ESG Implementation System to drive efficient and systematic ESG management. The company established an ESG Management Team in 2022 and the ESG Committee under the Board of Directors in 2023, strengthening its sustainability management framework by integrating ESG into its business operations. Led by the Board of Directors and the ESG Committee, Kolmar Korea manages and oversees key ESG issues, including climate change, supply chain management, and ethical management. Going forward, the company will continue to strengthen responsible ESG management by establishing a company-wide ESG strategy and direction through its ESG Implementation System.

Board of Directors

ESG Committee
- Meets at least twice a year
- Establishes ESG Strategies and strategic direction, and oversees implementation performance
- Oversees key ESG issues, including climate change, human rights, safety and health, and ethics and compliance

CEO
- Engages with internal and external stakeholders and gathers stakeholder feedback on ESG-related matters

ESG Management Team
- Reviews the implementation status and key achievements of company-wide ESG initiatives and reports to the ESG Committee
- Plans and implements company-wide ESG embedding initiatives

ESG Working Group
- Meets at least twice a year under the leadership of the ESG Management Team
- Monitors the implementation of ESG initiatives across the Environmental, Social, and Governance areas
- Reports key agenda items to the ESG Committee

Kolmar Korea's ESG Committee

The ESG Committee consists of the Chief Executive Officer (CEO) and two independent directors. As the highest decision-making body for ESG management, the Committee establishes strategic direction and oversees performance on key ESG issues, including climate change, supply chain management, and human rights. The Committee also reviews stakeholder engagement strategies and identifies company-wide ESG risks and opportunities to strengthen the implementation of sustainability management.
In 2024, the Committee reviewed reports on Kolmar Korea's key ESG achievements for 2023, future objectives, and climate change response initiatives. In 2025, it continued to strengthen ESG management by deliberating on key agenda items, including the ESG management implementation plan and the Double Materiality Assessment, while systematically reviewing company-wide ESG issues. Going forward, Kolmar Korea will continue to enhance its sustainability management decision-making system through the ESG Committee and deliver tangible ESG outcomes.

ESG Committee Operations

2025. 01. 23	2025. 03. 11	2025. 05. 29	2025. 09. 30	2026. 02. 25	2026. 05. 19
- Key ESG agenda items (transition risk analysis, establishment of internal carbon pricing, etc.) - Key environmental management initiatives (GHG emissions, energy, and pollutant reduction activities, etc.)	- Climate change response and establishment of internal carbon pricing	- Review of the results of the Impact, Risk, and Opportunity (IRO) analysis for material topics based on the Double Materiality Assessment (climate change risk analysis, sustainable supply chain management, etc.)	- Publication of the Sustainability Report and updates on key initiatives (establishment of internal carbon pricing, inclusion of GHG emissions and energy data from overseas subsidiaries, etc.)	- Key ESG achievements for 2025 and targets for 2026 (CDP Climate, Water, etc.)	- Review of the results of the IRO analysis for material topics based on the Double Materiality Assessment (climate change risk analysis, balanced Board of Directors, etc.) - Environmental management performance (GHG emissions, energy, and pollutant reduction activities, etc.) - Climate change targets (revision of the Net Zero roadmap, related facility investments, etc.)
Attendance rate of 100%	Attendance rate of 100%	Attendance rate of 100%	Attendance rate of 100%	Attendance rate of 100%	Attendance rate of 67%

ESG Management

ESG Commitment and Progress

Kolmar Korea discloses its ESG goals and achievements annually and strives to embed ESG into company-wide decision-making and business processes. The company establishes strategic priorities and short-term, and mid-to-long term implementation plans across the Environmental, Social, and Governance (ESG) areas, while transparently disclosing related activities and performance to stakeholders. Through continuous engagement with stakeholders, Kolmar Korea will continue to strengthen its ESG management framework while ensuring the responsible implementation of its ESG targets.

ENVIRONMENTAL

	Strategic Target	2025 Achievements	2027 Goals	2030 Goals
Integrated Environmental Management System	Integration of the corporate environmental management system and management of environmental impacts (greenhouse gases, wastes, water resources, pollutants, etc.)	Greenhouse gas emissions intensity of 7.7 tCO_2-eq/KRW billion(approximately 5% decrease)	Achieving GHG emissions intensity of 7.3 tCO_2-eq/KRW billion	Achieving GHG emissions intensity of 6.6 tCO_2-eq/KRW billion
		Waste recycling rate of 84.4%(decrease 0.46%p YoY)	Achieving waste recycling rate of 86.6%	Achieving waste recycling rate of 88.4%
		Water pollutant discharge intensity of 5.9 kg/KRW billion(approximately 20.4% increase)	Achieving water pollutant discharge intensity of 4.5 kg/KRW billion	Achieving water pollutant discharge intensity of 4.1 kg/KRW billion
		Air pollutant emission intensity of 0.93 kg/KRW billion(approximately 24.8% decrease)	Achieving air pollutant emission intensity of 0.88 kg/KRW billion	Achieving an air pollutant emissions intensity of 0.80 kg/KRW billion
	Development of reduction strategies and implementation of relevant activities	Achieved company-wide annual water consumption reduction of 9.9%	Achieving company-wide annual water consumption reduction of 13.5%	Achieving company-wide annual water consumption reduction of 16.5%
		Energy intensity of 0.16 TJ/KRW billion (approximately 4.8% decrease)	Achieving energy intensity of 0.15 TJ/KRW billion	Achieving energy intensity of 0.14 TJ/KRW billion

ESG Management

SOCIAL

	Strategic Target	2025 Achievements	2027 Goals	2030 Goals
Development of Products Contributing to Environmental and Social Problem-Solving	· Securing and applying environmentally friendly materials which are independently developed · Development of formulations based on environmentally friendly raw materials	· Development of materials · Development of rinse-off products with biodegradability of 95% or higher · Development of leave-on and rinse-off products with natural origin index of 90% or higher based on ISO 16128 guidelines · Development of products applying upcycling materials	· Development of environmentally friendly materials · Launching products applying proprietary upcycled materials · Expansion of rinse-off product development with biodegradability of 95% or higher · Expansion of leave-on and rinse-off product development with natural origin index of 90% or higher based on ISO16128 guidelines	· Development of environmentally friendly raw materials and expansion of environmentally friendly products
Information and Technology Security	· Advancement of information security systems	· Strengthened security monitoring operations, including data leak monitoring and security inspections for retirees · Conducted two company-wide malicious email simulation exercises and employee training sessions · Conducted information security and cybersecurity awareness training to enhance employee security awareness · Introduced and operated MDM and EDR solutions to strengthen internal security · Established and revised information security policies and guidelines	· Advancement of the information security management system based on core information · Enhancement of information security governance · Continuous risk management operation following the introduction of enhanced security policy solutions · Achievement of zero information security incidents, including client data	· Conducting information security assessment · Obtaining international certifications for information security (ISO 27001)
Sustainable Supply Chain Management	· Expansion of sustainable raw material procurement from partner companies · Enhancement of partner companies' ESG capabilities · Strengthened supply chain stability through enhanced credit rating monitoring	· Achieved an RSPO-certified product ratio of 67% · Provided ESG management consulting programs for partner companies at no cost. · Held ESG seminars and provided ESG training at no cost	· Achieving an RSPO-certified product ratio of over 70% · Expansion of the number of participating companies in ESG education and consulting programs · Conducting more than 10 mutual growth programs	· Achieving an RSPO-certified product ratio of over 80% · Conducting 100% ESG assessments for all partner companies · Conducting more than 20 mutual growth programs
Product Safety and Quality Responsibility	· Product safety and quality responsibility · Product environmental impact assessment and management system · Advancement of the chemical substance management system	· Strengthened global quality consistency through the establishment of the Scale-up Team · Hazardous chemicals intensity of 0.0049 ton/KRW billion(approximately 10.8% decrease)	· Establishing 100% quality management test standards and methods for non-biodegradable chemicals · Achieving hazardous chemicals intensity of 0.0046 ton/KRW billion	· Conducting regular environmental impact assessments · Achieving hazardous chemicals intensity of 0.0042 ton/KRW billion

ESG Management

SOCIAL

	Strategic Target	2025 Achievements	2027 Goals	2030 Goals
Human Rights Management	• Establishment of human rights management assessment system • Human rights impact assessment	• Conducted human rights impact assessment	• Expanding the scope of human rights impact assessment	• Establishing a human rights impact assessment framework across all workplaces
	• Expansion of employee diversity and inclusion initiatives		• Gradually increasing the employment rate of employees with disabilities (achieving 2.0%)	• Maintaining 100% living wage coverage for all Kolmar Korea employees
	• Operation of education programs to promote women's leadership	• Received the 2025 Women's Engineering Excellence Association Minister's Award	• Continuing biannual programs to develop female managers • Increasing the female manager ratio	• Achieving a 37% ratio of female managers
Occupational Health and Safety	• Advancement of occupational health and safety management system	• Improved 760 risk factors through EHS inspections and risk assessments, up 59.6% YoY • Trained 130 factory supervisors, up 7% YoY • Achieved 200% implementation of regular and ad hoc risk assessments • Achieved occupational disease incidence rate of 0%	• Achieving an occupational disease incidence rate of 0% • Identifying and mitigating 850 risk factors through EHS safety inspections and ongoing risk assessments • Establishing occupational health and safety data management systems (2 systems) • Achieving zero major accidents and an accident rate below 0.5%	• Identifying and improving 1,000 potential risk factors through EHS safety inspections and continuous risk assessments • Enhancing the IT-integrated occupational health and safety management system (establishing web/mobile systems and installing AI sensors and cameras)
Local Community Impact	• Dream Connect	• Supported youth preparing for independence for four consecutive years • Supported juveniles in custody for five consecutive years • Donated KRW 100 million to the Dream Start program • Donated 5,000 products, achieving the 2027 target ahead of schedule • Received the Bucheon ESG Sharing Enterprise Award	• Supporting capacity-building education for youths preparing for independence for 6 consecutive years • Achieving the cumulative development of two social contribution products ahead of schedule	• Continuing capacity-building programs for young adults transitioning from care and evaluating the long-term impact of social contribution initiatives • Achieving the cumulative development of three social contribution products and donating a cumulative total of 10,000 products
	• Social Connect	• Achieved 1,032.5 hours of employee volunteer activities • Provided emergency relief donations of KRW 40 million each to regions affected by torrential rains and wildfires	• Enhancing local community contributions through two-way community engagement and expanded employee volunteer activities	• Establishing a CSV-based ecosystem for local community collaboration and increasing management participation in social contribution and volunteer activities
	• Winning Connect	• Hosted the sustainability seminar 'Connect for Green' for partner companies(approx. 150 persons) • Recognized six outstanding SME partners • Provided employee welfare support to outstanding SME partners(approx. 664 employees)	• Reaching 800 persons benefiting from support programs for partner companies and clients	• Reaching 1,200 persons benefiting from support programs for partner companies and clients
ESG Performance Disclosure and Communication Enhancement	• Expansion of ESG management communication efforts	• Published the Sustainability Report (including disclosures for domestic subsidiaries) • Published the ESG Letter and conducted internal ESG training	• Aligning with domestic and international ESG disclosure standards • Establishing an integrated ESG disclosure framework for overseas subsidiaries	• Implementing an integrated ESG disclosure framework • Establishing a digital-based integrated ESG platform

ESG Management

GOVERNANCE

	Strategic Target	2025 Achievements	2027 Goals	2030 Goals
Strengthening Compliance and Ethical Management	• Establishment of an integrated risk management system	• Achieved an 'A' grade in CP evaluation	• Achieving an 'AA' grade in CP evaluation	• Maintaining an 'AA' grade in CP evaluation
Governance	• Enhancement of board and committee functions	• Maintained Board independence, expertise, diversity, and efficient Board operations	• Enhancing the independence, expertise, diversity, and effectiveness of the Board of Directors • Conducting training programs for independent directors twice a year to strengthen their expertise	• Expanding the diversity of independent directors
		• Conducted training programs for independent directors three times a year to strengthen their expertise	• Conducting performance evaluations of the Board of Directors and independent directors	• Conducting training programs for independent directors twice a year to strengthen their expertise
		• Conducted one performance evaluation for Board of Directors and independent directors	• Establishing the Internal Transactions Committee under the Board of Directors	• Conducting performance evaluations of the Board of Directors and independent directors

ESG Management

ESG Policy

Kolmar Korea establishes and discloses ESG policies and management standards to support a sustainable future, operating a framework that advances corporate social responsibility and environmental value. Through these policies, the company strengthens engagement with stakeholders and transparently communicates its sustainability direction and guiding principles.

Governance
- Board Regulations
- ESG Committee Regulations
- Independent Director Nomination Committee Regulations
- Compensation Committee Regulations

Information Security
- Information Security Incident Response Guidelines
- Privacy Policy

Supply Chain
- Sustainable Procurement Policy
- Partner Companies Code of Conduct

Compliance
- Code of Ethics
- Anti-Bribery and Compliance Policy
- Anti-Corruption Policy
- Compliance Program (CP) Guidelines
- Compliance Pledge

Environmental · Safety
- Environmental Management Policy
- Health and Safety Management Policy

Human Rights
- Human Rights Policy
- Internal Reporting Operation Regulations

Double Materiality Assessment

Stakeholder Engagement

Kolmar Korea defines clients, shareholders and investors, local communities, NGOs, government agencies, partner companies, and employees as its core stakeholders. The company operates tailored communication channels for each stakeholder group and incorporates stakeholder feedback across its business operations. Going forward, Kolmar Korea will continue to encourage active stakeholder engagement and transparently disclose key information to enhance management transparency and efficiency based on mutual trust.

	Key Concerns	Key Activities	Communication Channels and Frequency
1 Clients	· Product and service quality · Product safety · Product information accuracy	· Addressing client issues · Providing 1:1 customized product design/development services · Operating multiple channels (blogs, YouTube, etc.) and strengthening communication · Enhancing convenience for ecofriendly consumption (providing eco-labeling information, etc.)	· Website (ad hoc) · Customer center (ad hoc)
2 Shareholders & Investors	· Business performance · Enhanced operational transparency and communication · Risk management · Sustainability agenda (environmental, social, governance, etc.)	· Shareholder and investor communication · Annual Report and regulatory financial disclosures · Corporate governance and transparency disclosures	· Annual General Meeting (once a year) · IR Meetings (ad hoc) · Investors/Analysts Conference Calls (ad hoc)
3 Local Communities	· Local employment and economic activation, etc. · Environmental conservation for local community · Community outreach through donations and volunteer work, etc.	· Activating the local economy · Engaging in community-focused problem-solving activities	· Corporate Social Responsibility Projects and Initiatives (ad hoc) · Executive and employee volunteer activities
4 NGO	· Social responsibility towards the local community and environment · Support and compliance with global initiatives · Transparent and prompt information disclosure	· Collaborating with specialized NGOs for volunteer activities (social contribution activities)	· NGO Meetings (ad hoc)

	Key Concerns	Key Activities	Communication Channels and Frequency
5 Government Agencies	· Compliance · Fair trading · Occupational Health and Safety	· Strengthening internal control systems · Establishing fair trading practices and transparent corporate information disclosure	· Fair Trade Commission, Korea Commission of Corporate Partnership (ad hoc)
6 Partner Companies	· Fair trading · Mutual growth · Labor and human rights of workers	· Regular communication and collaboration opportunities through meetings · Ongoing communication through the company's portal · Providing consulting and education support on supply chain ESG, environmental safety, etc.	· Business Meetings with Partner Companies (Once a year) · SRM Portal (ad hoc)
7 Employees	· Safe and healthy working environment · Training and career development · Employment security and welfare · Labor relations	· Enhancing performance compensation systems · Improving work environment and employee communication · Expanding training and capacity-building programs · Enhancing occupational health and safety	· Open Council (more than four times a year) · Occupational Health and Safety Committee · Internal and external grievance channels (ad hoc) · Various meetings and events, etc. · ESG/Compliance Letter

Double Materiality Assessment

Double Materiality Assessment

Kolmar Korea conducts a Double Materiality Assessment annually to ensure transparent disclosure of sustainability information. The company identifies key impacts, risks, and opportunities (IROs) by analyzing the impacts of its business operations on society and the environment (inside-out) as well as the financial impacts of sustainability issues on the company (outside-in). Based on the assessment results, the company identified Occupational Health and Safety, Sustainable Supply Chain Management, Balanced Board of Directors, and Response to Climate Change Risk as its four core material topics.

Double Materiality Assessment Process

Step	Selection	IROs Identification	IROs Assessment	Priority Determination
Explanation	• **Composition of a Sustainability-related Issue Pool** - Established a sustainability-related issue pool (Long-List) based on international standards, including the European Sustainability Reporting Standards (ESRS), the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB). - Derived 13 key issues (Short-List) by analyzing the requirements of external rating agencies, industry trends, and internal data.	• **Identification of impacts, risks, and opportunities related to sustainability issues** - Defined relevant activities for each of the 13 material topics and systematically identified risks and opportunities across the value chain. - By applying the double materiality perspective, identified 14 impacts of business activities on the environment and society and 32 financial risks and opportunities arising from external changes affecting Kolmar Korea.	• **Sustainability issue assessment** - Selected internal employees and external stakeholders as assessors to evaluate Impacts, Risks, and Opportunities (IROs), ensuring the reliability and objectivity of the assessment. - Assessed the scale and likelihood of each material topic based on the European Sustainability Reporting Standards (ESRS) using a four-point scale.	• **Prioritization and final selection of material topics** - Used the results of surveys conducted with internal and external stakeholders as the primary basis for prioritization. - Identified the four final material topics by incorporating subsidiary material topics, media analysis, and other relevant inputs to enhance the accuracy and completeness of the assessment.

Detailed Process

Selection

Long List (46 items)

ESRS 1 Sustainability Topic Lists + GRI Topic Standards + SASB Industry Standards (Household & Personal Products)

• **Classification Criteria**
ESG disclosure and evaluation standards / Initiatives / Guidelines and associations / Peer industry benchmarking / Kolmar Korea internal materials

Short List (13 items)

Issue selection for IRO identification through long-list mapping based on classification criteria

IROs Identification

Value Chain Category

Upstream | Own operation | Downstream

Impact classification

Social · Environmental Impact	Impact (14 items)
Type	Positive / Negative
Status	Actual / Potential
Impact Scope	Short-term / Mid-term / Long-term

Financial Impact	Risk & Opportunity (32 items)
Type	Risk / Opportunity
Impact Scope	Short-term / Mid-term / Long-term

IROs Assessment

Impact | Risk | Opportunity

Assessment Criteria

Likelihood		Scale
Probability	Frequency	Scale

Survey Participants	**Internal Stakeholders (45 persons)** - Kolmar Korea employees (executives, ESG Committee, ESG Management Team, and related department personnel) **External Stakeholders(87 persons)** - Shareholders and investors, partner companies, local communities, NGOs, government agencies, ESG experts

Survey period: 2026.03.16~2026.03.24(9 days)

Priority Determination

Analysis Items

Media Analysis*	Industry Competitors
2,358 press releases from major media organizations	ESG Disclosure/Evaluation Indicators
Subsidiary Material Issues	Initiatives
Mapping of material issues from HK inno.N and Yonwoo	Guidelines and Associations
	Kolmar Korea Internal Materials

* Media Analysis: News articles published from January 1, 2025 to December 31, 2025

Determined Final Material Issues

- Occupational Health and Safety
- Sustainable Supply Chain Management
- Balanced Board of Directors
- Response to Climate Change Risk

Double Materiality Assessment

Double Materiality Assessment

Based on its annual Double Materiality Assessment, Kolmar Korea identified four core material topics for 2025: Occupational Health and Safety, sustainable supply chain management, balanced Board of Directors, and Response to Climate Change Risk. These topics will be disclosed transparently in the report's "Focus Areas" section in accordance with the four pillars of the ISSB's IFRS S1 and IFRS S2 disclosure standards (Governance, Strategy, Risk Management, and Metrics and Targets). The company also recognizes all other sustainability-related issues as equally important and will manage them with the same level of importance. Based on the assessment results, Kolmar Korea will systematically manage the impacts, risks, and opportunities associated with each issue and continue to advance its sustainability management.

Impact of the Issue: Evaluated impact based on minimum and maximum values within the final material issues and classified as ● High/ ◐ Medium/ ○ Low

Area	NO.	Short-list	Rank	Changes	Impact of Issue			Reporting Page
					Social/Environmental Impact	Financial Impact	Overall Results	
Environmental	1	Response to Climate Change Risk	4	Decreased	○	●	●	54 – 71
	2	Waste Management and Sustainable Packaging	8	Decreased	◐	◐	◐	80 – 84
	3	Pollutant Management	13	Decreased	○	○	○	73 – 79
	4	Water Resources Management	10	Increased	○	●	○	73 – 79
	5	Development of Products Contributing to Environmental Problem-solving	6	Maintained	●	○	◐	88 – 90
	6	Hazardous Chemical Management	12	New	○	○	○	73 – 79
Social	7	Sustainable Procurement of Raw Materials	9	Decreased	○	●	○	110 – 111
	8	Sustainable Supply Chain Management	2	Decreased	●	○	●	42 – 47
	9	Information and Technology Security	11	Decreased	◐	○	○	112 – 115
	10	Occupational Health and Safety	1	Increased	◐	●	●	33 – 41
	11	Healthy Organizational Culture	5	Decreased	●	◐	◐	92 – 104
Governance	12	Strengthening Compliance and Ethical Management	7	Decreased	◐	◐	◐	121 - 124
	13	Balanced Board of Directors	3	Increased	●	◐	●	48 - 53

Double Materiality Assessment

Impact, Opportunity, Risk(IRO)

Impact Aspect

No.	Material Issues	Impact Factors	Value Chain Category			Impact Classification		Temporal Scope		
			Up	Own	Down	Positive/Negative	Actual/Potential	Short-term	Mid-term	Long-term
1	Occupational Health and Safety	Protecting employees' physical and mental health from hazards and risk factors in the workplace		●		Positive	Actual	●	●	●
2	Sustainable Supply Chain Management	Promoting sustainable mutual growth across the industry through fair partner company selection and business practices	●			Positive	Actual	●	●	●
3	Balanced Board of Directors	Strengthening social inclusion through balanced Board composition that reflects diversity		●	●	Positive	Potential		●	●
4	Response to Climate Change Risk	Contributing to climate change through direct and indirect greenhouse gas emissions	●	●	●	Negative	Actual	●	●	●

Risk and Opportunity Aspect

Area	Material Issues	Category	Financial Risk and Opportunity Factors' Impact on the Company	Value Chain Category			Temporal Scope			Reporting Page
				Up	Own	Down	Short-term	Mid-term	Long-term	
Social	Occupational Health and Safety	Risk	Increased direct costs, including operational disruptions, compensation claims, and higher insurance premiums, resulting from occupational accidents		●		●	●	●	33-41
		Opportunity	Accident prevention and cost reduction through a proactive occupational health and safety management system		●			●	●	
Social	Sustainable Supply Chain Management	Risk	Negative impacts on product reputation and client trust resulting from partner companies' non-compliance with environmental, labor, and occupational health and safety standards	●				●	●	42-47
		Opportunity	Enhanced market competitiveness through sustainable partnerships	●				●	●	
Governance	Balanced Board of Directors	Risk	Risk of investor withdrawal resulting from governance risks associated with insufficient Board independence and expertise		●			●	●	48-53
		Opportunity	Identification of new business opportunities and increased capital inflows through enhanced expertise of independent directors		●			●	●	
		Opportunity	Enhanced corporate value and long-term financial stability through transparent decision-making		●		●	●	●	
Environment	Response to Climate Change Risk	Risk	Financial risks resulting from an inadequate response to the climate change requirements of major global clients		●	●	●	●	●	54-71
		Risk	Financial losses resulting from damage to production facilities within the supply chain and reduced plant operating rates caused by extreme weather events	●	●			●	●	
		Risk	Increased energy procurement costs associated with expanding the use of renewable energy		●			●	●	
		Opportunity	Reduced electricity cost volatility and improved cost efficiency through renewable energy investments and enhanced energy procurement strategies		●			●	●	

Focus Areas

Kolmar Korea has identified the material topics derived from its Double Materiality Assessment as key management priorities and manages them accordingly. For each material topic, the company applies a differentiated management approach to systematically manage potential risks. Through clearly defined targets and phased implementation, Kolmar Korea will continue to advance its sustainability management.

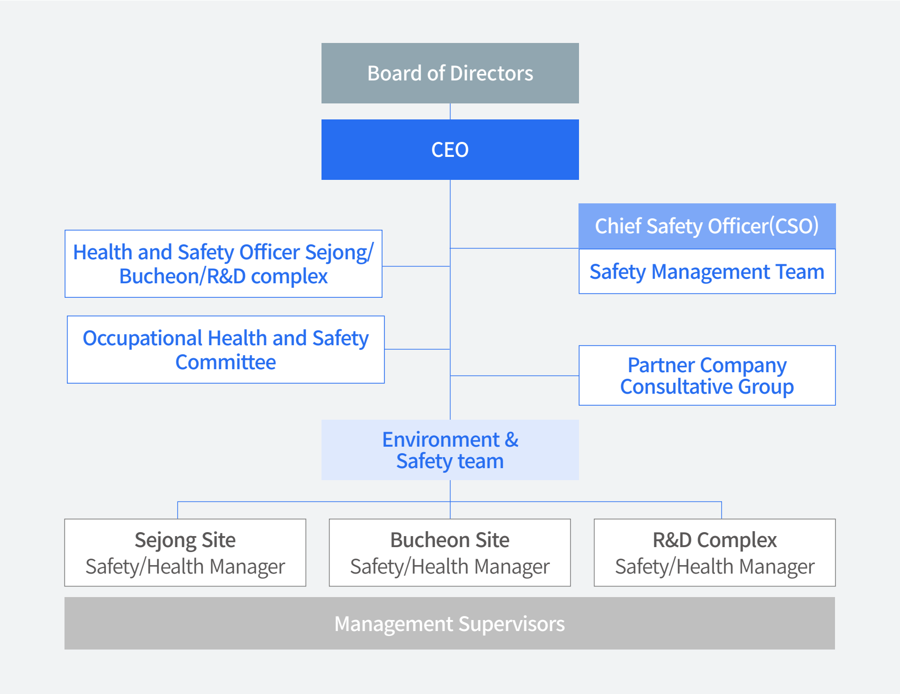
Occupational Health and Safety

Kolmar Korea establishes safety as its highest management priority and operates a company-wide occupational health and safety management framework to support sustainable safety management. Through the Occupational Health and Safety Committee, the company systematically identifies and manages risk factors across its workplaces. Guided by mid- to long-term objectives to prevent serious accidents, identify potential risks, and promote employee health, Kolmar Korea conducts proactive and consistent occupational health and safety activities.

Governance

Occupational Health and Safety Organizational Structure

Kolmar Korea establishes annual occupational health and safety plans and ensures company-wide implementation through formal approval by the Board of Directors. To ensure compliance with the Serious Accidents Punishment Act, the company operates a dedicated team and fulfills its legal obligations. In addition, the company has established a system under which the results of semi-annual internal inspections are reported directly to management, ensuring that occupational health and safety risks are effectively reflected in key management decision-making processes. This governance structure and dedicated management framework support a prevention-oriented approach to occupational health and safety, helping protect employee health and safety across its workplaces.



Occupational Health and Safety Committee Operations

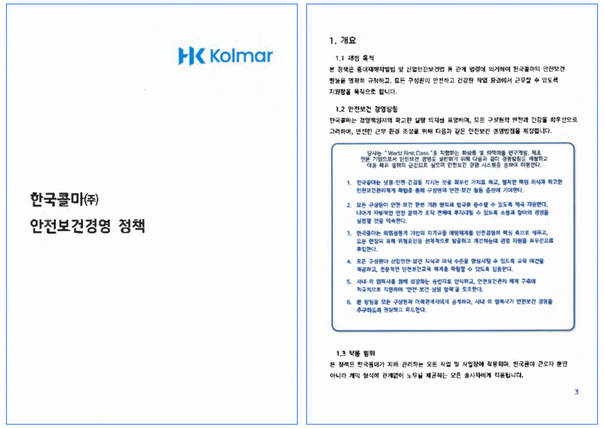
Kolmar Korea operates the Occupational Health and Safety Committee, which consists of an equal number of management and employee representatives, and systematically manages process-specific risk factors in cooperation with on-site staff. The committee meets quarterly to review and decide on key agenda items while proactively identifying potential workplace risks and establishing improvement measures. It also monitors whether previously approved measures have been properly implemented across its workplaces and promptly addresses any gaps to enhance the effectiveness of occupational health and safety management. In addition, risk factors identified and improvements implemented by employees across all workplaces are reported quarterly to management, reinforcing accountability for occupational health and safety. The outcomes of all committee meetings are transparently disclosed through the internal bulletin board to promote a culture of sharing occupational health and safety information among all employees.

2025 Occupational Health and Safety Committee Operations

Category	Sites	Key Agendas
First-quarter	Sejong Site	Installation of a hydrogen gas detector at the gas storage facility
	Bucheon Site	Improvement based on the first-half internal inspection
	R&D Complex	Musculoskeletal strain and safety risks during raw material unloading
Second-quarter	Sejong Site	Replacement of the dust collector filter in the weighing room
	Bucheon Site	Fall hazard during overhead work when loading vessel contents
	R&D Complex	Posting heat illness prevention guidelines for the summer season
Third-quarter	Sejong Site	Installation of a digital flow meter for the sorbitol tank
	Bucheon Site	Improvements based on the second-half internal inspection
	R&D Complex	Installation of "Caution: Door Opens" signs at emergency stairway entrances and exits
Fourth-quarter	Sejong Site	Replacement of the damaged ramp along the waste transportation route
	Bucheon Site	Occupational Health and Safety measures following the relocation of the packaging material warehouse
	R&D Complex	Additional deployment of AEDs for emergency response

Occupational Health and Safety Management Policy

Kolmar Korea has established its Occupational Health and Safety Policy to clearly define occupational health and safety activities and support all employees by providing a safe and healthy work environment. Based on this policy, the company continues to strengthen its company-wide occupational health and safety management framework while fostering a prevention-oriented safety culture. The policy covers key implementation priorities, the identification and improvement of potential risk factors, the promotion of employee health, the assignment of clear roles and responsibilities, and systematic performance management. Kolmar Korea extends these efforts beyond its own employees to direct and indirect stakeholders, including partner companies and business partners, with the aim of improving occupational health and safety standards across the supply chain. Through these efforts, the company continues to strengthen its sustainability management while fostering a corporate culture that places safety as its highest priority.



Occupational Health and Safety Management Policy

Occupational Health and Safety

Kolmar Korea systematically identifies occupational health and safety-related IROs affecting its employees and workers at partner companies. By analyzing activities across the value chain, the company identifies the impacts of its occupational health and safety management activities on society, as well as the related financial risks and opportunities. Based on this assessment, the company establishes and implements response strategies to effectively manage these IROs.

Strategy

Identified Impacts/Risks/Opportunities and Occurring Impacts

Identified Impact/Risk/Opportunity Factors		Description	Related Stakeholders	Likelihood*	Scale*	Temporal Scope of Occurrence**	Key Impacts
Occupational Health and Safety	Impact	The systematic management of hazardous factors and workplace hazards helps prevent occupational accidents, protect the physical and mental health of employees, and create a safe working environment.	Own Operation	High	High	Short to Long Term	· Protecting employees' physical and mental health from workplace hazards and risks
	Risk	Occupational accidents may result in production disruptions, compensation claims, higher insurance premiums, and administrative sanctions. Serious accidents may also lead to criminal liability and reputational damage.	Own Operation	Low	Medium	Short to Long Term	· Operational disruptions resulting from occupational accidents · Increased direct costs, including compensation claims and higher insurance premiums, resulting from occupational accidents
	Opportunity	Preventing occupational accidents may reduce insurance premiums and accident response costs, while a safe working environment can positively contribute to improving employee productivity and engagement. These outcomes may ultimately strengthen long-term operational efficiency.	Own Operation	Medium	Medium	Medium to Long Term	· Preventing accidents through the establishment of a proactive occupational health and safety management framework · Increased costs associated with establishing and maintaining the occupational health and safety management framework

Management Strategy

Key Activities
Establishment of the Occupational Health and Safety Management Policy
Training of Occupational Health and Safety Supervisors
Occupational Safety Accident Emergency Response Training
Workplace Safety Culture Internalization Education
Workplace Safety Management Activities
Partner Company Health and Safety Assessment
Health and Safety Suggestion System
Employee Opinion Listening System
Employee Health Management

* Likelihood: The probability of actual occurrence; Scale: The degree of impact, classified as high, medium, or low based on survey results from internal and external stakeholders using a 4-point scale.
** The temporal scope criteria for short, medium, and long term follow ESRS 1 (General Requirement). Short term (within 1 year), medium term (within 1 to 5 years), long term (over 5 years).

Occupational Health and Safety

Kolmar Korea has established and operates a Health and Safety Code of Conduct that all employees are required to follow. The company also incorporates occupational health and safety requirements into its Code of Conduct for Partner Companies to support partner companies in creating safe and healthy working environments. In addition, Kolmar Korea maintains a systematic emergency response system to help prevent occupational accidents and carries out practical management activities to protect the safety of employees and workers at partner companies across its workplaces.

Strategy

Occupational Health and Safety Management Principles

Kolmar Korea has established and operates an Occupational Health and Safety Management Policy applicable to all employees and partner companies, aiming for zero serious accidents and reduced occupational accidents. The Company integrates ISO 45001 with its risk assessment system across all workplaces and periodically reviews the policy to enhance its effectiveness. The policy was revised in 2026 to reflect changes in the business environment and support a safe and healthy working environment.

Occupational Health and Safety Management Policy and ISO 45001 Certificate

Occupational Health and Safety Management Principles Details

Safety and Health as the Highest Priority	① Prioritizing life, safety, and health in management decisions ② Establishing an occupational health and safety management framework based on a strong sense of responsibility
Building a Safety Culture and Encouraging Active Participation	① Supporting compliance with occupational health and safety laws, regulations, and fundamental principles ② Fostering a company-wide safety culture through communication
Building a Risk Assessment-Based Prevention System	① Establishing a self-regulatory risk prevention system ② Proactively identifying hazards and prioritizing resources
Enhancing Occupational Health and Safety Training and Awareness	① Establishing a professional occupational health and safety training system and providing training infrastructure ② Raising safety awareness through occupational health and safety training
Strengthening Occupational Health and Safety Collaboration with Partner companies	① Recognizing partner companies as partners for mutual growth ② Supporting partner companies in establishing and enhancing their occupational health and safety management systems
Promoting Occupational Health and Safety Management	① Publicly disclosing the Occupational Health and Safety Management Principles and maintaining transparent communication with stakeholders ② Encouraging partner companies across the value chain to implement occupational health and safety management

Employee Health and Safety Code of Conduct

To promote an occupational health and safety culture, Kolmar Korea has established and operates a Health and Safety Code of Conduct applicable to all employees. Accordingly, employees comply with relevant laws and regulations as well as company safety rules, immediately report identified hazards, and actively participate in occupational health and safety training. In addition, the company continuously carries out activities to identify and eliminate potential hazards in order to prevent occupational accidents and serious accidents.

Kolmar Korea Code of Ethics (D. Safe and healthy Work Environment)

① Prioritize safety, health, and environment in work, and actively identify and improve dangerous working conditions and issues that may threaten safety.
② Thoroughly comply with safety-related regulations and standards of the workplace and strictly follow safety rules under any circumstances.
③ All workplaces must establish measures through analysis of safety accident types and make the best efforts to prevent safety accidents.
④ Kolmar Korea conducts regular education and training for employees regarding safety, environment, and health to create a safe and healthy workplace.
⑤ Restrict access to workplaces by unauthorized personnel, and actively require partner companies and all stakeholders to comply with internal regulations related to safety, environment, and health.
⑥ Prohibit all acts of drinking that significantly interfere with work performance and manufacture, use, sell, possess illegal drugs, or working while under the influence of it.

Partner Company Health and Safety Code of Conduct

Kolmar Korea establishes and operates a Health and Safety Code of Conduct for Partner Companies to promote a safe and healthy working environment across its supply chain. All partner companies are required to identify and eliminate hazards that may cause occupational accidents and occupational diseases through risk assessments and implement appropriate preventive measures. Identified hazards are systematically controlled through effective control measures, including the use of safety equipment, improvements to work procedures, and continuous occupational health and safety training. In addition, partner companies are required to establish emergency response plans and procedures to minimize potential impacts in emergency situations and maintain systems to manage and track occupational accidents, thereby helping maintain a safe working environment.

Partner Companies Code of Conduct Details

- **Occupational Safety:** Partner companies must take preventive measures to eliminate physical hazards and safety risks and prevent accidents and occupational diseases. These risks must be controlled through appropriate design, engineering and administrative controls, preventive maintenance, safe work procedures, and continuous safety training. When risks cannot be adequately controlled, appropriate and well-maintained personal protective equipment must be provided to workers.
- **Industrial Hygiene:** Partner companies must identify, assess, and manage employee exposure to chemical, biological, and physical factors. Technical or administrative control devices must be used to prevent workers from being excessively exposed to these factors. When risks cannot be adequately controlled using these means, appropriate personal protective equipment must be provided to workers.
- **Emergency Preparedness:** Partner companies must identify and assess emergency situations and incidents and minimize damage by implementing emergency measures and response procedures.
- **Physical Labor:** Partner companies must identify, assess, and control employee exposure to the risks of physical labor. Such physical labor must include manual work, lifting heavy materials or repetitive lifting, prolonged standing work, and repetitive or physically demanding assembly work.
- **Machinery and Equipment Safety Maintenance:** Partner companies must assess safety risks of production facilities or other equipment, provide physical guards, safety devices, and protective barriers, and properly maintain equipment when there is a risk of employee injury from the equipment.

Occupational Health and Safety

To develop qualified personnel capable of leading workplace safety management, Kolmar Korea systematically operates training programs for management supervisors and conducts regular emergency response drills to strengthen practical response capabilities in emergency situations. In addition, the company offers a range of occupational health and safety training programs to raise employee safety awareness, supporting the effective implementation of safety management activities company-wide. Based on these efforts, Kolmar Korea continues to foster a safety-centered organizational culture in which safety is recognized as the highest priority.

Strategy

Management Supervisor Training

In compliance with the Occupational Health and Safety Act, Kolmar Korea collaborates with external training institutions to provide training programs for management supervisors. In 2025, the company trained a total of 130 management supervisors, representing a 7% increase from the previous year. Following the training, Kolmar Korea continues to strengthen participants' competencies through follow-up interviews and performance evaluations.

Occupational Safety Accident Emergency Response Training

Kolmar Korea conducts hands-on safety training to strengthen emergency response capabilities. In 2025, fire evacuation drills, initial response training, and joint exercises with local fire stations were conducted for 1,808 employees at Sejong, Bucheon, and R&D Complex workplaces. Confined-space rescue and suffocation prevention drills were also conducted for relevant departments.

Workplace Safety Culture Internalization Education

Kolmar Korea conducts regular and special occupational health and safety training to strengthen safety awareness and foster a strong safety culture. Training is provided to all employees, with additional job-specific programs for non-office employees, special work environments, and new hires.

2025 Health and Safety Education Completions

Category		Education Completers	Education Hours	Completion Rate
Regular Health and Safety Education	Office Employees	526 persons	6,312 hours	100%
	Non-Office Employees	634 persons	15,216 hours	100%
	Total	1,160 persons	21,528 hours	100%
Special Safety Education	Targeted participants	193 persons	3,088 hours	100%
New hires Education	Targeted participants	130 persons	1,040 hours	100%

Workplace Safety Management Activities

R&D Complex Safety Management

To prevent injuries and property damage from research activities and maintain a safe research environment, Kolmar Korea conducts annual comprehensive safety inspections at its R&D Complex, exceeding the legal requirement of at least once every two years. In 2025, 39 research laboratories were inspected with three certified external specialists, including chemical safety experts, to identify potential hazards and assess safety management and compliance with the Act on the Establishment of Safe Laboratory Environment and Occupational Health and Safety Act.

2025 R&D Complex Comprehensive Diagnoses Details

Category	Date	Details
Schedules and Process	2025.07.28	**Comprehensive Safety Diagnoses Preliminary Meeting** ・Discussion on diagnosis schedule, explanation of diagnosis standards, workplace overview, area guidance, and security compliance guidance
	2025.09.17	**Conducting On-site Diagnosis** ・Review of laboratory operation data ・Selection of target laboratories for diagnosis ・Visual inspection of laboratories ・Inspection using diagnostic equipment ・Interviews with research activity personnel ・Derivation of improvement measures
	2025.10.13	・Receipt of final report
Targets	39 research laboratories	
Comprehensive Safety Diagnosis Results	2 deficiencies identified: 2 in gas/safety field	
Measure Results	Fire Safety: Relocation of 2 fire detection devices	

Strengthening Similar Accident Prevention Process

To prevent the recurrence of occupational accidents, Kolmar Korea operates cross-functional task forces for processes where accidents have occurred. Each task force conducts thorough root cause analyses and develops practical improvement measures to prevent similar accidents from recurring. To strengthen the effectiveness of these activities, the environmental safety, production, and maintenance functions actively collaborate throughout the process.

Strengthening Outsourced Construction Safety Management Process

Kolmar Korea has established and operates a systematic contractor safety management system, including safety training for contractors, to enhance the safety of outsourced construction work. Before work begins, the company assesses potential hazards and applies rigorous procedures to prevent occupational accidents during construction activities. Through this system, Kolmar Korea managed a total of 106 Work Permits in 2025. The company continues to strengthen contractor safety management to provide a safe working environment across its workplaces.

Forklift and Cargo Vehicles Safety Management

Kolmar Korea continues to improve its operational practices to prevent forklift and cargo vehicle accidents, which pose a high risk of serious accidents, and to strengthen drivers' safety awareness. Forklift operations are managed through quarterly work plans and driver qualification assessments, with strict verification of safety requirements to proactively prevent accidents. To maintain standards that exceed legal requirements, the company also conducts daily safety inspections and has introduced practical safety measures, including reverse warning alarms, rear-view cameras, line beam lights for nighttime operations, and mandatory safety helmet use. Cargo vehicles entering workplaces are likewise systematically managed through work plans and daily safety inspections. In 2025, Kolmar Korea further improved the working environment by installing acrylic covers on forklift overhead guards in response to employee feedback, helping prevent dust from falling into operators' eyes when handling materials stored at height.

Occupational Health and Safety

Kolmar Korea identifies partner companies with elevated occupational health and safety risks and actively implements mitigation measures to reduce those risks. The company also encourages the participation of employees and partner companies to foster a strong safety culture across its workplaces while continuously collecting safety-related feedback and implementing improvement initiatives. When accidents occur, Kolmar Korea follows a systematic process to prevent recurrence and minimize occupational accidents, while continuing to maintain a safe and healthy working environment.

Strategy

Partner Company Health and Safety Assessment

Kolmar Korea conducts regular occupational health and safety assessments to strengthen the occupational health and safety management capabilities of its partner companies and identify companies with strong accident prevention capabilities. All partner companies are required to undergo an assessment before entering into a contract, and the company maintains a policy of not awarding contracts to companies that fail to meet the required standards. In addition, six months after a contract is signed, Kolmar Korea reassesses on-site management performance to verify implementation capabilities and, where necessary, encourages improvements to further strengthen the occupational health and safety management standards of its partner companies.

In 2025, Kolmar Korea conducted quarterly joint occupational health and safety inspections for partner companies stationed at its Sejong and Bucheon workplaces. Through these inspections, the company identified and completed improvements for a total of 32 hazards, with 16 cases addressed at each workplace. Major corrective actions included installing stairway fall prevention signs in Korean and foreign languages, repairing safety covers on automatic hand carts, installing spill containment trays to prevent ethanol leakage, and attaching ethanol warning signs to filling equipment.

2025 Joint Health and Safety Inspection Implementation Details

Sites	Category	Number of partner companies	Number of Factors Identified	Number of Factors Improved
Sejong	First-quarter	5	3 cases	3 cases
	Second-quarter	5	4 cases	4 cases
	Third-quarter	5	5 cases	5 cases
	Fourth-quarter	5	4 cases	4 cases
	Total		16 cases	16 cases
Bucheon	First-quarter	6	5 cases	5 cases
	Second-quarter	6	4 cases	4 cases
	Third-quarter	6	3 cases	3 cases
	Fourth-quarter	6	4 cases	4 cases
	Total		16 cases	16 cases

Health and Safety Suggestion System

Kolmar Korea operates a health and safety suggestion system in which both employees and partner companies participate to identify and manage potential risk factors at work sites in advance. In particular, employees contribute to practical accident prevention and the spread of a safety culture by directly reporting near-misses and hazardous cases that could have led to accidents in the field. Suggestions submitted through the online bulletin board are meticulously evaluated by department heads and personnel in charge to determine their grades. In 2025, out of a total of 622 suggestions, 276 were approved through evaluation and corrective actions were completed. Additionally, a total of KRW 3,460,000 in prize money was awarded to outstanding and prolific suggesters as well as their departments.

Health and Safety Suggestion System Process

Improvement Case Registration
Register after writing pre-improvement photos, proposed idea, details, and expected effects

Conducting Evaluation
Conduct evaluation focusing on tangible/intangible effects, creativity, and scope of application

Prize Money Payment
Award prizes based on evaluation results

Number of Risk Factor Suggestions and Completed Improvement 100%
*Total of 276 factors identified at Sejong and Bucheon Site

Health and Safety Suggestion System Prize Money Payment Amount 3,460,000KRW

Employee Opinion Listening System

Kolmar Korea utilizes a QR code system to receive real-time occupational health and safety feedback from employees. In 2025, a total of five cases were submitted through the QR code system, and all five were addressed. To enhance the effectiveness of the system, the company maintains close cross-functional collaboration among relevant departments. For example, when a faulty break room door during the winter season was reported as a potential cold-related health hazard, the Environment & Safety Team and relevant departments worked together immediately to complete the repair on the same day and eliminate the hazard. All corrective actions are recorded and managed through the Worker Feedback Improvement Record, ensuring the effectiveness and transparency of occupational health and safety management.

Employee Opinion Listening System

Employee Feedback & Improvement Record

Occupational Health and Safety

Kolmar Korea places the health and well-being of its employees as a top priority and implements a wide range of health promotion initiatives to create a safe and comfortable working environment. In particular, the company provides regular health check-ups and employee counseling programs to support both the physical and mental well-being of its employees. Kolmar Korea will continue to strengthen a variety of programs designed to further enhance the health and safety of its employees.

Strategy

Employee Health Management

Health Promotion Programs and Health Administration Office Operations

Kolmar Korea operates health management centers at its workplaces to help prevent illnesses among employees and provides a range of health promotion programs. The health management centers provide first-aid medicines for common conditions such as headaches and fever that may occur during work and offer dedicated rest areas where employees can recover comfortably. They also support employees in systematically managing and improving their health through professional health consultations and emergency care. In addition, the company operates tailored health management programs, including ergonomic risk assessments to help prevent musculoskeletal disorders, job stress assessments, and health risk assessments for cerebrovascular and cardiovascular diseases. Kolmar Korea remains committed to strengthening employee health management through continuous improvement of its health promotion initiatives.

Health Promotion Programs and Health Administration Office Operations

Category	Unit	2023	2024	2025
Health Counseling	Cases	479	415	382
Medical Care at Health Administration Office	Cases	343	405	392
Medication Distribution at Health Administration Office	Cases	1,081	875	747
Job Stress Assessment	Cases	366	476	526
Cerebrovascular and Cardiovascular Diseases(CVDs) Management	Cases	354	397	387
Work Environment Measurement	Cases	14	16	14

Employee Work Environment Assessment

Kolmar Korea conducts workplace environment monitoring twice a year to systematically assess employees' exposure to occupational hazards, including noise, dust, and hazardous chemicals. Based on the monitoring results, the company promptly identifies necessary corrective actions and implements them at its workplaces to maintain a safe and healthy working environment.

Employee Health Check-up Support

Kolmar Korea places the health of its employees as a top priority and provides comprehensive health check-ups tailored to employees' age groups and life stages in addition to the statutory health examinations. These comprehensive examinations are designed to provide detailed assessments of individual health conditions, helping employees systematically manage their health and prevent disease. In addition to comprehensive health check-ups, the company also offers comprehensive blood screening, enabling employees to conveniently assess key health indicators through a single blood test. Following the examinations, professional health consultations are provided for employees who require follow-up care, offering personalized guidance on treatment options and supporting them in developing individualized health management plans.

Comprehensive Health Check-up Support	· Support for comprehensive health check-ups tailored to employee age and life cycle stages beyond legally required health examinations · Designed to enable more detailed examination of individual health conditions · Provides opportunities to systematically manage health and prevent diseases
Comprehensive Blood Test Support	· Support for systematic treatment and health management through comprehensive blood tests in addition to comprehensive health check-ups

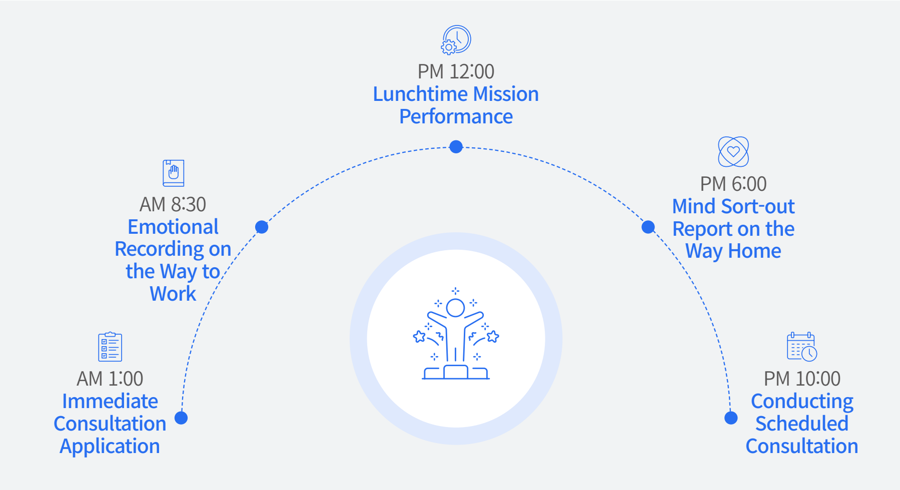
Number of Persons with Health Abnormalities and Number of Management Target Counseling Cases

Category	Units	2023	2024	2025
Number of Persons with Health Abnormalities	Persons	354	252	296
Number of Management Target Counseling Cases	Cases	354	252	296

Remote Psychological Counseling Service Operation

To support employees' mental health and psychological well-being, Kolmar Korea provides complimentary access to Trost, a mental health care service that offers remote consultations with licensed counselors. Through this service, employees can receive professional support on a wide range of topics—from everyday concerns and work-related stress to psychological challenges—without the constraints of time or location.

Daily Mental Wellness with Trost



In-house Gym Operation

Kolmar Korea provides free access to an on-site fitness center to promote employee health and well-being. Equipped with modern exercise equipment and convenient facilities, the fitness center is available for employees to use freely before and after work or during breaks. By providing an environment that encourages employees to maintain healthy lifestyles and recharge throughout their daily routines, the company continues to foster a workplace culture that supports employee well-being and quality of life.

Occupational Health and Safety

Kolmar Korea systematically manages all aspects of occupational health and safety management, including emergency response preparedness, accident investigations and recurrence prevention, and the identification and mitigation of risk factors to prevent serious accidents, ensuring a safe working environment for both employees and workers at partner companies. The company will continue to strengthen its occupational health and safety management framework to maintain safe workplaces free from serious accidents.

Risk Management

Occupational Safety Accident Emergency Response System

Kolmar Korea has established and operates a systematic emergency response framework to enable effective responses to emergencies, including fires, by conducting comprehensive emergency response drills covering initial response, communication, evacuation guidance, fire containment, and emergency rescue. In particular, the company has clearly defined the roles and responsibilities for each relevant organization under the leadership of the Vice President, who serves as Fire Chief, and the Fire Safety Manager, who serves as Deputy Fire Chief, enabling prompt and coordinated responses during emergencies.

Department	Roles and Responsibilities
Initial Response Team	• Guide worker evacuation, implement initial extinguishing measures, activate emergency manual
Emergency Response Headquarters	• Receive emergency situations, support accident handling and recovery and control personnel • Emergency rescue and patient transport • Establish measures for accident investigation, respond to and cooperate with related agencies' investigations
Emergency Communication Team	• Activate emergency communication network within the workplace, disseminate situation updates
Fire Extinguishing Team	• Use fire extinguishers/fire hydrants in emergency situations • Conduct self-extinguishing activities
Evacuation Guidance Team	• Guide worker evacuation, direct to emergency assembly points
Emergency Rescue Team	• Assess the condition of injured person when an incident occurs • Conduct emergency treatment activities, transport patients to hospitals, check patient health status
Carry-out Team	• Carry-out confidential documents and information security items from departments to external locations

Accident Investigation and Recurrence Prevention

Kolmar Korea operates a systematic incident reporting process to identify the root causes of accidents. CCTV systems installed throughout its workplaces are used to objectively analyze the direct causes of incidents. Based on these findings, the company establishes evidence-based measures to prevent recurrence and applies a step-by-step approach that prioritizes risk reduction based on statistical analyses of accident types. Accordingly, Kolmar Korea systematically implements the hierarchy of controls: elimination, substitution, engineering controls, administrative controls, and the use of personal protective equipment (PPE), thereby fundamentally preventing similar accidents from recurring.

Accident Investigation and Recurrence Prevention Process

Step 1 Emergency Treatment	Emergency treatment for the injured, transfer to hospital, prevention of secondary accidents
Step 2 Accident Investigation	Identification of risk factors and causes
Step 3 Cause Analysis	Detailed Analysis of accident root causes
Step 4 Establishment of Measures	Prevention of recurrence of similar accidents
Step 5 Implementation of Improvement	Implementation of corrective actions and verification of effectiveness

After improvement, conduct dissemination education for the relevant department and preserve records

Establishing Safety Management System for Serious Accident Prevention

Kolmar Korea systematically responds to the Serious Accidents Punishment Act by conducting semiannual inspections across all workplaces through its Safety Management Team. The company also appointed a Chief Safety Officer (CSO) to fulfill legal occupational health and safety obligations and strengthen its management system. Through dedicated safety management efforts and CSO leadership, Kolmar Korea continues to enhance workplace safety and minimize serious accident risks.

Identification and Improvement Measures for Workplace Risk Factors to Prevent Serious Accidents

Kolmar Korea identifies and mitigates workplace hazards to prevent serious accidents and ensure a safe working environment for employees and partner company workers. The company conducts semiannual internal inspections and takes immediate corrective action on identified hazards. Going forward, Kolmar Korea will continue to manage potential hazards and strengthen its monitoring system to prevent serious accidents.

Status of Serious Accident Risk Factor Improvements

Kolmar Korea		Partner Companies (In house Subcontractors)	
Sejong Site *54 out of 55 cases completed improvement	98%	Sejong Site *8 out of 8 cases completed improvement	100%
Bucheon Site *133 out of 136 cases completed improvement	98%	Bucheon Site *16 out of 16 cases completed improvement	100%
R&D Complex *15 out of 15 cases completed improvement	100%		

Occupational Health and Safety

Kolmar Korea conducts risk assessments to systematically identify, assess, and manage material social risks that may arise across its business operations. Through these assessments, the company identifies specific occupational health and safety hazards and actively implements measures to prevent, stop, or mitigate their impacts. The effectiveness of these measures is regularly evaluated to minimize adverse impacts. In addition, to strengthen the prevention of serious accidents, Kolmar Korea proactively identifies and addresses hazards across its domestic workplaces and partner companies.

Risk Management

Risk Assessment

Kolmar Korea places the highest priority on the safety and health of its employees and proactively manages potential hazards through a systematic risk assessment system. The company operates a multi-layered safety management framework consisting of annual regular risk assessments, enhanced monthly routine assessments, and ad hoc risk assessments conducted in response to changes in the working environment, such as the introduction of new equipment. To move beyond a purely procedural approach, Kolmar Korea has established a site-based risk assessment process involving safety managers, supervisors, and on-site workers. Through this process, the company identifies practical hazards and operational concerns and develops effective corrective measures. In addition, Kolmar Korea applies a range of risk assessment methodologies to analyze the likelihood and severity of hazards and implements systematic improvement activities based on established priorities. Hazards classified as high risk are addressed immediately to proactively prevent accidents. Following each monthly continuous risk assessment, the company conducts Tool Box Meetings (TBM) with employees in each department to share identified hazards and promote a strong safety culture across its workplaces.

- Regular Risk Assessment(Annually)
- Ad Hoc Risk Assessment (In Case of Occurrence of Special Issues)
- Continuous Risk Assessment(Monthly)

Status of Continuous Risk Assessment Implementation

Category		2025(Cases)
Number of Risk Factors Identified	Sejong Site	203
	Bucheon Site	74
	R&D Complex	167
	Total	444
Number of Risk Factors Improved	Sejong Site	203
	Bucheon Site	74
	R&D Complex	167
	Total	444
Risk Factor Improvement Rate (%)		100

Status of Mitigation Measures for Major Risk Factors

Risk Factors	Mitigation Measures	Risk Level Before Improvement	Risk Level After Improvement
Gas detection system required in the quality laboratory	Installed a gas detection and monitoring system	6	3
Risk of employee injury due to the absence of a guard on the band sealer	Installed a safety guard	8	3
Risk of employee injury due to inadequate guarding on the tablet press	Installed safety guards (photoelectric and two-hand control system)	9	3
Risk of collisions at intersections between forklift routes and pedestrian walkways	Installed safety mirrors	8	4
Risk of workers becoming caught in the grinding screw during operation of the 20L grinder	Installed a protective cover	8	4
Risk of chemical burns due to insufficient emergency supplies when handling hydrofluoric acid reagents	Provided a hydrofluoric acid emergency response kit	6	4
Risk of employee entrapment due to an opening in the interlock device of the first-floor tube filling machine	Closed the opening	9	3
Risk of falls while visually checking the remaining level of the sorbitol tank	Provided safety helmets and safety harnesses	9	6

Risk Assessment Process

STEP 1
- Establish risk assessment procedures
- Define risk levels and assessment criteria
- Collect and review occupational health and safety information

STEP 2
- Monthly workplace inspections (once per month)
- Employee suggestion program
- Near-miss reporting cases

STEP 3
- Assess risk levels• Determine whether risks are acceptable

STEP 4
- Implement control measures based on established priorities
- Develop and implement measures to reduce risks to the lowest practicable level
- Reconfirm whether residual risks are acceptable

STEP 5
- Communicate risk assessment results
- Share results through Tool Box Meetings (TBM)

STEP 6
- Document the results of the risk assessment
- Retain records for three years

Occupational Health and Safety

Kolmar Korea places the highest priority on the life, safety, and health of its employees and continues to strengthen its prevention-oriented occupational health and safety management framework. Through the prevention of occupational illnesses and site management based on risk assessments, the company systematically manages potential risks across its workplaces. Kolmar Korea also continues to enhance the efficiency and reliability of its occupational health and safety activities by advancing its data-driven management system. The company will continue to strengthen its occupational health and safety management practices to support a safe and sustainable working environment.

Metrics and Targets

Occupational Health and Safety Management Goals

Kolmar Korea has established mid- to long-term priorities to strengthen workplace safety and enhance sustainable occupational health and safety management, focusing on the prevention of occupational illnesses, site management based on risk assessments, and the advancement of a data-driven occupational health and safety management system. To support these priorities, the company continues to strengthen proactive hazard management and employee health protection activities while identifying and mitigating potential risks across its workplaces through continuous risk assessments and regular inspections. As a short-term target for 2026, Kolmar Korea aims to identify and mitigate more than 800 hazards through EHS safety inspections and continuous risk assessments, further reinforcing site-based preventive activities. In addition, the company plans to advance its occupational health and safety management capabilities by establishing a data management system and progressively expanding an integrated digital management platform. Through these efforts, Kolmar Korea aims to foster a prevention-oriented safety culture and support a safe and sustainable working environment.

Occupational Health and Safety Management Roadmap

Prevention and Management of Occupational Illnesses

Proactively manage workplace hazards and operate a prevention-focused health management system to achieve a zero-incidence rate of occupational illnesses

Strengthening Site Safety through Risk Assessment

Continuously identify and mitigate hazards through risk assessments and safety inspections to further enhance accident prevention.

Advancement of an IT-enabled Occupational Health and Safety Management System

Establish a data management system and implement real-time monitoring and an integrated management framework through AI-enabled mobile technologies.

2027 Goals

- Zero occupational diseases
- Identify and eliminate 850 hazards through EHS safety inspections and ongoing risk assessments
- Establish two occupational health and safety data management systems
- Achieve zero serious accidents and maintain an accident rate below 0.5%

2030 Goals

- Identify and eliminate 1,000 hazards through EHS safety inspections and ongoing risk assessments
- Advance the IT-enabled occupational health and safety management system(Establish integrated web and mobile systems, Deploy AI-enabled sensors and cameras)

Sustainable Supply Chain Management

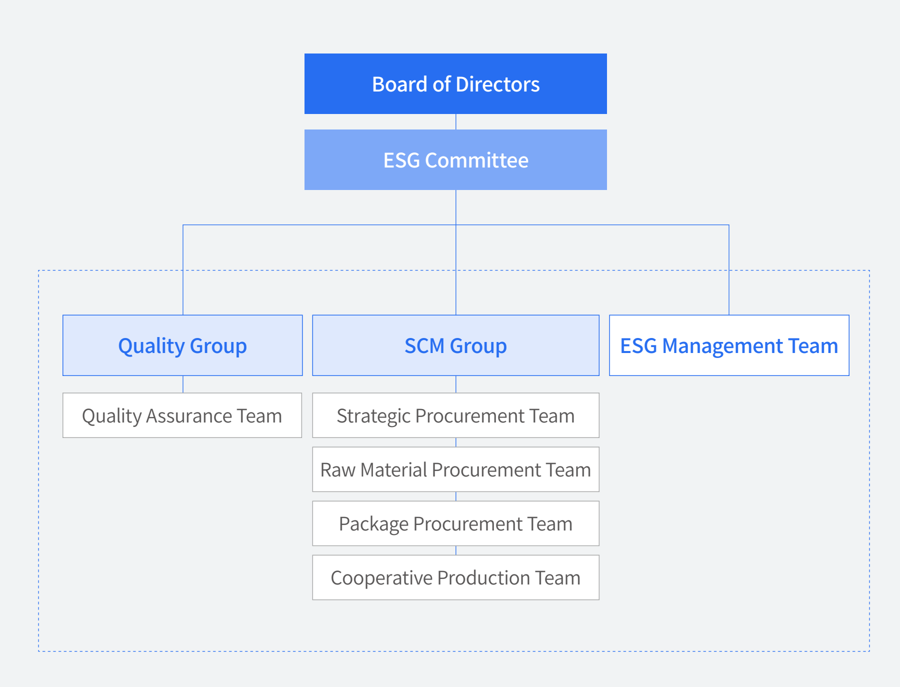
Kolmar Korea has established a sustainable supply chain management framework to foster genuine mutual growth with more than 1,100 partner companies supplying raw materials and other materials. To strengthen sustainability across its supply chain, the company has established a Code of Conduct for Partner Companies and provides a wide range of support programs to enhance their capabilities in quality, technology, and ESG management. In addition to financial and non-financial support, Kolmar Korea promotes collaborative R&D and operates customized mutual growth programs tailored to the characteristics of its industry, fostering a business ecosystem that grows together with its partner companies. The company also systematically establishes and operates a supply chain ESG management framework to enhance sustainability performance across its entire supply chain.

Governance

Sustainable Supply Chain Management Operation System

Kolmar Korea has established a governance structure for systematic supply chain ESG risk management under the Board of Directors' ESG Committee. Supply chain management is implemented collaboratively by the Quality Group, SCM Group, and ESG Management Team. The Quality Group supports partner companies in quality management and conducts quality audits, while the Strategic Procurement Team and ESG Management Team oversee supply chain governance, ESG assessments, education, and consulting. The Raw Material Procurement Team, Package Procurement Team, and Cooperative Production Team manage partner company relationships and sustainable supply chain management throughout the procurement process.

Supply Chain Management Organizational Structure



Partner Companies Code of Conduct

In 2024, Kolmar Korea comprehensively revised its Code of Conduct for Partner Companies and established clear standards requiring partner companies to comply with applicable domestic and international laws and regulations throughout the entire business process, including bidding, outsourced operations, and contract performance. The company also formally requests its partner companies to implement the Guidelines for the Code of Conduct for Partner Companies. The Code of Conduct is built around four core pillars: ethical, safety, human rights, and environmental management, and encourages partner companies to uphold high standards of corporate responsibility. In addition, both existing and new partner companies are requested to sign a Code of Conduct Compliance Pledge. As of 2025, Kolmar Korea had obtained signed pledges from 1,056 of its 1,115 partner companies, representing 94.7% of its total partner companies.

Ratio of partner companies that have signed the Code of Conduct Compliance Pledge 94.7%

Main Contents of Partner Companies Code of Conduct

Kolmar Korea Partner Companies Code of Conduct

Ethical Management
- Compliance Management
- Information Security
- Identity Protection
- Responsible Raw Material
- Procurement

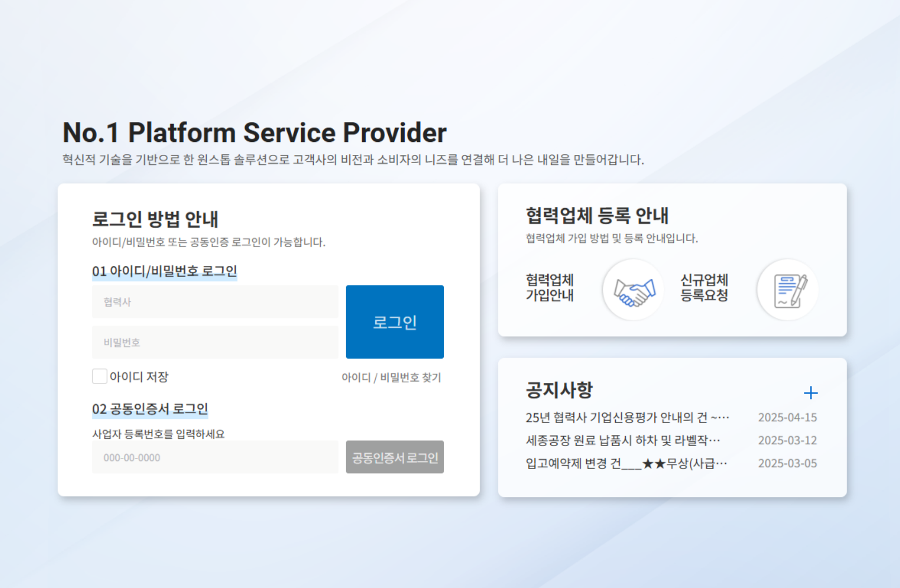
Human Rights Management
- Prohibition of Discrimination
- Humane Treatment
- Prohibition of Child Labor Exploitation
- Working Hours
- Wages and Welfare Implementation
- Freedom of Association

Safety Management
- Occupational Safety
- Industrial Hygiene
- Emergency Preparedness
- Occupational Accidents and Diseases
- Physical Labor
- Maintenance of Machinery and Equipment Safety

Environmental Management
- Environmental Permits and Reporting
- Hazardous Chemical Management
- Waste and Wastewater Management
- Air Pollution Control
- Pollution Prevention and Resource Use Reduction
- Regulation of Product-Contained Substances
- Energy Consumption and Greenhouse Gas Emission Management

Partner Company Management System

To strengthen sustainable supply chain management, Kolmar Korea established and launched its Supplier Relationship Management (SRM) portal for partner companies in August 2023. The SRM portal serves as an integrated collaboration platform that enables two-way management of key business processes between Kolmar Korea and its partner companies, including proposals, contracts, bidding, and purchase orders. In 2025, the company further enhanced the system to enable manufacturers to directly submit Material Safety Data Sheets (MSDS) through the SRM portal during the supply agreement process. This enhancement supports the placement of MSDS that have been officially filed with and submitted to the Ministry of Employment and Labor at production sites and enables their systematic management.



Kolmar Korea SRM(Supplier Relationship Management)

Sustainable Supply Chain Management

Kolmar Korea is a leader in supporting ESG management among partner companies in the cosmetics ODM industry and is actively working to build a sustainable supply chain ecosystem. The company conducts both document-based assessments and on-site assessments to thoroughly identify ESG risks faced by partner companies and supports their capability enhancement through tailored education and consulting programs. Going forward, Kolmar Korea will continue to expand the scope of its ESG support for partner companies to advance a sustainable supply chain.

Strategy

Supply Chain ESG Management System

Kolmar Korea applies a consistent supply chain ESG assessment process to both new and existing partner companies. The process is systematically structured in stages, beginning with partner company identification and followed by document-based assessments, partner company selection, monitoring and on-site assessments, corrective actions and incentives, and implementation support. To identify and manage potential sustainability risks across the supply chain more effectively, Kolmar Korea utilizes specialized assessment indicators jointly developed with NICE Information Service Co., Ltd. Assessment results are comprehensively evaluated based on factors including the size of each partner company and its performance against key ESG indicators, and are actively incorporated into the company's supply chain management strategy.

Partner Company ESG Evaluation Process

Pre-identification	· Review of partner companies requesting transaction registration and proposed raw materials
Written Evaluation	· Request for self-diagnosis implementation through distribution of ESG evaluation indicators and request for supporting documentation
Partner Company Selection	· Selection of partner company based on written evaluation results
Monitoring and On-site Evaluation	· Annual monitoring of partner companies' ESG implementation status · On-site evaluation of companies with identified risk factors
Improvement Measures Request and Incentive Provision	· Request for improvement measures for risk factors by partner company category and recommendation to establish improvement plans · Provision of Incentives and Penalties based on evaluation results
Implementation Support	· Support for ESG-related education, written or on-site consulting, necessary for partner companies to implement improvements

Supply Chain ESG Evaluation Implementation Status

Kolmar Korea conducts systematic ESG assessments of partner companies using 34 evaluation indicators consisting of 12 environmental (E), 12 social (S), and 10 governance (G) criteria. In 2025, ESG assessments were conducted for 898 of the company's 1,115 partner companies. Based on the quantified assessment results, Kolmar Korea operates an incentive program that incorporates both rewards and corrective measures. Partner companies demonstrating outstanding performance receive benefits such as preferential consideration in bidding, additional evaluation points for volume allocation, and shortened payment terms. For partner companies with lower assessment results, the company provides tailored improvement tasks for each ESG area, actively supporting their continuous capability enhancement.

Key ESG Evaluation Indicators for Partner Companies

Evaluation Target and Evaluation Areas

Raw Materials, Packaging, and Outsourced Processing Partner Companies	· Environmental (12 items): Greenhouse gas, Water management, Waste management · Social (12 items): Human rights, Labor safety, Serious accidents · Governance (10 items): Ethics, Compliance, BoD indicators

Percentage of Partner Companies Evaluated for ESG 80.5%

Partner Company Evaluation Criteria

Evaluation Score			
90 points and above	A* Grade	· Continuous transaction opportunities provided · Incentives provided - Improved payment terms - Priority review for free education support	
90 points and above	B* Grade	· Continuous transaction opportunities provided	
60–90 points	C Grade	· Request for improvement of deficiencies	
Below 60 points	D Grade	· Penalties - Restrictions on opportunities for new business and participation in bidding processes	· Identification of alternative partner companies

(Vertical axis: Evaluation Score; horizontal axis: Revenue)

* Based on transaction volume among companies with evaluation scores of 90 points or higher
A Grade: Key partner companies
B Grade: Strategically nurtured partner companies

ESG Management Education Support for Partner Companies

Kolmar Korea held the 2025 ESG Sustainability Seminar to strengthen ESG communication with partner companies and enhance mutual understanding. The seminar was attended by 151 participants from 108 partner companies in the raw materials, packaging materials, and contract manufacturing sectors, all of whom received complimentary ESG training. The program covered topics including global ESG trends, developments in the sustainable packaging market, and regulatory changes in the European market, helping participants gain practical insights into ESG-related issues. Through these initiatives, Kolmar Korea continues to strengthen the ESG capabilities of its partner companies and foster a truly collaborative and mutually beneficial partnership.

ESG Consulting Support for Partner Companies

In 2025, Kolmar Korea collaborated with NICE Information Service Co., Ltd. to provide ESG document-based and on-site consulting for partner companies, offering tailored one-on-one solutions based on each company's specific circumstances. The company also provided thorough follow-up support to ensure that the improvement tasks identified during the consulting process were effectively implemented through appropriate corrective actions. During 2025, on-site consulting was conducted for four partner companies classified as small and medium-sized enterprises (SMEs). Key ESG initiatives included providing solutions for environmentally friendly workplaces (E), establishing and enhancing information security management systems (S), and improving codes of ethics, including whistleblowing mechanisms (G). Kolmar Korea plans to progressively expand the scope of its consulting support to further enhance the sustainability performance of its partner companies.

ESG On-site Due Diligence Support for Partner Companies

To closely assess the level of ESG management practices among its partner companies and strengthen their self-assessment capabilities, Kolmar Korea conducted on-site assessments of six partner companies between November 19 and December 10, 2025. During the assessments, the company comprehensively reviewed each partner company's ESG management practices and provided detailed guidance on the strategic importance of ESG management in the global supply chain, as well as specific client requirements, helping partner companies establish a clear direction for their ESG initiatives. In addition, Kolmar Korea provided a greenhouse gas emissions calculation tool, enabling partner companies to independently measure and systematically manage their carbon emissions, thereby establishing a practical foundation for effective greenhouse gas management.

Sustainable Supply Chain Management

Kolmar Korea has established a mutual growth management framework to create shared value with its partner companies and ensure fair opportunities for collaboration. The company also operates a range of support programs designed to help address challenges that arise throughout the course of collaboration. Moving forward, Kolmar Korea will continue to strengthen mutual competitiveness based on trust and promote mutual growth with its partner companies.

Strategy

Mutual Growth Management System

To strengthen partner company competitiveness and promote sustainable mutual growth, Kolmar Korea has established a management framework based on four key strategies: fair business opportunities, sales growth support, training and consulting, and financial support. Through this framework, the company continues to build a sustainable supply chain.

Kolmar Korea Mutual Growth Strategic Tasks

Providing Fair Trading Opportunities
- Registration of potential partner companies through the SRM website
- Registration and transaction as partner companies after review and screening
- Voluntary raw material development proposals from partner companies

Promoting Partner Companies' Sales Expansion and Strengthening Partnerships
- Support to secure overseas markets through Kolmar Korea's overseas affiliates for partner companies handling Korean raw materials
- Promotion of joint technology and raw material development

Partner Company Education/Consulting Support
- Corporate credit evaluation education and consulting
- Operation of talent development education programs

Financial Support
- Support for stable fund management through early payment of funds to fair trade agreement partners

Early Payment Program for Mutual Growth Partner Companies

In 2025, Kolmar Korea designated 13 mutual growth partner companies and operated an early payment program to reduce financing costs through twice-monthly payments and shorter payment periods. The company plans to expand the program by increasing designated partner companies and extending early payment support.

Complimentary Equipment Leasing Support

In 2025, Kolmar Korea purchased three pieces of equipment and provided them to key contract manufacturing partner companies on a complimentary lease basis. Through this initiative, the company contributed to establishing a practical foundation that enables partner companies to meet the quality standards and production capabilities required by Kolmar Korea's clients.

Promotion of Joint Technology/Raw Material Development

Kolmar Korea actively promotes mutual growth and strengthens its competitiveness in the global market by combining its technological capabilities with the expertise of external organizations. Since 2025, the company has entered into four collaboration agreements with global chemical companies and leading research institutions to develop new materials and technologies. Kolmar Korea will continue to pursue strategic collaborations to secure leadership in future beauty technologies.

Partner Company	Name of Applied Technology	Name of Applied Product
BASF Company Ltd.	Collaboration agreement for joint cosmetics R&D	New UV protection ingredients and bio-based materials
Eastman Chemical Company	Collaboration agreement for the development of sustainable makeup materials	Naturally derived renewable materials as alternatives to microplastics
World Institute of Kimchi	Collaboration agreement for the industrialization of kimchi-derived lactic acid bacteria	Next-generation beauty and healthcare materials
National Institute of Biological Resources	MOU for the development of microbiome cosmetics derived from native plants	Cosmetic ingredients with microbiome skin benefits

Supporting Promising K-Beauty Companies and Expanding Market Opportunities

Kolmar Korea has established a close collaboration network with distributors and academic institutions to identify and nurture promising beauty startups and emerging brands. Through comprehensive support spanning the entire business lifecycle, from manufacturing technology mentoring to distribution channel entry and global marketing, the company contributes to the mutual growth of the K-Beauty ecosystem.

Partner Company	Programs & Partnerships	Key Cooperation & Support Details
CJ OLIVE YOUNG Corporation	Collaboration agreement to jointly foster K-Beauty startups	Beauty startup acceleration program, including manufacturing mentoring and support for entry into distribution channels
Seowon University	MOU for collaboration under the Startup Leap Package Support Program	Identification of promising K-Beauty startups, customized mentoring, and open innovation programs
Lotte Duty Free	Collaboration agreement to expand global market access for K-Beauty brands	Support for duty-free store entry for small and medium-sized beauty brands (clients) and joint operation of a K-Beauty zone
National Institute of Biological Resources	MOU for the development of microbiome cosmetics derived from native plants	Cosmetic ingredients with microbiome skin benefits

Expanding Production Infrastructure and Mutual Growth Financial Support

To maintain a sustainable and resilient supply chain, Kolmar Korea continues to make proactive investments in production infrastructure while expanding mutual growth financial support programs for its partner companies. Through these initiatives, the company aims to help its partner companies overcome financial challenges and foster a resilient industrial ecosystem.

Partner company	Programs & Partnerships	Key Cooperation & Support Details
Korea Trade Insurance Corporation, Woori Bank	MOU for financial support to strengthen the export supply chain for Korean consumer goods	KRW 10 billion contribution to provide export financing and preferential guarantee support for approximately 160 small and medium-sized partner companies
Sejong City	Investment agreement for the construction of a new skincare manufacturing facility	Construction of a new manufacturing facility to relocate overseas production to Korea and expand skincare production capacity

Sustainable Supply Chain Management

Kolmar Korea has established a mutual growth management framework to maximize shared value with its partner companies and promote fairness in collaboration opportunities. The company also operates a range of support programs to help address challenges that arise throughout the course of collaboration, thereby supporting the sustainable growth of its partner companies. Moving forward, Kolmar Korea will continue to foster long-term collaborative relationships, strengthen mutual competitiveness, and realize mutual growth with its partner companies.

Strategy

Operating a Joint Program to Foster the K-Beauty Startup Ecosystem

Kolmar Korea, in collaboration with CJ Olive Young, operates the Beauty Innovation Hub Center to strengthen the competitiveness of the K-Beauty industry and foster a sustainable startup ecosystem. Following a rigorous evaluation process, 11 promising beauty startups were selected for the program. Beginning in September 2025, Kolmar Korea will launch a comprehensive acceleration program that combines the company's R&D and manufacturing expertise with CJ Olive Young's distribution capabilities to nurture the next generation of leading K-Beauty startups. By integrating Kolmar Korea's strengths in technology and product planning with CJ Olive Young's expertise in distribution and marketing, the program provides one-on-one customized mentoring and practical commercialization support tailored to the needs of participating startups.

Category	Details
Objective	Strengthen the competitiveness of the K-Beauty industry and foster the beauty startup ecosystem
Location	Beauty Innovation Hub Center, leased space within HKN Pangyo Square
Implementation Timeline	Call for applications (April 30) → Document screening and interviews (May–June) → Selection of 11 startups (July 4) → Move-in (August)

Lead Organization	Program	Key Consulting and Support
Kolmar Korea (Technology / Marketing)	Industry Trend Seminar	Provides professional insights on global regulations, cosmetic ingredients, color cosmetics, and other topics related to product planning and development through the Technical Research Lab.
	New Product Proposal Presentations	Presents category-specific product concepts based on seasonal beauty trend analysis through the Marketing Group
CJ Olive Young	Market Trend Lectures	Provides training on global beauty market trends, K-Beauty export trends, and future market outlook
	Customized MD Consulting	One-on-one mentoring by merchandising specialists on product planning (target market and competitiveness), marketing, and distribution strategies, including retail entry
	Market Access and Investment Support	Provides co-marketing opportunities, reviews online, offline, and global store placement for outstanding startups, and offers opportunities for minority equity investment

Clients Growth Seminars and Customized Acceleration Programs

Kolmar Korea continues to expand its annual Connect for Partner's Growth seminars and customized acceleration programs to support the business growth and competitiveness of its clients. Through these programs, the company provides a wide range of educational and consulting services covering beauty trend analysis, government support programs, global market expansion, including Amazon marketplace entry, and investment readiness (IR), while continuously broadening participation.

Year	Program	Theme	Date	Participating Companies (Clients + Non-Clients)	Participants
2024	Connect for Partner's Growth Government Support Program Briefing & F/W Beauty Trend Presentation	Government grants and financing programs, 2024 F/W beauty trends	2024.04.25	43	67
	Connect for Partner's Growth Marketing Strategy Seminar	Beauty brand marketing strategies and influencer marketing case studies	2024.08.21	27	50
	Connect for Partner's Growth 2025 Government Support Program Briefing & S/S Beauty Trend Presentation	2025 government support programs and S/S beauty trends	2024.12.12	163	201
2025	Client Government Support Program Acceleration Program	Analysis of 2025 government support strategies, company-specific strategies, and business proposal consulting	2025.02	11	14
	Connect for Partner's Growth Global Market Expansion Seminar & F/W Beauty Trend Presentation	Amazon marketplace entry and growth strategies, F/W beauty trends	2025.04.24	120	190
	Client IR / Investment Acceleration Program	IR presentation development, practical IR training (planning, content development, and design enhancement), pitching simulations, and final Demo Day	2025.07	15	15
	Connect for Partner's Growth Government Support Programs for Cosmetics Exports & 2026 S/S Beauty Trend Presentation	Government support programs for overseas expansion and 2026 S/S beauty trends	2025.11.11	131	197
	Client Government Support Program Acceleration Program	Analysis of 2026 government support strategies, company-specific strategies, and business proposal consulting	2025.12	15	22
2026	Connect for Partner's Growth Indie Brand IR Guide & Derma-fit & Skincare Planning Presentation	IR preparation guide for indie beauty brands seeking investment and Derma-fit & skincare planning	2026.04.16	140	208

Sustainable Supply Chain Management

Kolmar Korea operates a grievance handling system for partner companies to maintain transparent and fair business relationships, while actively gathering feedback through regular communication channels. In addition, the company implements a structured review and evaluation process for both new and existing partner companies, enabling timely responses to potential supply chain risks.

Risk management

Partner Company Grievance Handling System Operation

Kolmar Korea operates a partner company reporting portal to address grievances and prevent unethical conduct among its partner companies. The company also continuously promotes its grievance channels to support improvements in the working environment of its partner companies. In 2025, one grievance was received regarding the management of deliveries of client-designated, company-supplied packaging materials provided free of charge. In response, Kolmar Korea introduced a delivery reservation function for such packaging materials within its partner company management system. Through its grievance mechanism, the company receives and monitors reports on a wide range of issues, including business relationships, ethical violations, improper solicitation, and environmental and human rights concerns.

Partner Company Grievance Handling Process

Report Receipt and Content Confirmation	· Receipt of written reports · Confirmation by relevant departments under the principle of reporter identity protection
Investigation Initiation	· Determination of investigation personnel, period, and handling method · Securing objective evidence and conducting investigation
Completion and Closure of Investigation	· Handling according to internal regulations through verification of the facts of the report
Notification of Handling Results and Follow-up Management	· Sending feedback, including handling results to the reporter

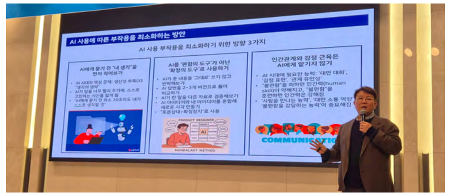
Partner Company Grievance Report Types

False Advertising, Intellectual Property Infringement, Privacy Protection Violations	Corruption such as Embezzlement of Company Assets	Document and Account Manipulation, Acts Against Shareholders and Company Interests
Violations of Environmental and Human Rights Protection	Violations of Coexistence with the Local Community	Other Ethical Management Violations

Category	2023	2024	2025
Grievances Received	0	0	1
Grievances Resolved(Resolution Rate)	0(-)	0(-)	1(100%)

Partner Company Communication Activities

Kolmar Korea holds executive meetings six times a year to strengthen communication with the senior management of its partner companies. On average, executives from 35 partner companies, representing approximately 41 participants, attend each session. The meetings provide opportunities to discuss business topics, including leadership and global business trends, while promoting communication and strengthening cooperative relationships with partner companies.



Communication Activities with Partner Companies

Partner Company Screening and Evaluation

When selecting new partner companies, Kolmar Korea applies rigorous screening criteria by thoroughly evaluating their ESG management practices, financial stability, and raw material certification documentation. Following selection, the company promotes sustainable and responsible business practices by requiring transparent contract execution and compliance with fair trade principles, encouraging partner companies to strengthen their ESG performance as well as legal and ethical management. In addition, Kolmar Korea conducts annual evaluations to assess the capabilities of its partner companies and operates a reward and penalty system based on the evaluation results to promote continuous performance improvement.

STEP 1 New Partner Company Screening
- Verification of ESG checklist evaluation results, financial stability, and raw material certification documents upon registration of new partner companies
- Decision on whether to proceed with transactions based on review of data suitability

STEP 2 Transparent Contract Signing and Fair Trade
- Execution of contracts including Kolmar Korea's 'Code of Conduct Compliance Pledge' and the Korea Fair Trade Commission's 'Standard Confidentiality Agreement' after completion of stability screening

STEP 3 Incentives Provision
- Assess the sustainability of partner companies through regular evaluations across five areas: ESG management practices, creditworthiness, quality, delivery performance, and pricing.
- Provide incentives for high-performing partner companies, including shortened payment terms and complimentary education and consulting, while applying penalties to underperforming partner companies, including restrictions on bidding opportunities and business transactions.

Sustainable Supply Chain Management

Kolmar Korea continues to enhance its ESG evaluation framework for partner companies and expand education and consulting programs designed to strengthen their capabilities, taking the lead in building a sustainable supply chain. By supporting the global expansion of small and medium-sized partner companies and promoting a fair business culture, the company is strengthening the foundation for genuine mutual growth. Moving forward, Kolmar Korea will continue to strengthen its sustainable supply chain management framework based on transparent and responsible partnerships while creating sustainable value together with its partner companies.

Metrics and Targets

Sustainable Supply Chain Management Goals

Kolmar Korea is committed to sustainable mutual growth with its partner companies as a core management value and will continue to strengthen its supply chain ESG management framework. To enhance ESG performance across the supply chain, the company will continue to provide complimentary ESG education and consulting programs for partner companies while progressively expanding the scope of support so that more partner companies can benefit from these initiatives. In addition, Kolmar Korea will provide complimentary consulting services to improve credit ratings and strengthen the financial soundness of partner companies, helping them establish a stable foundation for sustainable growth.

The company will further enhance its incentive and reward system based on ESG evaluation results to encourage voluntary ESG practices among partner companies. Through expanded financial and non-financial support and the provision of fair business opportunities, Kolmar Korea aims to further strengthen a supply chain ecosystem founded on mutual growth. The company will also continue to reflect the voices of partner companies in its management through regular communication channels while reinforcing supply chain partnerships built on transparency and trust.

Kolmar Korea regards its partner companies not merely as business partners but as long-term growth partners in building a sustainable future. Through responsible supply chain management, the company will continue to set new standards for sustainable business practices within the industry. Kolmar Korea remains committed to advancing toward a better future together with its partner companies.

Sustainable Supply Chain Management System Enhancement Roadmap

Expansion of Partner Company ESG Capability Building Activities

Conducting ESG evaluations of partner companies and strengthening management systems for building a sustainable supply chain

Diversification of Mutual Growth Programs

Strengthening financial and non-financial support programs for mutual cooperation

Partner Company Communication

Activating a communication culture to enhance industry competitiveness through grievance handling and listening to partner company opinions

2027 Goals

- Expand participation in ESG education and consulting programs
- Launch and expand mutual growth programs
- Conduct more than 10 mutual growth programs

2030 Goals

- Achieve 100% ESG evaluations for all partner companies
- Conduct more than 20 mutual growth programs

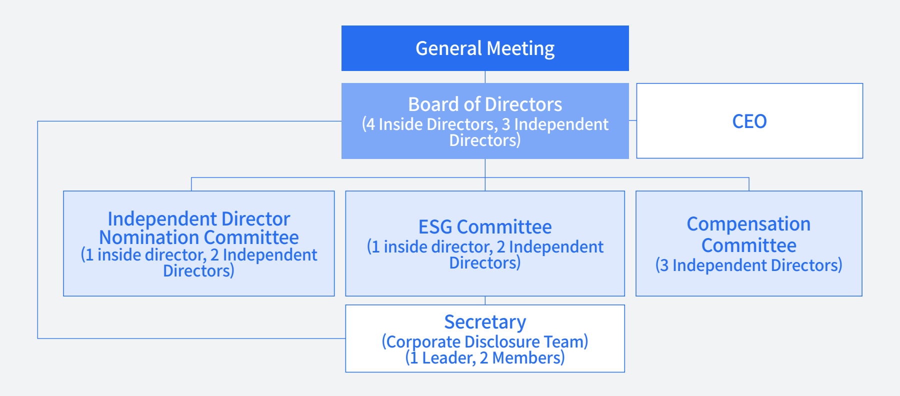
Balanced Board of Directors

Kolmar Korea pursues the highest standards of corporate governance through its Corporate Governance Charter, which encompasses shareholders, the Board of Directors, auditors, stakeholders, and the market. The Charter is founded on the principle that the company should create value for clients, employees, and shareholders by achieving sustainable growth and long-term development, while fulfilling a vital role in social and economic progress and contributing to the well-being of humanity. The company's governance structure is centered on the Board of Directors. Guided by its management philosophy and Code of Ethics, Kolmar Korea strives to ensure transparency, soundness, and stability across all aspects of its management and corporate governance.

Governance

Composition of the Board of Directors

Kolmar Korea has established a transparent governance structure centered on the Board of Directors, the Company's highest decision-making body, to ensure stable management and enhance stakeholder value. In accordance with the Articles of Incorporation, the Board consists of seven executive and independent directors with relevant expertise and experience. The roles of Chairman of the Board and Chief Executive Officer are separated to strengthen independence and transparency, while three specialized committees support effective decision-making.



Board Meetings

Board of Directors Activities

Kolmar Korea's Board of Directors reviews and approves key management and ESG-related matters, overseeing overall management through regular meetings and structured reporting. This governance framework strengthens decision-making effectiveness and management transparency.

Category	Meeting Held	Attendance Rate	Agenda Items Approved	Reports Presented	Dissenting Votes	Key 2025 Resolutions and Reports
Board of Directors	7	98.1%	18	8	0	- 13th Annual General Meeting Convening Resolution - ESG Management Report (2024 Performance, 2025 Plans)

Composition of the Board of Directors

Kolmar Korea's Board of Directors is composed based on independence, diversity, and expertise to support the Company's mid- to long-term strategy, with its capabilities systematically managed through a Board Skills Matrix (BSM). At the Annual General Meeting in March 2025, the Company reappointed key Board members and appointed Kim Ji-hyun as a new Independent Director, whose expertise in strategy, management, and technology supports global business expansion and long-term value creation. The Company also provides directors with timely management information to enhance strategic deliberations and decision-making.

Category	Key Responsibilities
Board of Directors	· Approve key matters, including business execution, executive appointments, and branch office operations. · Oversee the execution of directors' duties
Independent Director Nomination Committee	· Review and recommend candidates for Independent Director based on multiple criteria, including independence and diversity.
ESG Committee	· Establish fundamental ESG management policies and strategies. · Set mid- to long-term ESG goals.
Compensation Committee	· Conduct prior reviews of the Directors' Remuneration Limit · Review and approve the appropriateness of remuneration for registered directors.

Board Competencies Indicators

Category	Name(Gender)	Committee	Key Career	Board Skills Matrix				
				Corporate Management	Finance & Accounting	Technological Innovation	Global Expertise	Risk Management
Inside Directors	Sang-keun Han (Male)	Independent Director Nomination Committee	Vice Chief of R&D, Kolmar Korea			●		
	Hyun-kyu Choi (Male)	ESG Committee	Current) CEO of Kolmar Korea / Former) Chairman of Kolmar Wuxi	●			●	●
	Sang-hyun Yoon (Male)	-	Vice Chairman of Kolmar Holdings / CEO of Kolmar Holdings	●			●	
	Hyun-haeng Huh (Male)	-	Heads of Global Expansion Innovation Hub and Growth Management Division, Kolmar Korea	●	●		●	
Independent Directors	Thomas Shin(Male)	Compensation Committee / Independent Director Nomination Committee / ESG Committee	Bain & Company Korea Advisory Partner	●			●	
	Hyun-jung Kim (Female)	ESG Committee / Compensation Committee	IBM Managing Partner	●		●	●	
	Ji-hyun Kim(Male)	Independent Director Nomination Committee / Compensation Committee	Professor, School of Business, Yonsei University	●			●	●

This reflects the composition of the Board of Directors as of the first half of 2026. For further details on the Board of Directors, please refer to Section VI. Matters Related to the Board of Directors and Other Corporate Bodies (p. 314) of the current annual report.

Balanced Board of Directors

Kolmar Korea identifies and assesses the impacts, risks, and opportunities associated with maintaining a balanced Board of Directors to strengthen the Board's diversity, independence, and expertise. Through this process, Kolmar Korea evaluates how the Board's composition and oversight contribute to sustainable business growth and stakeholder trust, while also identifying related financial risks and opportunities. Based on these assessments, Kolmar Korea establishes and implements appropriate response strategies to manage these impacts, risks, and opportunities systematically.

Strategy

Identified Impacts/Risks/Opportunities and Occurring Impacts

Identified Impact/Risk/Opportunity Factors		Description	Related Stakeholders	Likelihood*	Scale*	Temporal Scope of Occurrence**	Key Impacts
Balanced Board of Directors	Impact	A Board of Directors with diversity and expertise can strengthen the protection of stakeholder interests and foster an inclusive decision-making culture.	Own Operation, Downstream	Medium	Medium	Medium to Long Term	· Enhance social inclusion through a diverse Board composition
	Risk	Insufficient Board independence or expertise may lead to ineffective strategic decision-making, resulting in a decline in corporate value, investor withdrawal, and reduced long-term growth potential.	Own operation	Low	Medium	Medium to Long Term	· Increased risk of investor withdrawal resulting from operational risks associated with insufficient Board independence and expertise
	Opportunity	A Board of Directors with industry and ESG expertise can enhance the quality of strategic decision-making and strengthen its ability to identify new business opportunities. This can support the development of new growth drivers, strengthen market confidence, and increase the potential to attract investment and expand capital over the medium to long term.	Own operation	Low	Medium	Medium to Long Term	· Identify new business opportunities and attract investment capital by strengthening the expertise of Independent Directors
	Opportunity	A transparent and accountable decision-making structure can strengthen stakeholder trust and reduce management uncertainty. This can facilitate investment, enhance business stability and corporate reputation, and contribute to long-term corporate value and financial stability.	Own operation	High	High	Short to Long Term	· Strengthen corporate value and long-term financial stability through a transparent decision-making structure

Management Strategy

Key Activities
Strengthening Board Independence, Diversity, and Effectiveness
Establishment of the Compensation Committee
Establishment of a Transparent Remuneration Policy
Operation of the Independent Director Nomination Committee
Establishment of an Audit Function
Evaluation of the Effectiveness of Internal Control over Financial Reporting
Establishment of a Shareholder Return Policy
IR Activities and Shareholder Communication

* Likelihood: The probability of actual occurrence; Scale: The degree of impact, classified as high, medium, or low based on survey results from internal and external stakeholders using a 4-point scale.
** The temporal scope criteria for short, medium, and long term follow ESRS 1 (General Requirement). Short term (within 1 year), medium term (within 1 to 5 years), long term (over 5 years).

Balanced Board of Directors

Kolmar Korea operates under a transparent and sound corporate governance framework centered on its Board of Directors, the Company's highest decision-making body. The Board comprises Inside Directors and Independent Directors with diverse professional expertise, supporting a balanced decision-making structure. With consistently high attendance at Board meetings, Kolmar Korea ensures timely and accountable decision-making on key business matters, contributing to long-term business stability and enhanced stakeholder value.

Strategy

Board Independence, Diversity, Expertise, and Effectiveness

To strengthen the independence and transparency of the Board of Directors, Kolmar Korea separates the roles of Chair of the Board and Chief Executive Officer (CEO). The Chair of the Board is served by Sang-keun Han, an Inside Director. Kolmar Korea also operates an Independent Director Nomination Committee to review and recommend candidates based on independence and diversity criteria. The Committee consists of two Independent Directors and one Inside Director, ensuring that Independent Directors hold a majority of the seats to support the Committee's independence. On March 26, 2025, Hyun-jung Kim was reappointed as an Independent Director. As the first female Independent Director, she contributes to greater diversity on the Board and brings expertise in digital transformation. Ji-hyun Kim was also newly appointed, contributing expertise in strategy, management, and blockchain.

Kolmar Korea nominates director candidates with extensive expertise and experience in areas such as management and accounting. Candidates are reviewed by the Independent Director Nomination Committee before receiving final approval at the General Meeting. The Board Regulations also allow Independent Directors to seek advice from external experts when necessary, with the related costs covered by Kolmar Korea, thereby supporting informed and effective Board activities. When recommending Independent Director candidates, the Company considers expertise in areas including accounting and finance, industry and trade, and management. No restrictions or discrimination are applied based on age, gender, educational background, or place of origin.

Comparison with Governance Practices Code

Comparison with Governance Practices Code

Kolmar Korea discloses on its website any differences between the Code of Best Practices for Corporate Governance issued by the Korea Institute of Corporate Governance and Sustainability (KCGS) and its corporate governance practices. Kolmar Korea fully complies with the Code and remains committed to maintaining a transparent and sound corporate governance framework based on trust with stakeholders.

Activities of Independence, Diversity, Expertise, and Efficiency Implementations of the Board of Directors

Category	Key Activities
Independence	· Separation of the Chairman of the Board from the CEO · Independent directors appointed as individuals without special relationships with management · Restriction of voting rights for directors with special interests in board resolutions · Strengthening the monitoring function through audit support organization
Diversity	· Pursuit of diversity in board composition so that various stakeholders can grow continuously with the company · Appointment of the first female independent director in 2023 and reappointment in 2025
Expertise	· Recommendation and appointment of director candidates whose qualifications and capabilities can contribute to the company's long-term growth and development · Enhancement of expertise through providing seminars and educational opportunities hosted by external experts
Efficiency	· Implementation of board of directors and independent directors performance evaluations · Convening of extraordinary board meetings as needed · Enabling participation in resolutions through communication means that simultaneously transmit and receive audio even without direct meeting attendance to ensure directors' participation in board meetings · Prior review by each committee before board meetings on major agenda items and additional explanations provided before board meetings through relevant organization reviews of inquiries or requests raised by committee directors

Education for Independent Directors

Kolmar Korea provides training for Independent Directors to strengthen their ability to objectively oversee management and make informed, independent decisions. In 2025, a total of three training programs were conducted through both Kolmar Korea and external professional organizations. Kolmar Korea remains committed to fostering an environment that enables Independent Directors to exercise independent judgment and apply their expertise in the best interests of the Company and its shareholders.

Date	Training Host	Training Target	Contents
2025.03.26	Kolmar Korea	Independent Directors (Thomas Shin, Hyun-jung Kim, Ji-hyun Kim)	Introduction to and orientation on the Kolmar Korea's Board of Directors
2025.05.30	Korea Listed Companies Association		Executive Training Program for Independent Directors of Listed Companies
2025.12.15	Deloitte Boardroom Academy		The Revised Commercial Act of 2025 and the Board's Response Strategy

Performance Evaluation for Expanding Efficiency of the Board of Directors

To enhance Board effectiveness and clarify the roles and responsibilities of the Board, Kolmar Korea has conducted annual evaluations of Board and Independent Director activities since 2022. The evaluations are based on the Board Evaluations Guidelines published by the Korea Institute of Corporate Governance and Sustainability and are conducted using a written questionnaire. Evaluation criteria cover the Board's composition, roles, responsibilities, and operations, as well as the roles and responsibilities of Independent Directors in relation to Board composition. Evaluation results are disclosed in the annual report and are used to identify opportunities to further improve Board operations.

Board of Directors						Independent Directors
Board Compositions	Board Roles	Board Responsibilities	Board Operations	Committee Compositions·Roles·Operations	Overall Score	Overall Score
4.97	4.85	5.00	4.85	4.95	4.95	4.86

Balanced Board of Directors

Kolmar Korea operates a Compensation Committee composed entirely of Independent Directors to ensure fair and transparent director remuneration. Through the Independent Director Nomination Committee, Kolmar Korea has established a structured process to evaluate, nominate, and approve candidates based on their independence, diversity, and expertise. In addition, Kolmar Korea operates an independent audit function to strengthen the confidence of the Board of Directors and stakeholders. Based on this framework, Kolmar Korea continuously evaluates the effectiveness of its internal control over financial reporting and conducts thorough reviews of significant corporate matters.

Risk Management

Evaluation and Compensation of the Board of Directors

Establishment of Compensation Committee

The Compensation Committee, established in May 2023, reviews director remuneration limits and the appropriateness of Registered Director remuneration. Comprising three Independent Directors, the Committee ensures independent and transparent remuneration decisions. The Committee meets annually and as needed, and reports its reviews to the Board. In 2025, all members attended the regular meeting and unanimously approved the proposed remuneration limit and Amendment to the Regulation of the Severance Pay of Directors.

Compensation Committee Operations

Category	Number of meetings	Attendance Rate	Agenda Items	Revisions/ Objections	Key Resolutions in 2025
Compensation Committee	1	100%	2	0	• Review of the Director Remuneration Limit • Amendment to the Regulation of the Severance Pay of Directors

Transparent Remuneration Policy

To enhance transparency, the Compensation Committee, composed entirely of Independent Directors, reviews director remuneration limits and the appropriateness of Registered Director remuneration. Following its review, recommendations are reported to the Board, and the remuneration limit is submitted to the General Meeting for approval in accordance with Article 388 of the Korean Commercial Act. Inside Directors receive fixed base salaries and performance-based compensation, while Independent Directors receive only fixed base salaries to preserve Board independence.

Appointments of Independent Directors

Operation of Independent Director Nomination Committee

Kolmar Korea established the Independent Director Nomination Committee in May 2020 and adopted the Committee Regulations to appoint qualified Independent Directors who can provide effective oversight and contribute to strategic decision-making. The Committee evaluates and recommends candidates based on criteria including independence, diversity, and expertise, with its purpose, roles, responsibilities, composition, and procedures defined in the Regulations.

In accordance with Article 542-8(4) of the Korean Commercial Act, the Committee consists of two Independent Directors and one Inside Director, with Independent Directors comprising a majority. All members possess professional expertise, including in management, and the Committee convenes as needed to evaluate candidate qualifications. On March 11, 2025, the Committee reviewed candidates for appointment as Independent Directors.

Independent Director Nomination Committee Operations

Category	Number of meetings	Attendance Rate	Agenda Items	Revisions/ Objections	Key Resolutions in 2025
Independent Director Nomination Committee	1	100%	1	0*	Review of Independent Director Candidates

* Thomas Shin did not exercise his voting rights on this agenda item due to a material interest.

Process of the Independent Director Nomination Committee

Recommendation for candidates of independent directors
Securing candidates of independent directors through the management candidate pool

Review for candidates of independent directors and decision of the candidates
Recommendation for candidates of independent directors and resolution of the committee

Resolution of the Board
Convening Independent Director Nomination Committee and resolution of the Board

Operation of Audit Organization

Composition of Audit Organization

Kolmar Korea operates an independent audit function separate from management to ensure the independence and expertise of its audit activities. To provide objective oversight of the internal control system and risk management, and to enhance accounting transparency, the audit function consists of one full-time Auditor with expertise in finance and accounting and one non-full-time Auditor. To further safeguard independence, Kolmar Korea prohibits the full-time Auditor from holding concurrent positions at other companies and conducts rigorous pre-appointment reviews to verify that candidates do not meet any of the statutory disqualification criteria under the Korean Commercial Act. In addition, Kolmar Korea maintains a dedicated internal audit department that conducts company-wide internal audits, including evaluations of internal control over financial reporting, compliance reviews, and operational effectiveness assessments. Key risks and significant improvement opportunities identified through audit activities are reported directly to the Chief Executive Officer (CEO) and senior management, supporting proactive risk management and the continuous enhancement of the internal control system.

Internal Accounting Management System Evaluation

In accordance with the Act on External Audit of Stock Companies and other applicable laws and regulations, Kolmar Korea's Auditors receive reports from management on the operation of the internal control over financial reporting and report the results of their independent evaluation to the Board of Directors. To further strengthen accounting transparency, the Auditors hold quarterly meetings with the external auditor to review key accounting matters and assess the effectiveness of the internal control system. In 2025, the Board of Directors convened seven meetings, all of which were attended by the Company's two Auditors, Sang-hwan Kim and Sang-heon Jang. Both Auditors maintained a 100% attendance rate and provided independent audit opinions on significant business matters.

Balanced Board of Directors

Kolmar Korea places the interests of shareholders at the forefront of its corporate governance practices and consistently promotes transparent corporate disclosure and shareholder return initiatives. In addition, Kolmar Korea enhances long-term corporate value by maintaining open and constructive communication with investors and other stakeholders, fostering trust through transparent engagement.

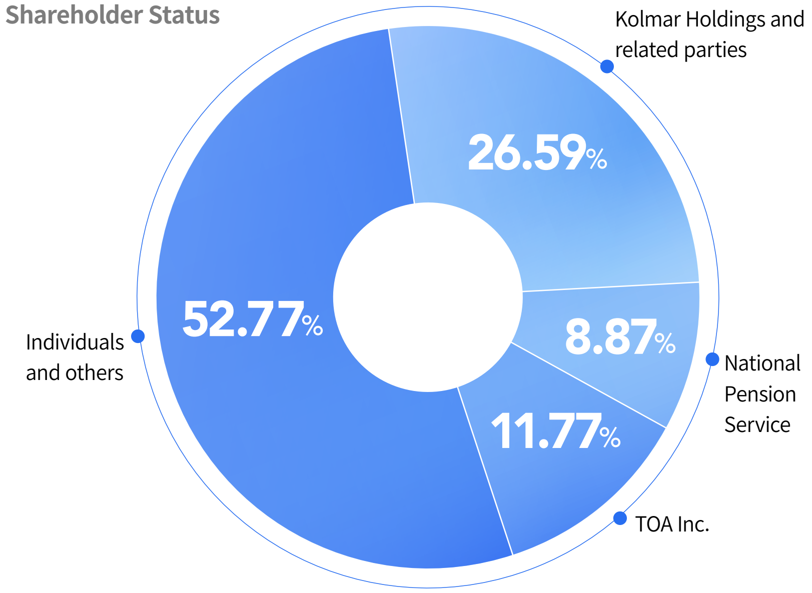
Risk Management

Shareholder Composition and Shareholding Status

The largest shareholder of Kolmar Korea is Kolmar Holdings, which owns 26.31% of the company's shares. Other shareholders include TOA Inc.* (11.77%) and the National Pension Service (8.87%), while the remaining 52.77% is held by other institutions and individuals. The total number of authorized shares of Kolmar Korea is 50,000,000, and the number of issued shares stands at 23,605,077. The Company currently holds no treasury shares, so the number of freely tradable shares is 23,605,077, the same as the total issued shares. Kolmar Korea has issued only one class of shares (common shares), and all issued shares carry equal rights under the one-share, one-vote principle. The largest shareholder and its related parties together hold 6,275,508 shares, representing 26.59% of total shares, while all executives excluding the largest shareholder's family hold a combined 12,663 shares, or approximately 0.05% of the total issued shares.

* In 2024, Nihon Kolmar changed its company name to TOA Inc.

Shareholder Status



* Shareholder status as of the end of the 2025 business year

Shareholder Return Policy

Kolmar Korea designs and consistently implements a dividend-centered shareholder return policy to share the value created through the Company's growth with its shareholders. As part of mid- to long-term policy, the Company amended Articles of Incorporation at the Annual General Meeting on March 29, 2023, setting the dividend record date to fall after the dividend amount is determined so that shareholders can better anticipate their dividends. Through a resolution at the annual shareholders' meeting on March 28, 2024, the Company transferred 50 billion KRW in capital reserves to retained earnings, and on this basis paid tax-exempt dividends of 17 billion KRW in 2024 and 20.4 billion KRW in 2025. To continue applying this tax benefit to future dividends wherever possible, the Annual General Meeting on March 26, 2026 resolved to transfer an additional 50 billion KRW in capital reserves to retained earnings. While most companies adjust their dividend payouts retroactively based on market conditions or earnings, Kolmar Korea sets aside the expected dividend amount in advance through its monthly cash flow management, thereby minimizing the impact of changing business conditions on its shareholder return policy.

Dividend Status and Policy

Dividend Status and Policy

Kolmar Korea aims to maintain a dividend payout ratio of 10% or higher within the range of distributable profits, and to ensure stable payments, the Company targets keeping the annual dividend within ±20% of the previous year's amount. This dividend policy is publicly disclosed on Kolmar Korea's website and in its business reports. Taking both historical payout levels and cash inflows into account, the Company has consistently increased dividend for 13 consecutive years since 2012 without a single reduction and has raised the annual dividend by 20% for five consecutive years since 2021. For fiscal year 2025, Kolmar Korea paid a cash dividend of 864 KRW per share, with a record date of March 27, 2026. Based on the share price at the end of 2025, it corresponds to a dividend yield of 1.4%. The dividend was paid as a tax-exempt dividend through a reduction in capital reserves in accordance with the Korean Commercial Act. As a result, individual shareholders are exempt from the 15.4% dividend income tax and the dividend is excluded from the comprehensive financial income tax base, thereby easing shareholders' tax burdens and enhancing their effective returns.

IR Activities and Shareholder Communication

Kolmar Korea strives to provide objective and transparent information on the Company's business performance to a wide range of stakeholders, including major shareholders, foreign investors, and minority shareholders.

In addition to regular disclosures, quarterly earnings are published on the Company's website to sustain trust-based communication with shareholders. Beyond the Company's dedicated Investor Relations (IR) team, C-level executives actively participate in IR events to strengthen engagement with investors. The Company also operates an email channel (Kolmar-ir@kolmar.co.kr) through which all stakeholders, including minority shareholders and foreign investors, can reach the IR team directly at any time, improving investor accessibility through prompt responses. Kolmar Korea believes that continuous communication with shareholders, alongside strong financial performance, is essential to enhancing corporate value, and the Company actively reflects investor feedback in management practices to advance sustainable management.

Balanced Board of Directors

Kolmar Korea maintains an independent and transparent Board-centered governance structure, with Independent Directors comprising a majority of the members on all Board committees. The Company is also pursuing the phased establishment of an Internal Transactions Committee and an Audit Committee to further strengthen its internal control framework and corporate transparency. Going forward, Kolmar Korea will continue to enhance its corporate governance framework to support sustainable corporate growth and long-term shareholder value.

Metrics and Targets

Sustainable Board of Directors Goals

Kolmar Korea ensures the independence of its oversight by maintaining a majority of Independent Directors on all Board committees, with the Compensation Committee composed entirely of Independent Directors. The Company also enhances transparency in shareholder communication by issuing notices of the General Meeting at least two weeks in advance and providing English-language disclosures and regular IR activities. In addition, Kolmar Korea is preparing to establish an Internal Transactions Committee under the Board of Directors to strengthen internal controls over related party transactions and enhance the fairness of transactions and corporate transparency. Looking ahead, the Company plans to establish an Audit Committee to further enhance the independence of its internal audit function. Kolmar Korea will continue to strengthen its corporate governance framework by reviewing relevant regulations and procedures and establishing the necessary governance infrastructure.

Sustainable Board of Directors Enhancement Roadmap

Enhancing Corporate Transparency

Strengthen internal controls over related party transactions and enhance the fairness of transactions and corporate transparency through the establishment of an Internal Transactions Committee under the Board of Directors.

Enhancing the Independence of the Internal Audit Function

Prepare for the establishment of an Audit Committee in line with the increase in assets under the separate financial statements. Review relevant regulations and procedures and establish the necessary governance framework to support its effective operation.

2027 Goals

- Enhancing the independence, expertise, diversity, and effectiveness of the Board of Directors
- Conducting training programs for independent directors twice a year to strengthen their expertise
- Conducting performance evaluations of the Board of Directors and independent directors
- Establishing the Internal Transactions Committee under the Board of Directors

2030 Goals

- Expanding the diversity of independent directors
- Conducting training programs for independent directors twice a year to strengthen their expertise
- Conducting performance evaluations of the Board of Directors and independent directors

Response to Climate Change Risk

Kolmar Korea recognizes climate change as a key issue that affects its long-term corporate value and business stability, and manages climate related risks and opportunities through its ESG governance framework. The ESG Committee under the Board of Directors reviews and oversees ESG policies, medium to long term objectives, key risks, and implementation performance. The ESG Management Team and the Environment & Safety Team are responsible for managing greenhouse gas emissions, energy, renewable energy, and climate related risks. Kolmar Korea continues to enhance its governance framework to ensure that significant climate related matters are reviewed through established reporting channels involving management and the ESG Committee.

Governance

Climate Change Risk Response Operation System

Roles and Responsibilities of the Highest Governance Body

Kolmar Korea operates a governance framework in which the ESG Committee under the Board of Directors serves as the primary oversight body for ESG matters, including climate change. Acting within the authority delegated by the Board of Directors, the ESG Committee reviews, approves, and reports on significant ESG matters. Its key responsibilities include establishing ESG policies and strategies, setting medium to long term ESG objectives, reviewing ESG implementation plans and performance, and overseeing significant ESG related risks and response measures. Under the ESG Committee Regulations, the Committee is authorized to approve the Company's ESG policies and strategies, establish medium to long term ESG objectives, and deliberate on other matters delegated by the Board of Directors or deemed necessary by the Committee. The Committee also receives reports on ESG implementation plans and performance, significant ESG related risks and response measures, and communication with external stakeholders. Accordingly, Kolmar Korea reviews and manages key climate related matters, including greenhouse gas reduction targets, the transition to renewable energy, climate related risks and opportunities, and environmental management performance, through the ESG governance framework led by the ESG Committee.

Reporting Process and Frequency to the Highest Governance Body

Kolmar Korea holds ESG Committee meetings semiannually as a general rule and convenes special meetings whenever necessary. Key climate related matters are compiled and reviewed by the ESG Management Team and the Environment & Safety Team, and are reported to the Chief Executive Officer (CEO) and senior management through the PMS meeting and other reporting channels. Significant matters are further managed through the reporting framework of the ESG Committee and the Board of Directors. Under the ESG Committee Regulations, the Committee receives reports on ESG implementation plans and performance, as well as significant ESG related risks and response measures, and may request supporting materials or periodic and ad hoc reports from relevant departments. Matters approved by the ESG Committee are reported to the Board of Directors, and ESG management activities are reported to the Board at least once a year.

Kolmar Korea ESG Committee Regulations

Article 3

- The ESG Committee reviews, approves, and reports on significant Environmental, Social, and Governance (ESG) matters within the authority delegated by the Board of Directors, as set forth in Article 9.

Article 6

- The ESG Committee consists of regular meetings and special meetings.
- Regular meetings are held once every half year. The Chair may change the meeting schedule if necessary.
- Special meetings may be convened whenever necessary.

Article 9

- Matters for Approval
  - Establish ESG policies and strategies.
  - Establish medium to long term ESG objectives.
  - Deliberate on other matters delegated by the Board of Directors or deemed necessary by the ESG Committee.

Article 10

- Matters for Reporting
  - ESG implementation plans and performance.
  - Significant ESG related risks and response measures.
  - Communication with external stakeholders.
  - Other matters deemed necessary by the ESG Committee.

Article 11

- The ESG Committee may request the attendance of relevant officers, employees, or external parties and obtain their opinions when necessary to perform its duties.
- The ESG Committee may request relevant departments to submit supporting materials or provide periodic and ad hoc reports on matters specified in Article 9 (Matters for Approval) and Article 10 (Matters for Reporting).
- When necessary, the ESG Committee may, upon approval by the Committee, obtain support from external experts at the Company's expense.
- The minutes of the ESG Committee shall be signed or sealed by the attending Committee members.

Article 12

- When the ESG Committee approves any matter specified in Article 9, the Chair of the Committee shall notify all Directors of the resolutions.
- The ESG Committee shall report its ESG management activities, including matters reviewed and approved by the Committee, to the Board of Directors at least once a year.

Response to Climate Change Risk

Kolmar Korea recognizes climate change as a key issue that affects its medium to long term corporate value and business stability. The Company reviews and oversees key climate related matters through the ESG Committee under the Board of Directors. The ESG Management Team and the Environment & Safety Team manage greenhouse gas emissions, energy, renewable energy, and climate related risks, while significant matters are reviewed through the reporting framework involving senior management and the ESG Committee.

Governance

Climate Change Risk Response Operation System

Roles of the ESG Working Group and Dedicated Organizations

Kolmar Korea operates a dedicated climate change response framework led by the ESG Management Team and Environment & Safety Team. The Environment & Safety Team manages initiatives including GHG emissions and pollutant reduction, waste management, and environmental regulatory compliance, while the ESG Management Team oversees ESG management and works with the Environment & Safety Team to develop climate strategies, implementation plans, and monitor performance. The ESG Management Team also convenes the ESG Working Group at least quarterly to monitor ESG performance and report key matters to the ESG Committee. Climate-related matters are managed through cross-functional collaboration with departments including Engineering, R&D, Investor Relations and Disclosure, Planning, Production, SCM, Human Resources, and Finance.

Climate Change Reporting and Decision-Making Framework

Category	Board of Directors	ESG Committee	CEO
Reporting Entity	ESG Committee or Chair of the ESG Committee	ESG Management Team, Environment & Safety Team, and relevant departments	ESG Management Team, Environment & Safety Team
Reporting Frequency	Upon approval of ESG Committee resolutions, with ESG management activities reported to the Board at least once a year	Regular meetings are held once every half year, with special meetings convened as needed	Regular reporting through PMS meetings and other management reporting channels
Reporting Content	ESG Committee resolutions, ESG management activities, and key ESG matters	ESG implementation plans and performance, significant ESG related risks and response measures, and key climate related matters	Climate change response status, greenhouse gas and energy performance, key implementation initiatives, and management issues
Purpose of Reporting and Review	Ensure Board level oversight of key ESG matters	Review ESG policies, medium to long term objectives, key risks, and implementation performance	Review climate change response initiatives and monitor implementation

Climate Change Risk Response Organizational Structure

Board of Directors

ESG Committee

Reporting on Major Climate Change Issues ↑ ↓ Management, Supervision, Deliberation, and Resolution

Environment & Safety Team | ESG Management Team

ESG Working Group

Related Departments: Engineering, R&D, HR, Planning, Production, SCM, IR / Disclosure, Finance

Board of Directors	• Highest decision-making body, held a total of 7 times in 2025 • Major resolution and reporting agendas - ESG management status reports, etc.
ESG Committee	• Supervision of sustainable management direction and ESG management implementation performance • Operates at least once per half-year
ESG Management Team	• Collection of ESG-related requirements from internal and external stakeholders • Monitoring of company-wide ESG management implementation performance and reporting to the ESG Committee • Internalization of company-wide ESG management
ESG Working Group	• Operates at least once per quarter under the supervision of the ESG Management Team • Monitoring of ESG management implementation performance by sector • Major agendas discussed in the ESG Working Group are reported to the ESG Committee

Board and ESG Committee Key Reporting and Resolution Agenda

Date	Agenda	Attendance rate
2025. 01. 23	- Key ESG initiatives (transition risk analysis, establishment of an internal carbon price, etc.) - Key environmental management activities (greenhouse gas emissions, energy management, pollutant reduction initiatives, etc.)	Attendance rate of 100%
2025. 03. 11	- Climate change response initiatives and the establishment of an internal carbon price	Attendance rate of 100%
2025. 05. 29	- Results of the IRO analysis for material topics identified through the double materiality assessment (climate related risk analysis, sustainable supply chain management, etc.)	Attendance rate of 100%
2025. 09. 30	- Publication of the Sustainability Report and updates on key initiatives (establishment of an internal carbon price, inclusion of greenhouse gas emissions and energy data from overseas subsidiaries, etc.)	Attendance rate of 100%
2026. 02. 25	- 2025 ESG performance and 2026 targets (CDP Climate, CDP Water, etc.)	Attendance rate of 100%
2026. 05. 19	- Results of the IRO analysis for material topics identified through the double materiality assessment (climate related risk analysis, balanced Board of Directors, etc.) - Environmental management performance (greenhouse gas emissions, energy management, pollutant reduction initiatives, etc.) - Climate related targets (revision of the Net Zero roadmap, climate related facility investments, etc.)	Attendance rate of 67%

Response to Climate Change Risk

Kolmar Korea identified a pool of climate related risks and opportunities based on the TCFD recommendations and benchmarking against industry peers. Key climate related issues were identified by comprehensively considering their relevance to business activities, the Company's strategies and implementation status, and the requirements of major clients. The identified issues were then evaluated based on their time horizon, location of occurrence, and potential impacts on the Company's business model and value chain. Climate scenario analysis and financial impact assessments were subsequently conducted to determine material climate related risks and opportunities. The results are incorporated into the development of Kolmar Korea's climate change response strategies and management plans.

Strategy

Climate Risk and Opportunity Identification and Assessment Process

Identification of Climate Related Risks and Opportunities

Based on previously identified issues and existing management priorities, Kolmar Korea reviewed climate related risks and opportunities for the reporting year by incorporating the TCFD recommendations, industry benchmarking, industry characteristics, and major client requirements. The identified issues were classified into physical risks, transition risks, and opportunities, and evaluated based on their short-, medium-, and long-term time horizons, locations of occurrence, and current and potential impacts on business activities and the value chain.

Time Horizons

Kolmar Korea classifies the time horizons of climate related risks and opportunities into short term (within 1 year), medium term (2 to 3 years), and long term (4 years or more). Greenhouse gas reduction targets and climate transition strategies are evaluated with consideration of medium and long term decarbonization pathways.

Identification of Material Climate Related Risks and Opportunities

Kolmar Korea conducted climate scenario analyses and financial impact assessments for the identified climate related risks and opportunities. Physical risks were assessed using the S&P Global climate modeling framework to evaluate climate hazard exposure and potential financial impacts. Transition risks and opportunities were analyzed under multiple scenarios based on key assumptions and parameters. Material climate related risks and opportunities were identified by comprehensively considering their relevance to business activities, value chain impacts, potential financial implications, and strategic importance.

Development of Response Strategies

Material climate related risks and opportunities are incorporated into management priorities, targets, and action plans. Kolmar Korea manages these issues through response strategies aligned with each material issue. The Company has established four key climate action strategies: improving energy efficiency and reducing energy consumption at facilities, expanding the use of renewable energy, increasing recycling, and advancing the development of environmentally friendly technologies.

Identification of Climate Related Risks and Opportunities
- Based on previously identified issues and existing management priorities, while incorporating the TCFD recommendations, industry benchmarking, industry characteristics, and major client requirements
- → Review of climate related risks and opportunities for the reporting year

Assessment of Time Horizons and Business Model / Value Chain Impacts
- Review of the short-, medium-, and long-term time horizons, locations of occurrence, and current and potential impacts of identified climate related risks and opportunities on business activities and the value chain

15 Identified Climate Related Risks and Opportunities
2 physical risks, 8 transition risks, 5 opportunities

Climate Scenario Analysis
- Analysis of climate hazard exposure and potential losses using S&P Global climate modeling framework
- Assessment of transition risks and opportunities under multiple scenarios based on key assumptions and parameters
- → Identification of material climate related risks and opportunities

Financial Impact Assessment
- Assessment of potential financial impacts based on scenario analysis results and key impact drivers, including increased operating costs, capital expenditures, fluctuations in energy costs, asset impairment, and cost saving opportunities

4 Material Climate Related Risks and Opportunities
2 physical risks, 1 transition risk, 1 opportunity

Development of Response Strategies
- Establishment of targets and management plans based on the financial impacts and management priorities of material climate related risks and opportunities
- Implementation of response strategies aligned with each material issue

Four Key Climate Change Response Strategies and Initiatives

Improve Facility Energy Efficiency
New facility investments and operational efficiency improvements

Expand the Use of Renewable Energy
Expanded implementation of K-RE100 mechanisms

Expand Recycling
Increased waste recycling and resource recovery

Advance Environmentally Friendly Technologies
Expansion of green technologies, environmentally friendly products, and environmental label certifications

Response to Climate Change Risk

Kolmar Korea reviewed climate related risks and opportunities by incorporating previously identified issues, existing management priorities, the TCFD recommendations, industry benchmarking, industry characteristics, and major client requirements. The identified issues were categorized into physical risks, transition risks, and opportunities, and their current and potential impacts on business activities and the value chain were evaluated to provide the basis for subsequent analyses.

Strategy

Results of Climate Risk and Opportunity Identification

Impacts of Climate Related Risks and Opportunities on the Business Model and Value chain

Kolmar Korea assessed the current and potential impacts of identified material climate related risks and opportunities on its cosmetics ODM business model and value chain. During the raw material and packaging procurement stage, increasing demand for environmentally certified materials, supply chain carbon regulations, and fluctuations in raw material availability may affect procurement costs and increase the complexity of supply chain management. During the product development and packaging stage, tightening packaging regulations and growing demand for environmental information may increase the need to review product and packaging specifications, obtain relevant certifications, and maintain supporting documentation. During manufacturing and facility operations, typhoons, flooding, rising average temperatures, and the adoption of low carbon facilities may affect operational stability, energy consumption, and capital investment decisions. In downstream activities, clients' supply chain decarbonization requirements and growing demand for environmentally friendly products may influence greenhouse gas emissions data management, environmentally friendly product development capabilities, and order competitiveness. In addition, expanding climate related disclosure and external communication requirements are increasing the importance of enterprise-wide data management systems and stakeholder trust.

Current and Potential Impacts by Value Chain Stage

Category		Climate Related Risk and Opportunity	Time Horizon
Physical Risk	Acute	Business interruption and asset losses caused by heavy rainfall, flooding, and river overflow	Long-term
Physical Risk	Chronic	Asset losses due to rising average temperatures, and business disruption and raw material supply constraints caused by water scarcity	Short-term
Transition Risk	Policy/Regulation	Increased costs associated with compliance with sustainability related financial disclosure requirements due to strengthened climate disclosure regulations	Short-term
Transition Risk	Policy/Regulation	Increased export risks and compliance costs resulting from stricter packaging regulations	Long-term
Transition Risk	Policy/Reputation	Litigation costs arising from strengthened greenwashing regulations	Short-term
Transition Risk	Technology	Increased costs associated with the adoption of low carbon facilities	Mid-term
Transition Risk	Technology	Higher raw material procurement costs driven by increasing client demand for environmentally certified materials	Mid-term
Transition Risk	Market	Risk of indirect cost pass through resulting from tighter carbon regulations across the supply chain	Mid-term
Transition Risk	Market	Increased costs and supply instability of raw materials	Mid-term
Transition Risk	Market	Expanded supply chain decarbonization requirements driven by clients' Net Zero commitments	Short-term
Opportunity	Market	Increased sales of environmentally friendly products driven by changing consumer behavior	Mid-term
Opportunity	Market	Reduced financing costs through energy policy incentives, including green finance and government subsidies	Mid-term
Opportunity	Products/ Services	Expanded access to new markets through the development of environmentally friendly products and technologies	Long-term
Opportunity	Market	Proactive management of external issues through enhanced external communication	Mid-term
Opportunity	Resilience	Improved resilience to electricity cost volatility through achievement of greenhouse gas reduction targets	Long-term

Key Value Chain Activities	Location of Occurrence	Business Model Impact	Current and Potential Impacts
Manufacturing, Facility Operations, and Energy Management	Own Operation	Operational stability and energy cost management	Natural disasters and rising average temperatures may affect operational stability, energy consumption, and facility management requirements.
Enterprise-wide Management Systems, Disclosure, and Data Management	Own Operation	Disclosure, data management, and stakeholder trust	Increasing climate disclosure and environmental information requirements may increase the need to strengthen data management and verification systems.
Product and Technology Development, and Packaging Management	Own Operation	Product and packaging competitiveness, and regulatory compliance	Stricter packaging regulations and growing demand for environmentally friendly products may increase the need to review product and packaging specifications and accelerate technology development.
Manufacturing, Facility Operations, and Capital Investment	Own Operation	Capital investment and production process transformation	The adoption of low carbon facilities may increase the need for medium to long term capital investment and production process transformation.
Raw Material and Packaging Procurement, and Supply Chain Management	Own Operation, Upstream	Cost competitiveness, profitability, and supply chain stability	Demand for environmentally certified materials, carbon regulations, and supply volatility may increase procurement costs and supply chain management challenges.
Client Engagement and Sales	Downstream	Client responsiveness and order competitiveness	Clients' decarbonization requirements and increasing preference for environmentally friendly products may affect response capabilities and order competitiveness.
Energy Procurement and Achievement of Emissions Reduction Targets	Own operation	Energy costs and transition readiness	Improvements in energy efficiency and renewable energy procurement may support the achievement of emissions reduction targets and strengthen resilience to electricity cost fluctuations.

Response to Climate Change Risk

To assess the potential financial impacts of climate related risks, Kolmar Korea conducted scenario analyses by distinguishing between physical risks and transition risks. Physical risks were assessed using the S&P Global Climanomics Tool based on the IPCC SSP scenarios to analyze acute and chronic climate hazard exposure across major operating sites. Transition risks were evaluated using IEA scenarios to assess the potential costs and investment requirements associated with the transition to a low carbon economy.

Strategy

Climate Scenario Analysis and Resilience

Climate Scenario Selection and Analysis Methodology

Methodology for Physical Risk Assessment

The IPCC Sixth Assessment Report (AR6) presents four Shared Socioeconomic Pathway (SSP) scenarios that incorporate projected atmospheric carbon dioxide concentrations, associated radiative forcing levels by 2100, and future socioeconomic development pathways. For its physical risk assessment, Kolmar Korea evaluated the potential business impacts on its major operating sites under both a low emissions scenario (SSP 1-2.6) and a high emissions scenario (SSP 5-8.5).

	IPCC SSP 1~2.6	IPCC SSP 5~8.5
Scenarios Analyzed	· Low emissions scenario projecting global average temperature increase to remain below approximately 2°C by 2100 · Assumes the advancement of renewable energy technologies, greenhouse gas emissions reductions, and sustainable economic growth	· High emissions scenario projecting greenhouse gas emissions to approximately double by 2050 compared with current levels · Assumes rapid industrial and technological development, continued reliance on fossil fuels, and expanded uncontrolled development
Assessment Period	Short term (Baseline), Medium term (through 2030), Long term (through 2100)	
Climate Risk Drivers	· Acute: Coastal flooding, drought, wildfires, typhoons, river flooding, and heavy rainfall/flooding · Chronic: Water scarcity and extreme temperatures	
Assessment Scope	Major production sites, including the R&D Complex, Sejong Site, and Bucheon Site	
Assessment Methodology	S&P Global Climanomics® physical hazard modeling	

1) IPCC (Intergovernmental Panel on Climate Change): An international body that assesses the scientific basis of climate change, its impacts, adaptation measures, and mitigation strategies.
2) SSP (Shared Socioeconomic Pathways): A framework of climate scenarios based on assumptions regarding future socioeconomic developments, including population growth, economic development, technological progress, energy use, and land use.
3) IEA (International Energy Agency): An international organization that provides analysis and outlooks on global energy supply and demand, energy security, the energy transition, and greenhouse gas emissions reduction pathways.

Methodology for Transition Risk Assessment

The International Energy Agency (IEA) provides a range of climate scenarios that reflect national policy directions and the potential adoption of emerging technologies. Using the 2025 Global Energy and Climate Model, Kolmar Korea assessed the potential business impacts of external changes in areas such as market conditions and technological developments under multiple scenarios, including the Net Zero Emissions (NZE) scenario.

	IEA STEPS	IEA NZE
Scenarios Analyzed	· Stated Policies Scenario · Reflects policies and measures currently in force or officially announced, without assuming the full achievement of announced climate commitments.(Carbon price in Korea (2050): USD 75)	· Net Zero Emissions by 2050 Scenario · Assumes net zero emissions in the energy sector by 2050 to limit global temperature rise to 1.5°C by 2100.(Carbon price in advanced economies with net zero commitments (2050): USD 250)
Key Considerations	· Considers existing policies, officially announced policy directions, and current technological and market conditions, while assuming only limited implementation of additional policy measures or unconfirmed climate targets.	· Considers strengthened climate policies to achieve national greenhouse gas reduction targets and the goals of the Paris Agreement, together with expanded renewable energy deployment, improved energy efficiency, increased electrification, and broader adoption of low carbon technologies.
Assessment Period	Short term (Baseline), Medium term (through 2030), Long term (through 2050)	

Response to Climate Change Risk

Kolmar Korea assessed acute and chronic physical climate risks across its major operating sites using S&P Global Climanomics® physical hazard modeling. The assessment indicated that risks associated with extreme temperatures and heavy rainfall and flooding were relatively higher under the SSP5-8.5 scenario. Among the assessed sites, the R&D Complex showed the highest level of exposure to extreme temperature risks.

Strategy

Climate Scenario Analysis and Resilience

Assessment of Physical Risk Materiality by Operating Site

Among the operating sites assessed, the R&D Complex exhibited the highest level of climate risk exposure, with extreme temperatures identified as the most significant hazard among the eight climate hazards analyzed. This was followed by heavy rainfall and flooding, wildfires, drought, and typhoons. Coastal flooding, water scarcity, and river flooding were not expected to have material impacts on Kolmar Korea's assessed operating sites. For the 2050s, projected asset loss rates under both the SSP 1-2.6 scenario, which assumes the achievement of net zero emissions, and the SSP 5-8.5 scenario, which assumes continued greenhouse gas emissions without additional climate mitigation policies, were classified as below the material risk threshold*.

* Material risk threshold: An average annual asset loss rate of 16% or higher (S&P Global rating: "Red").

Asset Loss Risks Associated with Physical Climate Risks

Kolmar Korea assessed climate change-related asset loss risks through 2100, identifying extreme temperatures as the most significant risk. Under the SSP5-8.5 scenario, the projected loss rate is expected to increase approximately 3.9-fold, from 1.8% in the 2020s to 7.1% in the 2090s, while under SSP1-2.6, it is expected to decline from the 2080s. Heavy rainfall and flooding were identified as the second most significant hazard, with projected losses under SSP5-8.5 expected to increase approximately eightfold, from 0.2% to 1.6% over the same period. Wildfires, typhoons, and drought are not expected to have material impacts through the 2090s. Kolmar Korea will continue monitoring extreme temperatures and heavy rainfall and flooding and incorporate the assessment results into its business management plans.

2050 Physical Risk Assessment Results by Operating Site

Physical Risk Level under the SSP 1-2.6 Scenario

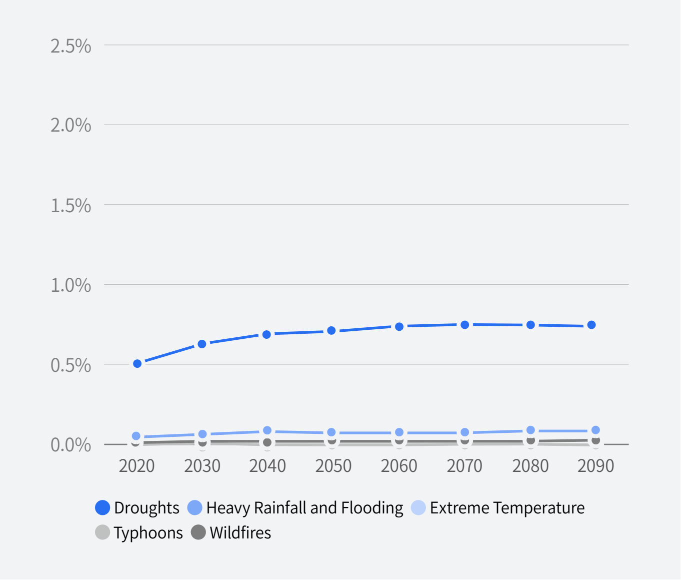
Physical Risk Level under the SSP 5-8.5 Scenario

MAAL(Modeled Average Annual Loss)[1]	N/A[2]	0~3%	~6%	~10%	~16%	Exceeding 16%

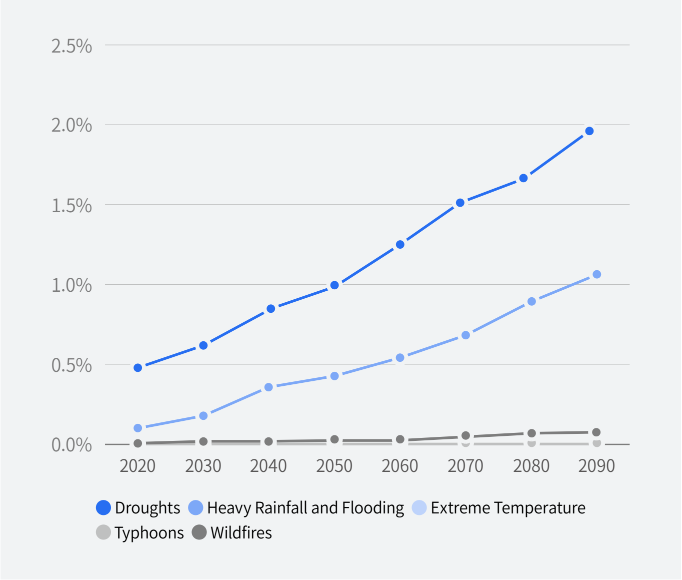
1) MAAL (Modeled Average Annual Loss): The projected annual average loss as a percentage of the current asset value.
2) N/A: Indicates that the relevant hazard is not applicable or the site is not located in a coastal area.

2050 Physical Risk Assessment Results by Operating Site

Mean Annual Projected Loss Rate under the SSP 1-2.6 Scenario (% of Total Assets)



Mean Annual Projected Loss Rate under the SSP 5-8.5 Scenario (% of Total Assets)



Response to Climate Change Risk

Kolmar Korea assessed the impacts of key transition risks and opportunities under multiple climate scenarios based on key parameters and assumptions, and evaluated their potential financial implications. The assessment identified increased costs associated with the adoption of low carbon facilities as a material transition risk, while enhanced resilience to electricity cost volatility through the achievement of greenhouse gas emissions reduction targets was identified as a material climate related opportunity.

Strategy

Climate Scenario Analysis and Resilience

Assessment of Material Transition Risks and Opportunities

Materiality Assessment ● High ● Medium ● Low

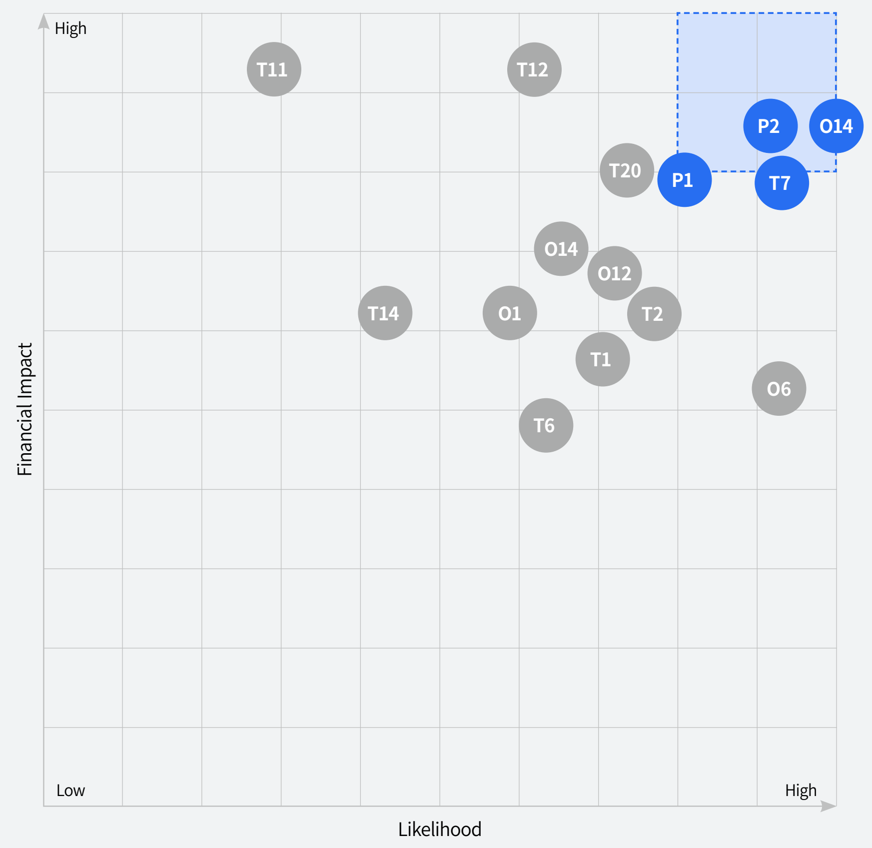
Category		Transition Risk and Opportunity	Location of Occurrence	Key Value Chain Activities	Potential Financial Impacts	Response Plan	Material
Risk	Regulation	Increased sustainability related financial disclosure costs due to strengthened climate disclosure regulations	Own Operation	Enterprise-wide management systems, disclosure, and data management	Increased costs for disclosure advisory services, assurance, system implementation, and internal operations	Enhance ESG data management systems and strengthen disclosure and assurance capabilities	Low
Risk	Regulation	Increased export risks and compliance costs due to stricter packaging regulations	Own Operation	Product and technology development, and packaging management	Higher costs for packaging redesign, testing, certification, and alternative material assessments, as well as potential export risks	Monitor packaging regulations and review product and packaging specifications	Low
Risk	Regulation	Litigation costs arising from strengthened greenwashing regulations	Own Operation	Enterprise-wide management systems, disclosure, and data management	Increased costs for substantiating environmental claims, legal reviews, data management, and reputational risk management	Strengthen the management of supporting evidence and traceability for environmental claims and marketing communications	Low
Risk	Technology	Increased costs associated with the adoption of low carbon facilities	Own Operation	Manufacturing, facility operations, and capital investment	Increased upfront capital expenditures and carrying value of property, plant, and equipment	Prioritize internal emissions reduction projects and establish an investment evaluation framework	High
Risk	Market	Higher raw material procurement costs driven by increasing client demand for environmentally certified materials	Own Operation	Raw material and packaging procurement, and supply chain management	Higher costs for environmentally certified materials, alternative material assessments, and quality management	Strengthen sustainable material adoption and partner company management	Low
Risk	Market	Risk of indirect cost pass through resulting from tighter carbon regulations across the supply chain	Upstream	Raw material and packaging procurement, and supply chain management	Higher cost of sales and reduced profitability due to increased raw material purchase prices	Monitor supply chain carbon regulations and price fluctuations	Medium
Risk	Market	Increased costs and supply instability of raw materials	Upstream	Raw material and packaging procurement, and supply chain management	Increased emergency procurement costs, alternative material sourcing costs, and working capital requirements	Diversify partner companies, evaluate alternative materials, and maintain appropriate inventory levels	Low
Risk	Market	Expanded supply chain decarbonization requirements driven by clients' Net Zero commitments	Downstream	Client engagement and sales	Increased costs for emissions data management, production process optimization, and low carbon facility investments	Strengthen emissions management systems and assess opportunities for low carbon facility investments	Medium
Opportunity	Market	Increased sales of environmentally friendly products driven by changing consumer behavior	Downstream	Client engagement and sales	Increased orders for environmentally friendly products and a higher share of value-added products	Develop products using environmentally friendly materials, recyclable packaging, and low carbon manufacturing processes	Low
Opportunity	Energy Source	Reduced financing costs through energy policy incentives, including green finance and government subsidies	Own Operation	Energy procurement and achievement of emissions reduction targets	Reduced initial investment and financing costs through subsidies and financial support	Improve energy efficiency and assess opportunities to expand renewable energy facilities and utilize policy incentives	Medium
Opportunity	Products and Services	Expanded access to new markets through the development of environmentally friendly products and technologies	Own Operation	Product and technology development, and packaging management	Increased new business opportunities and improved profitability through sustainable product technologies	Expand the development of environmentally friendly materials, low carbon manufacturing processes, and recyclable packaging technologies	Medium
Opportunity	Products and Services	Proactive management of external issues through enhanced external communication	Own Operation	Enterprise-wide management systems, disclosure, and data management	Enhanced stakeholder trust and increased corporate and brand value	Strengthen ESG data management and climate related external communications	Low
Opportunity	Resilience	Enhanced resilience to electricity cost volatility through the achievement of greenhouse gas emissions reduction targets	Own Operation	Energy procurement and achievement of emissions reduction targets	Reduced long term electricity cost burden through expanded on site renewable energy generation and renewable electricity procurement	Expand on site solar power generation and the use of renewable energy	High

Response to Climate Change Risk

The materiality assessment identified extreme temperatures and heavy rainfall and flooding as the most significant physical risks due to their potential to disrupt operations and damage facilities. Among transition risks, increased costs associated with the adoption of low carbon facilities were identified as the most material transition risk. As for opportunities, enhanced resilience to electricity cost volatility through the achievement of greenhouse gas emissions reduction targets was identified as the most significant climate related opportunity.

Strategy

Climate Risk and Opportunity Assessment Results



Time horizon Short-term: ~ 1 year/Mid-term: ~ 4 years/Long-term: 5 years ~

Impact ● High ● Medium ● Low

Priority	Category		Climate Risks and Opportunities		Location of Occurrence	Time Horizon		
						Short-term	Mid-term	Long-term
1	Opportunity	Resilience	O14	Enhanced resilience to electricity cost volatility through the achievement of greenhouse gas emissions reduction targets	Own Operation			● High
2	Physical Risk	Chronic	P2	Rising average temperatures	Own Operation		● Medium	● Medium
3	Transition Risk	Technology	T7	Increased costs associated with the adoption of low carbon facilities	Own Operation		● Medium	● High
4	Physical Risk	Acute	P1	Acute flooding	Own Operation			● Medium
5	Transition Risk	Market	T12	Risk of indirect cost pass through resulting from tighter carbon regulations across the supply chain	Upstream		● Low	● Medium
6	Transition Risk	Market	T20	Expanded supply chain decarbonization requirements driven by clients' Net Zero commitments	Downstream	● Low	● Low	
7	Opportunity	Energy Source	O6	Reduced financing costs through energy policy incentives, including green finance and government subsidies	Own Operation		● Low	
8	Transition Risk	Regulation	T2	Increased export risks and compliance costs due to stricter packaging regulations	Own Operation			● Medium
9	Opportunity	Products/ Services	O12	Expanded access to new markets through the development of environmentally friendly products and technologies	Own Operation			● Medium
10	Opportunity	Products/ Services	O13	Proactive management of external issues through enhanced external communication	Own Operation		● Low	● Medium
11	Transition Risk	Regulation	T1	Increased sustainability related financial disclosure costs due to strengthened climate disclosure regulations	Own Operation	● Low	● Low	● Medium
12	Transition Risk	Market	T11	Higher raw material procurement costs driven by increasing client demand for environmentally certified materials	Own Operation		● Low	● Medium
13	Opportunity	Market	O1	Increased sales of environmentally friendly products driven by changing consumer behavior	Downstream		● Low	● Medium
14	Transition Risk	Regulation	T6	Litigation costs arising from strengthened greenwashing regulations	Own Operation	● Low	● Low	● Medium
15	Transition Risk	Market	T14	Increased costs and supply instability of raw materials	Upstream		● Low	● Medium

Response to Climate Change Risk

Kolmar Korea conducted a scenario based financial impact assessment for the material climate related risks and opportunities identified through its materiality assessment. For physical risks, the Company estimated projected asset value losses under each climate scenario to evaluate their potential impacts on operating sites and physical assets. For transition risks and opportunities, the assessment focused on the potential costs associated with the low carbon transition and the benefits of enhanced resilience to electricity cost volatility.

Strategy

Climate Scenario Analysis and Resilience

Projected Financial Impacts of Physical Risks

Physical Risk Factor	· Extreme Temperatures
Affected Operating Sites	· R&D Complex, Sejong Site, and Bucheon Site
Input Variables	· Physical risk levels were assessed based on the location of operating sites, asset characteristics, climate hazard types, and scenario specific projections
Scenario Methodology	· Scenario analysis using S&P Global Climanomics® hazard modeling · IPCC SSP1-2.6 (Low carbon scenario) and IPCC SSP5-8.5 (High carbon scenario)
Business Impacts	· Increased risk of damage to production facilities due to extreme weather conditions · Reduced productivity resulting from higher energy costs and lower plant operating rates caused by prolonged heatwaves
Financial Impacts	· Projected asset value losses attributable to extreme temperatures are expected to increase continuously from the 2020s onward, with greater increases under the high carbon scenario · Under the SSP5-8.5 scenario, rising average temperatures may increase financial impacts associated with operating sites and energy costs, with projected impacts estimated at 3.95–6.48% of 2025 property, plant and equipment (PP&E)
Assessment of Financial Statement Impacts	· Although no clear indicators of asset impairment were identified as of the reporting date, more severe extreme temperatures in the future could result in asset impairment, production disruptions, and reduced revenue, potentially having a material impact on the financial statements
Response Plan	· Establish a management framework to minimize potential impacts through enhanced facility management at operating sites and the allocation of budgets for extreme weather preparedness

Physical Risk Factor	· Acute Flooding
Affected Operating Sites	· R&D Complex, Sejong Site, and Bucheon Site
Input Variables	· Physical risk levels were assessed based on the location of operating sites, asset characteristics, climate hazard types, and scenario specific projections
Scenario Methodology	· Scenario analysis using S&P Global Climanomics® hazard modeling · IPCC SSP1-2.6 (Low carbon scenario) and IPCC SSP5-8.5 (High carbon scenario)
Business Impacts	· Increased need to repair or replace damaged facilities following extreme weather events · Greater risk of delivery delays and business losses resulting from operational disruptions
Financial Impacts	· Projected asset value losses associated with acute flooding are expected to increase over the long term, with larger increases under the high carbon scenario · Under the SSP5-8.5 scenario, financial impacts from physical risks may increase, with projected impacts estimated at 0.93–2.11% of 2025 property, plant and equipment (PP&E)
Assessment of Financial Statement Impacts	· Although no clear indicators of asset impairment were identified as of the reporting date, more severe acute flooding in the future could result in asset impairment, production disruptions, and reduced revenue, potentially having a material impact on the financial statements.
Response Plan	· Consider obtaining insurance coverage to mitigate asset losses · Develop and implement emergency response and evacuation procedures for natural disasters, while strengthening disaster prevention infrastructure

Response to Climate Change Risk

Kolmar Korea conducted a scenario based financial impact assessment of the material climate related risks and opportunities identified through its materiality assessment. The assessment focused on the potential transition costs associated with the adoption of low carbon facilities and the potential to enhance resilience to electricity cost volatility through the achievement of greenhouse gas emissions reduction targets.

Strategy

Climate Scenario Analysis and Resilience

Projected Financial Impacts of Transition Risks

Transition Risk Factor	· (Technology) Increased Costs Associated with the Adoption of Low Carbon Facilities
Key Value Chain Activities	· Manufacturing, facility operations, and capital investment
Input Variables	· Scope 1 and 2 greenhouse gas emissions from operating sites and projected emissions reductions by target year · Cost ranges for emissions reduction technologies
Scenario Methodology	· Kolmar Korea's greenhouse gas emissions reduction pathway and IPCC AR6 cost assumptions for mitigation technologies
Assumptions and Limitations	· Projected transition costs were estimated based on the required emissions reductions for each target year and the cost ranges of mitigation technologies presented in IPCC AR6. Actual costs may vary depending on the combination of mitigation measures adopted, implementation timing, facility specifications, energy prices, and exchange rates
Business Impacts	· Increased upfront capital investment associated with the adoption of low carbon facilities · Greater need to introduce low carbon facilities, including fuel switching, high efficiency equipment, and on-site renewable energy generation, to achieve emissions reduction targets
Financial Impacts	· Potential transition costs associated with the adoption of low carbon facilities are expected to increase over the longer term. · The estimated impact is up to 3.06% of 2025 consolidated operating profit and up to 0.27% of 2025 consolidated revenue
Assessment of Financial Statement Impacts	· No material impact on the financial statements was identified during the reporting period. However, the adoption of low carbon facilities to achieve emissions reduction targets could result in increases in property, plant and equipment, cash outflows from investing activities, higher depreciation expenses, and adjustments to the carrying value of existing assets
Response Plan	· Prioritize internal emissions reduction projects to mitigate investment costs associated with the adoption of low carbon facilities and establish an investment evaluation framework through the application of an internal carbon price

Projected Financial Impacts of Opportunities

Opportunity Factor	· (Resilience) Enhanced Resilience to Electricity Cost Volatility through the Achievement of Greenhouse Gas Emissions Reduction Targets
Key Value Chain Activities	· Energy procurement and achievement of emissions reduction targets
Input Variables	· Electricity consumption and electricity costs at each operating site in 2025 · Emissions reduction targets by target year and the IEA STEPS and NZE scenarios
Scenario Methodology	· Kolmar Korea's greenhouse gas emissions reduction pathway and the IEA STEPS and IEA NZE scenarios
Assumptions and Limitations	· This sensitivity analysis applies target year emissions reduction rates based on 2025 electricity consumption and electricity prices at each operating site. The IEA STEPS and NZE scenarios were used as supplementary indicators to assess the potential mitigation of cost exposure associated with achieving Scope 2 emissions reduction targets under increasing carbon pricing.
Business Impacts	· Strengthen resilience to electricity price volatility and improve energy supply stability through the installation of on-site solar power generation facilities, expanded renewable electricity procurement, and improved energy efficiency
Financial Impacts	· Achieving the Scope 2 emissions reduction targets is expected to enhance long term resilience to electricity cost volatility. · The potential cost savings are estimated at approximately 1.26%–3.00% of 2025 operating profit. · This analysis is based on 2025 electricity prices, and actual financial impacts may vary depending on renewable electricity procurement methods, capital investments, and electricity market prices.
Assessment of Financial Statement Impacts	· No material impact on the financial statements was identified during the reporting period. However, expanding the use of renewable energy may affect energy related expenses, while increasing on site power generation facilities could impact property, plant and equipment, depreciation expenses, and cash flows from investing activities.
Response Plan	· Expand the use of renewable energy and strengthen resilience to electricity cost volatility by expanding the on-site solar power generation facilities at the Sejong Site and evaluating the installation of solar power systems at new operating sites.

Response to Climate Change Risk

Based on the results of its climate scenario analysis and the assessment of material climate related risks and opportunities, Kolmar Korea has reviewed its climate change mitigation and adaptation strategies. To address transition risks, the Company is focusing on achieving its greenhouse gas emissions reduction targets, improving energy efficiency, and expanding the use of renewable energy. To strengthen resilience against physical risks, Kolmar Korea is enhancing the stability of its operating sites through improved facility management and more robust emergency response systems, thereby increasing its capacity to adapt to the impacts of climate change.

Strategy

Climate Change Mitigation and Adaptation Strategies

The transition risk assessment indicated that achieving Kolmar Korea's greenhouse gas emissions reduction targets may require additional investments in low carbon facilities and production process upgrades. In response, the Company is strengthening its Scope 1 and 2 emissions reduction efforts and enhancing resilience to electricity cost volatility by improving energy efficiency, evaluating the adoption of low carbon facilities, diversifying renewable energy procurement methods, and expanding on site power generation capacity. The physical risk assessment also indicated that, under the high carbon scenario, the potential impacts of certain physical risks, including extreme temperatures and acute flooding, could increase over the long term. To enhance climate resilience, Kolmar Korea will continue to monitor climate risk exposure across its operating sites while strengthening facility maintenance, disaster prevention measures, and emergency response systems to improve operational stability.

Risk and Opportunity Identification

Physical Risks	· Operational disruptions and asset losses caused by flooding · Asset losses resulting from rising average temperatures
Transition Risks	· Increased costs associated with the adoption of low carbon facilities
Opportunities	· Enhanced resilience to electricity cost volatility through the achievement of greenhouse gas emissions reduction targets

Climate Change Response Strategies and Actions

Improve Energy Efficiency and Reduce Energy Consumption	· Invest in new facilities and improve operational efficiency · Implement a Facility Energy Management System (FEMS)
Expand the Use of Renewable Energy	· Expand the use of Korean RE100 implementation mechanisms, including Power Purchase Agreements (PPAs) · Promote the transition to environmentally friendly energy sources

Strengthen Climate Resilience

- Assess potential asset losses arising from extreme weather events under the IPCC SSP5-8.5 scenario.
- Strengthen facility management and allocate budgets for extreme weather preparedness to minimize potential impacts across operating sites.

- Achieve Korean RE100 across all operating sites by 2050 through the installation of on-site solar power generation facilities and renewable electricity procurement strategies based on the Company's renewable energy transition roadmap
- Introduce an internal carbon price to support investment decisions related to renewable electricity procurement, on site power generation, and high efficiency equipment.

Response to Climate Change Risk

Kolmar Korea manages climate related risks and opportunities through a four-step process comprising monitoring, identification, assessment, and management. This process is integrated with the Company's enterprise risk management framework and ESG governance system, and is used to evaluate the business and financial impacts of material climate related issues and to establish appropriate response strategies.

Risk Management

Climate Risk and Opportunity Management Process

Kolmar Korea manages climate related risks and opportunities as part of its enterprise risk management framework through a four-step process consisting of monitoring, identification, assessment, and management. This process is designed to evaluate the likelihood of occurrence, potential financial impacts, and effects on business activities and the value chain, and is used to prioritize material climate related issues and develop appropriate response plans.

Monitoring

Climate related risks are monitored primarily by the ESG Management Team and the Environment & Safety Team. The Company continuously reviews major disclosure frameworks (including TCFD and KSSB), industry practices, policy and regulatory developments, and key client requirements. Internal data—including greenhouse gas emissions, energy consumption, and renewable energy usage across operating sites—is also monitored to identify climate related risks and opportunities.

Identification

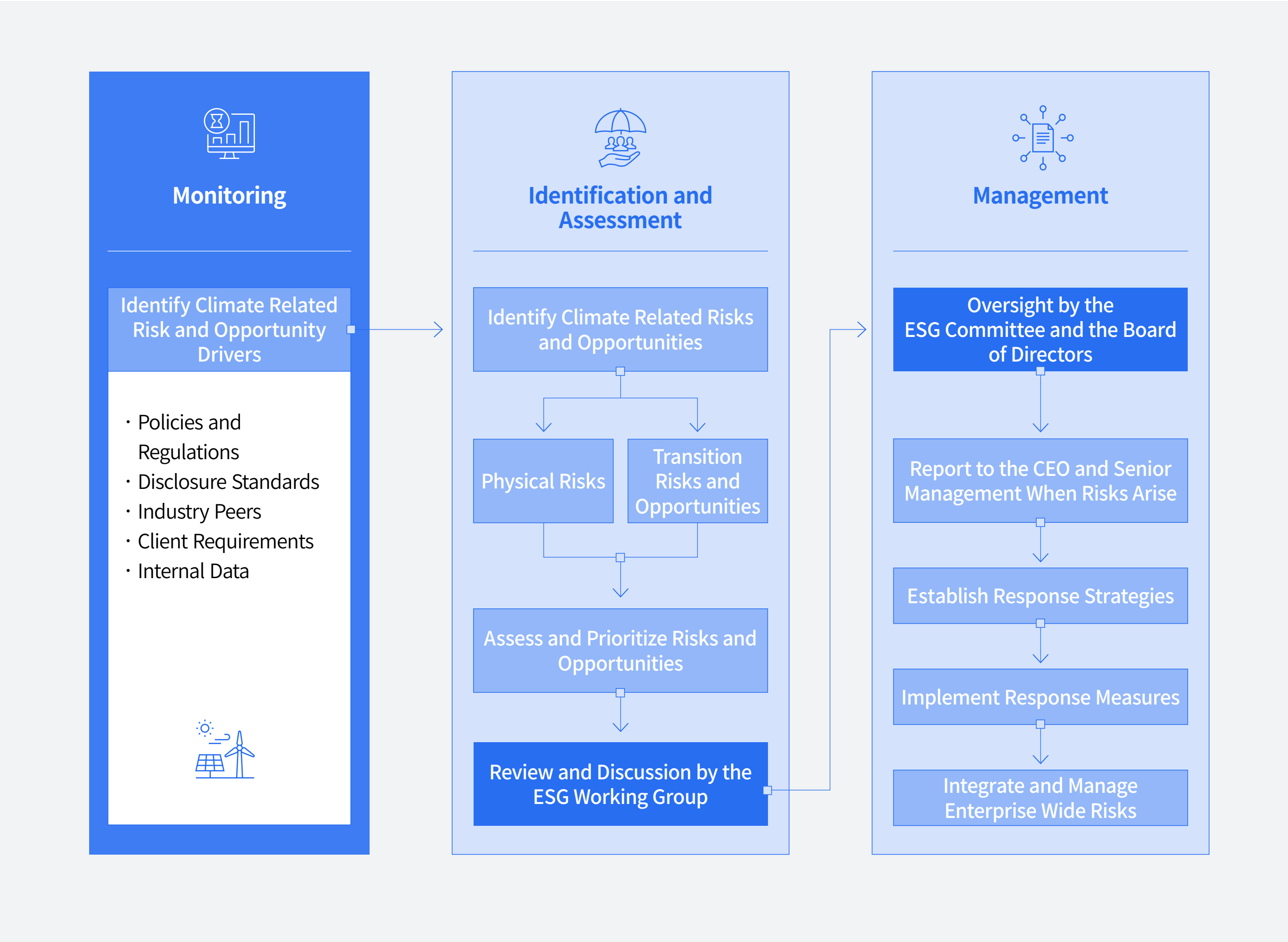
Based on external developments, regulatory changes, client requirements, and internal operational data identified through the monitoring process, Kolmar Korea identifies climate related risks and opportunities that may affect its business operations and operating sites. Identified issues are categorized into physical risks, transition risks, and opportunities, with material issues determined through consultations with relevant departments and reviews of site-specific characteristics.

Assessment

Identified climate related risks and opportunities are assessed based on their likelihood of occurrence, potential financial impacts, relevance to business activities, location of occurrence, and impacts across the value chain. Physical risks are evaluated using IPCC SSP scenarios and S&P Global Climanomics® analysis, while transition risks and opportunities are assessed using IPCC AR6, IEA STEPS and IEA NZE scenarios, together with internal data and input from relevant departments. Assessment results are used to prioritize material risks and opportunities and to develop response plans.

Management

Material climate related risks and opportunities identified through the assessment process are managed primarily by the ESG Management Team and the Environment & Safety Team. Where necessary, these teams collaborate with relevant departments, including Engineering, R&D, Production, SCM, Finance, and IR/Disclosure, to review response measures and develop and implement detailed action plans. Material climate related issues are reported through the Company's governance framework to the CEO, senior management, the ESG Committee, and the Board of Directors, and are incorporated into company wide response strategies and business planning. Kolmar Korea continues to advance its greenhouse gas emissions reduction targets, renewable energy transition, physical risk management, and climate related disclosure initiatives.



Response to Climate Change Risk

To identify and assess climate related risks and opportunities, Kolmar Korea integrates internal operational data, external climate scenarios, and input from relevant departments. Based on this information, the Company prioritizes material climate related issues by considering their likelihood of occurrence, potential financial impacts, and relevance to its business activities.

Risk Management

Climate Risk and Opportunity Management Process

Inputs Used to Identify and Assess Climate Related Risks and Opportunities

Kolmar Korea uses operating site data, greenhouse gas emissions and energy data, external climate scenarios, financial information, and input from relevant departments to identify and assess climate related risks and opportunities. These inputs provide the basis for evaluating the likelihood of occurrence, potential financial impacts, relevance to business activities, and the need for response measures associated with identified climate related risks and opportunities.

Category	Data
Energy Consumption and Greenhouse Gas Emissions	Operating site internal management data and Scope 1 and 2 emissions data
Greenhouse Gas Emission Factors	Korean Emissions Trading Scheme (K-ETS) guidelines and country specific electricity emission factors
Operating Site Locations and Asset Values	Operating site location data and carrying amounts of assets from the financial statements
Physical Risk Analysis Data	S&P Global Climanomics® and IPCC SSP scenarios
Transition Risk Analysis Data	IEA STEPS and NZE scenarios, and IPCC AR6 mitigation technology cost data
External Trends and Internal Input	Policy and regulatory developments, client requirements, and input from relevant departments

Climate Risk and Opportunity Monitoring System

The Environment & Safety Team manages greenhouse gas emissions, energy consumption, renewable energy use, environmental regulatory compliance, and environmental performance across operating sites. The ESG Management Team oversees climate related disclosures, the climate risk management framework, and matters reported to the ESG Committee. In addition, relevant departments, including Engineering, R&D, IR/Disclosure, Planning, Production, SCM, and Finance, review climate related risks and opportunities within their respective areas of responsibility and share relevant data and response status. Through this collaborative framework, Kolmar Korea continuously monitors progress toward its greenhouse gas emissions reduction targets, the renewable energy transition, energy costs, physical risk response measures, and climate related disclosure requirements.

Category	Key Responsibilities
ESG Management Team	Oversees ESG strategy, climate related disclosures, management of material climate related issues, and reporting to the ESG Committee
Environment & Safety Team	Manages greenhouse gas emissions, energy consumption, renewable energy use, environmental regulatory compliance, and environmental performance across operating sites
Relevant Department	Reviews climate related data and discusses response measures within their respective functions, including Engineering, R&D, Production, SCM, Finance, and IR/Disclosure
ESG Working Group	Discusses key ESG and climate related issues, facilitates cross functional collaboration, and monitors implementation progress
CEO and senior management	Reviews material climate related issues and makes key management decisions
ESG Committee and Board of Directors	Reviews and oversees material climate related risks, greenhouse gas emissions reduction targets, implementation progress, and key response strategies

Integration with the Enterprise Risk Management Framework

Kolmar Korea manages the financial and non-financial risks arising from its business activities by classifying them into business risks, operational risks, and ESG and other risks. Climate related risks are managed as part of the Company's environmental risks within the ESG and other risk category, and material issues, including greenhouse gas emissions reduction, energy costs, physical risks, supply chain impacts, and client requirements, are reviewed from an enterprise risk management perspective. In addition, Kolmar Korea operates a cross functional collaboration framework to ensure that climate related considerations are incorporated into key decision-making processes, including new investments, facility installation, raw material procurement, and disclosure activities. Material climate related issues are monitored by the ESG Management Team and the Environment & Safety Team and, where necessary, are managed through the Company's reporting framework to senior management and the ESG Committee.

Enterprise Risk Category	Climate Related Issues
Strategic/ Business Risks	· Changes in climate related regulations, client decarbonization requirements, and demand for environmentally friendly products · Investments in low carbon facilities, on site renewable energy generation, and the renewable energy transition
Operational Risks	· Physical risks to operating sites, energy cost volatility, and operational stability of facilities · Increasing demand for certified sustainable raw materials, supply chain carbon regulations, and raw material supply instability
Financial Risks	Electricity cost volatility, potential transition costs, and impacts on property, plant and equipment and cash flows
ESG Risks	Environmental risks, supply chain risks, and climate related disclosure and reputational risks

Response to Climate Change Risk

Kolmar Korea manages Scope 1, 2, and 3 greenhouse gas emissions, energy consumption, and renewable energy use as its key climate related metrics. Based on these metrics, the Company monitors progress toward its greenhouse gas emissions reduction targets and the implementation of its renewable energy transition.

Metrics and Targets

Climate Related Metrics

Scope 1 and 2 GHG Emissions

Category				2023	2024	2025
Greenhouse Gas Emissions[1]	Scope 1 GHG Emissions(tCO_2-eq)	Domestic	Sejong Site	1,615.0	1,726.0	1,778.9
			Jeonui Site	275.6	231.9	248.0
			Jeondong Site	79.9	89.9	70.3
			Bucheon Site	144.5	182.9	150.1
			R&D Complex	205.7	212.2	239.0
		Overseas	China (Wuxi)	73.8	63.0	74.7
			USA	237.5	216.1	435.4
			Canada	946.2	896.8	1,018.1
		Subtotal		3,578.0	3,618.8	4,014.5
	Scope 2 GHG Emissions(tCO_2-eq)	Domestic	Sejong Site	2,730.2	2,831.2	3,429.2
			Jeonui Site	163.8	284.3	309.9
			Jeondong Site	0	291.3	308.6
			Bucheon Site	1,336.0	1,386.2	1,158.3
			R&D Complex	1,432.8	1,497.6	1,653.4
		Overseas	China (Wuxi)	7,721.2	8,582.6	9,035.1
			USA	397.5	394.8	823.3
			Canada	99.9	87.0	112.2
		Subtotal		13,881.5	15,354.8	16,830.0
	Total GHG Emissions (tCO_2-eq)			17,459.5	18,973.5	20,844.5
	Scope 1,2 Emissions Intensity (tCO_2-eq/KRW billion)			15.9	14.3	14.3
Energy Consumption	Total Energy consumption (TJ)			309.9	334.8	368.9
	Energy Consumption Intensity (TJ/KRW billion)			0.28	0.25	0.25
Renewable Energy Consumption	Total Renewable Energy Consumption (TJ)			1.1	1.1	1.4

1) Includes domestic operating sites (excluding certain subsidiaries) and overseas operating sites in China, the United States, and Canada.

Scope 3 GHG Emissions[1]

Category		Unit	2023	2024	2025
Upstream	Purchased Goods and Services	tCO_2-eq	90,334.7	81,502.5	101,647.2
	Capital Goods		245.8	367.8	341.7
	Fuel-and energy-related Activities		645.4	1,191.5	3,942.1
	Upstream Transportation and Distribution[2]		-	2,286.7	2,124.5
	Waste Generated in Operations		461.5	536.1	518.0
	Business Travel		428.3	308.3	373.3
	Employee Commuting		1,426.1	1,416.4	1,514.8
	Upstream Leased Assets[2]		-	298.1	297.1
Downstream	Downstream Leased Assets[2]		-	226.1	1,151.2
	Investments[2]		-	32,218.2	32,063.7
Total			93,541.7	120,351.8	143,973.6

1) Covers domestic operating sites (excluding certain subsidiaries).
2) From 2024 onward, Scope 3 emissions include Category 4 (Upstream Transportation and Distribution), Category 8 (Upstream Leased Assets), Category 13 (Downstream Leased Assets), and Category 15 (Investments).

Response to Climate Change Risk

Kolmar Korea reviews metrics related to transition risks, physical risks, climate related opportunities, and capital allocation to manage the impacts of climate related risks and opportunities on its key assets and business activities. Based on these metrics, the Company monitors progress toward its greenhouse gas emissions reduction targets, renewable energy transition, development of sustainable raw materials and packaging, and enhancement of the operational resilience of its operating sites.

Metrics and Targets

Climate Related Metrics

Assets or Business Activities Vulnerable to Transition Risks

Kolmar Korea identifies its domestic and overseas operating sites that consume energy, including electricity and natural gas, in the production process as business activities potentially exposed to transition risks. The implementation of greenhouse gas emissions reduction targets, fluctuations in energy prices, the transition to renewable energy, and increasing client demand for supply chain decarbonization may affect production facility operations, the operation of energy intensive sites, the adoption of low carbon facilities, and renewable energy procurement activities. The Company monitors its exposure to transition risks using key metrics, including Scope 1 and 2 greenhouse gas emissions, energy consumption, renewable energy consumption, and progress toward its greenhouse gas emissions reduction targets.

Assets or Business Activities Vulnerable to Physical Risks

Kolmar Korea assesses the potential impacts of acute and chronic physical risks on its major operating sites, business operations, and assets. The physical risk assessment indicates that under the high-carbon scenario, the potential impacts of certain climate hazards, including extreme heat and acute flooding, may increase over the long term. These physical risks may affect production facilities, operational stability, energy consumption, maintenance costs, and the potential for production disruptions. The Company manages assets and business activities vulnerable to physical risks based on climate hazard exposure at each operating site, asset values, physical risk assessment results, and the status of response measures.

Assets or Business Activities Aligned with Climate Related Opportunities

Kolmar Korea identifies sustainable raw material procurement, sustainable packaging development, expanded renewable energy use, and improved energy efficiency as business activities aligned with climate related opportunities. For raw materials, the Company is strengthening supply chain sustainability by increasing the use of RSPO-certified palm oil and has established a target of achieving an 80% share of RSPO-certified palm oil products by 2030. For packaging, in collaboration with its subsidiary Yonwoo, the Company is advancing 5R-based sustainable packaging solutions through the use of mono-material packaging, plastic reduction, refillable packaging designs, and expanded use of recycled materials. In the area of energy, Kolmar Korea is strengthening its ability to reduce Scope 2 emissions and manage electricity cost volatility by expanding on-site solar power generation facilities, diversifying renewable energy procurement methods, and improving energy efficiency. These initiatives support the Company's response to growing client demand for sustainable products, supply chain ESG requirements, and Net Zero commitments.

Capital Deployment for Climate Related Risks and Opportunities

Kolmar Korea reviews investments related to the adoption of low carbon facilities, improvements in energy efficiency, expanded renewable energy use, and the installation of on-site power generation facilities to address climate related risks and opportunities. Although these investments may require capital expenditures in the short term, they are expected to contribute to greenhouse gas emissions reductions, improved resilience to electricity cost volatility, and enhanced operational efficiency over the medium to long term. In addition, the Company has established an internal carbon pricing framework to incorporate the carbon reduction benefits of investments into decision-making when evaluating facility investments aimed at reducing Scope 1 and 2 emissions and expanding renewable energy use. The internal carbon price is applied as a supporting indicator for new, replacement, or expansion facilities directly associated with Scope 1 and 2 emissions that are subject to review by the Internal Investment Review Committee, enabling both energy efficiency improvements and greenhouse gas emissions reduction potential to be considered during investment evaluations.

Climate Related Remuneration

To strengthen climate change response and improve environmental performance, Kolmar Korea incorporates environmental KPIs into the performance management framework for senior management and managers of relevant departments. These KPIs include the achievement of environmental objectives, improvements in greenhouse gas emissions intensity, and energy efficiency performance. The KPIs are integrated into the Company's annual performance management framework and are considered in the evaluation of short-term performance and monetary incentives for senior management and relevant managers. In particular, KPIs related to climate change and environmental management form part of senior management performance evaluations and serve as a management tool to promote the achievement of environmental objectives and the integration of ESG management. Through this performance management framework, Kolmar Korea seeks to ensure that climate change response initiatives, including greenhouse gas emissions reduction, improved energy efficiency, and environmental improvement activities, are incorporated into organizational decision-making and operational performance management.

Response to Climate Change Risk

Kolmar Korea has established an internal carbon pricing framework to support the implementation of its medium- to long-term greenhouse gas emissions reduction targets and the management of climate related transition risks. The internal carbon price serves as an internal management tool to assess both greenhouse gas emissions reduction potential and contributions to the low carbon transition when evaluating capital investments associated with Scope 1 and 2 emissions.

Metrics and Targets

Climate Related Metrics

Internal Carbon Pricing

Implementation of Internal Carbon Pricing

Kolmar Korea has established internal carbon pricing to support the implementation of its medium- to long-term greenhouse gas emissions reduction targets and the management of climate related transition risks. Internal carbon pricing serves as an internal management tool that enables the carbon reduction benefits of capital investments to be considered during investment decision-making. It supports a more systematic evaluation of investments in low carbon and high-efficiency facilities. The Company reviews energy consumption and projected greenhouse gas emissions for new, replacement, and expansion facilities subject to investment review that are directly associated with Scope 1 and 2 emissions. This approach enables the emissions reduction benefits reflected through internal carbon pricing to be incorporated into the investment evaluation process, thereby supporting the management of climate related transition risks and the achievement of the Company's medium- to long-term greenhouse gas emissions reduction targets.

Scope of Internal Carbon Pricing

Kolmar Korea applies internal carbon pricing to facilities subject to investment review that are directly associated with Scope 1 and 2 emissions. When evaluating new, replacement, and expansion facilities, the Company reviews projected energy consumption and greenhouse gas emissions in advance and applies internal carbon pricing to ensure that investment proposals with greenhouse gas emissions reduction benefits are considered during the decision-making process. Through this approach, Kolmar Korea seeks to manage climate related transition risks and support the achievement of its medium- to long-term greenhouse gas emissions reduction targets.

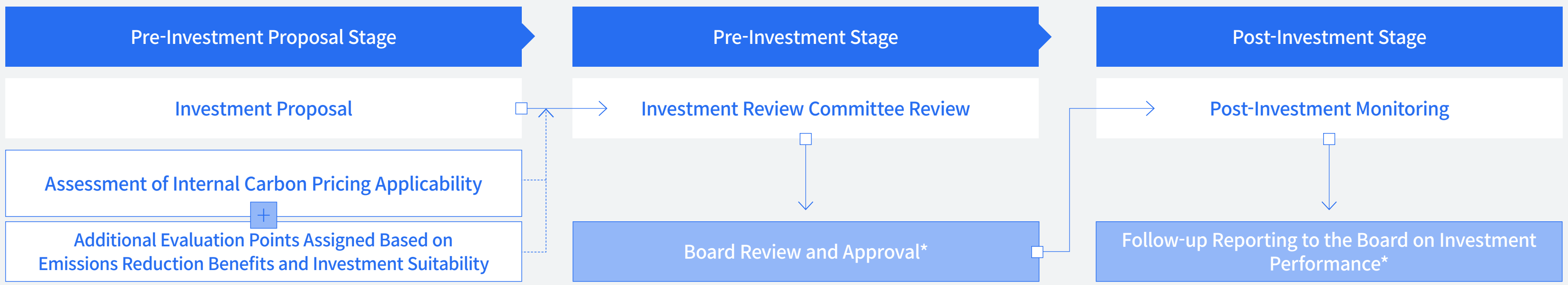
Internal Carbon Pricing Process

Kolmar Korea operates an investment management process consisting of the investment proposal, investment review, and post-investment monitoring stages to systematically manage investment-related risks. Within this process, internal carbon pricing is used as a supporting evaluation tool to assess the energy efficiency, greenhouse gas emissions reduction potential, and contribution to the low carbon transition of capital investment projects directly associated with Scope 1 and 2 emissions. During the investment proposal stage, the Company determines whether a proposed investment falls within the scope of internal carbon pricing. Where applicable, additional evaluation points are assigned based on the project's greenhouse gas emissions reduction potential and contribution to the low carbon transition. The assessment results are then used as reference information during the investment review stage to evaluate both the investment feasibility and its climate related impacts. Review and approval by the Board of Directors, as well as post-investment performance reporting, are conducted where required in accordance with the Company's internal criteria, including investment value. Following project implementation, the Company monitors changes in energy consumption and greenhouse gas emissions to continuously assess the appropriateness of its internal carbon pricing approach.

Overview of Internal Carbon Pricing

Type of Internal Carbon Pricing	· Shadow carbon price
Scope of Application	Facilities subject to investment review that are directly associated with Scope 1 and 2 emissions within the organizational boundary of Kolmar Korea's separate financial statements
Applicable Assets	New, replacement, and expansion facilities
Purpose	To evaluate greenhouse gas emissions reduction potential and contributions to the low carbon transition when reviewing capital investments
Application	Used as a supporting indicator in the investment evaluation process

Internal Carbon Pricing Process



*Board review and approval, as well as follow-up reporting to the Board on investment performance, are conducted where required in accordance with the Company's internal criteria, including investment value.

Response to Climate Change Risk

Kolmar Korea has expanded its greenhouse gas emissions reduction targets from domestic operating sites to company-wide Scope 1 and 2 emissions, including overseas operating sites. The Company has also re-established its medium- to long-term emissions reduction pathway based on absolute emissions, using 2025 as the base year. Progress toward these targets will be monitored based on greenhouse gas emissions, energy consumption, renewable energy consumption, and the implementation status of key emissions reduction initiatives at each operating site.

Metrics and Targets

Climate Related Targets

Greenhouse Gas Emissions Reduction Targets

Kolmar Korea manages Scope 1 and 2 GHG emissions as key climate-related metrics to support climate change mitigation and Net Zero. In 2024, the Company established a GHG inventory covering overseas operating sites and set 2025 as the base year for medium- to long-term absolute GHG emissions reduction targets covering domestic and overseas sites. This expanded GHG emissions reduction management from domestic operating sites to a company-wide level.

Category	Year	Reduction Target
Base Year	2025	-
Interim Target Year	2035	42.0% reduction from the base year
Target Year	2050	100% reduction

Implementation and Performance Management of Greenhouse Gas Emissions Reduction Targets

Kolmar Korea manages Scope 1 and 2 GHG emissions as key climate-related metrics to support climate change mitigation and Net Zero. Using 2025 as the base year, the Company established medium- to long-term absolute GHG emissions reduction targets covering domestic and overseas operating sites. Progress is monitored based on Scope 1 and 2 emissions, energy and renewable energy consumption, and key emissions reduction initiatives. The Environment & Safety Team manages GHG emissions, energy consumption, and environmental performance, while the ESG Management Team supports policy development, target setting, strategy development, and progress monitoring. Key environmental indicators and target progress are monitored through the environmental management framework and reported to the CEO, ESG Committee, and Board of Directors as appropriate. Kolmar Korea will continue to assess progress and review mitigation measures, including energy efficiency improvements, low-carbon facilities, expanded renewable energy use, and on-site power generation. GHG emissions and energy performance are also linked to senior management KPIs.

Basis for Greenhouse Gas Emissions Reduction Targets

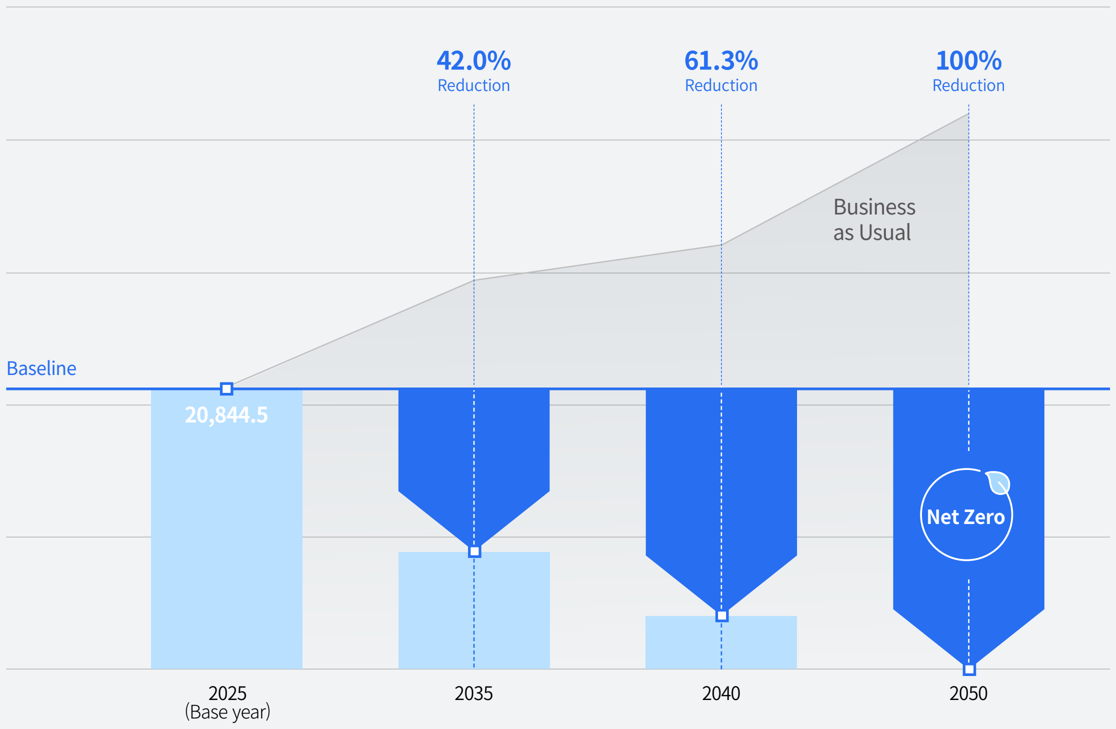
Kolmar Korea's GHG emissions reduction targets are absolute reduction targets covering Scope 1 and 2 emissions across domestic and overseas operating sites, using 2025 as the base year and 2035, 2040, and 2050 as key target years. To reflect the expansion of overseas operations and changes in the operational boundary, the Company expanded its targets from domestic operating sites to company-wide operations. Accordingly, Kolmar Korea established a GHG inventory covering overseas operating sites in 2024, quantified and disclosed the associated emissions, and designated 2025 as the new base year to re-establish its medium- to long-term emissions reduction pathway.

Emissions Reduction Targets and Strategy

Under its revised emissions reduction pathway, Kolmar Korea aims to reduce Scope 1 and 2 GHG emissions by 42.0% by 2035, 61.3% by 2040, and 100% by 2050, relative to the 2025 base year. For Scope 1, the Company is evaluating measures including environmentally friendly vehicles, improved stationary combustion efficiency, and emissions reduction technologies. For Scope 2, the Company plans to expand renewable electricity procurement through on-site power generation and power purchase agreements (PPAs). The targets do not incorporate carbon credits or sector-specific decarbonization approaches. Progress will be monitored based on Scope 1 and 2 emissions, energy and renewable energy consumption, and key emissions reduction initiatives. If significant changes occur in the organizational boundary, operating site scope, or emissions accounting methodology, Kolmar Korea will review whether adjustments to the target boundary or base year are necessary to maintain consistency and comparability.

Kolmar Korea's Greenhouse Gas Emissions Reduction Pathway

(Unit: tCO_2eq)



Scope 1	Mobile Combustion	Adoption of Environmentally Friendly Vehicles Across All Group Companies
	Stationary Combustion	Facility Efficiency Improvements and Utilization of Waste Heat
Scope 2	Renewable Energy Transition	100% Renewable Energy Transition through On-site Power Generation and PPAs

Response to Climate Change Risk

Subsidiary CASE

Climate Change Response Strategy

HK inno.N has established an ESG and environmental management decision-making system linked to climate change and Net Zero. The Sustainability Management Committee under the Board of Directors serves as the highest decision-making body, reviewing and approving mid- to long-term climate-related strategies and investment plans. The ESG Management Committee and the Safety and Environment Committee, led by senior management, support the implementation of climate-related initiatives. Under the Safety Management Office, the dedicated Safety and Environment Planning Team leads environmental management activities. Environmental Management CFT (Cross-Functional Teams) and ESG Working Committees, composed of representatives from all production sites, oversee company-wide energy data collection, greenhouse gas measurement and verification, and renewable energy transition investments. Based on KSSB Standard No. 2, HK inno.N identifies and prioritizes climate-related risks and opportunities (IROs) across its business model and value chain. In particular, the Company focuses on mitigating climate transition risks at the Osong site, which recorded the highest production volume and energy consumption and was designated as a facility subject to Korea's Greenhouse Gas and Energy Target Management System in 2024. Material climate-related risks are integrated into the Enterprise Risk Management (ERM) system for continuous monitoring.

Greenhouse Gas Reduction and Energy Saving Activities

HK inno.N is implementing its Net Zero roadmap with the ultimate goal of achieving net-zero Scope 1 and 2 greenhouse gas emissions by 2050 and reducing emissions by 30% by 2030 compared to the 2023 base year.

To expand on-site renewable energy generation, the Company added approximately 40 kW of solar photovoltaic capacity in August 2025 to the existing 523 kW system installed at the Osong site in 2021. In addition, the 44 kW solar photovoltaic system installed at the Pangyo Research Center (HK inno.N Square), completed in December 2024, commenced full-scale operation in January 2025. Through on-site power generation at the Osong and Pangyo sites, the Company currently reduces approximately 300 tCO_2eq of greenhouse gas emissions annually. Additional expansion of on-site solar capacity is planned for the second half of 2026.

To diversify renewable energy procurement, HK inno.N more than doubled its purchases of Renewable Energy Certificates (RECs) in 2025 compared with the previous year. In addition, based on an 8 MW off-site Power Purchase Agreement (PPA) signed in September 2025, renewable electricity supply to the Osong and Icheon sites commenced in 2026, establishing the foundation for reducing approximately 4,800 tCO_2eq of greenhouse gas emissions annually over the next 20 years.

The Company also continues to invest in low-carbon processes and facilities by linking annual capital investment planning with its internal carbon pricing mechanism. In 2025, utility efficiency was improved through the replacement of an ultra-low NOx boiler at the Daeso site and an aging boiler at the Icheon site.

To strengthen supply chain decarbonization, HK inno.N completed a Life Cycle Assessment (LCA) verification for the 50 mg K-CAB tablet using its internally developed methodology. As of the first half of 2026, the Company is also supporting key partner companies in establishing greenhouse gas inventories and providing manufacturing process decarbonization consulting through government-supported programs, including the Scope 3 Emissions Quantification Support Program for the Bio-health Industry.

Environmental

Kolmar Korea has established an integrated environmental management system to advance environmental management and implements environmental initiatives across its value chain, including waste management, sustainable packaging development, biodiversity conservation, and the development of products that contribute to addressing environmental and social challenges.

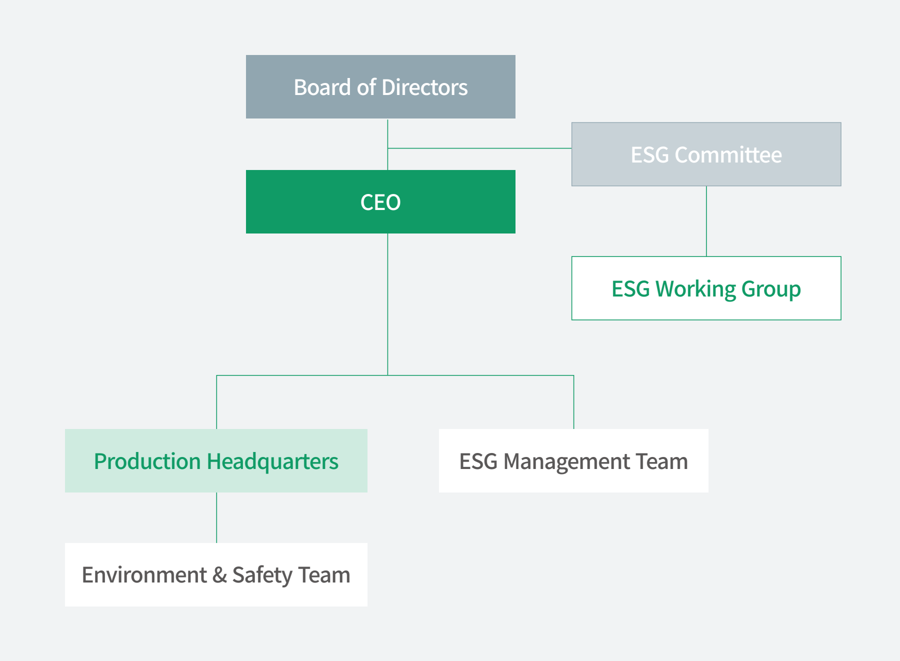
Integrated Environmental Management System

Kolmar Korea operates a company-wide working group to support climate action and a sustainable future. Across the entire value chain, from product development to recycling, the Company systematically develops and implements strategies for climate action, resource circularity, and biodiversity conservation. Going forward, Kolmar Korea will continue to minimize its environmental impacts through its global environmental management system and actively promote sustainable environmental management.

Management System and Implementation Plan

Integrated Environmental Management Operation System

Kolmar Korea operates a company-wide Environmental Management Consultative Body to respond promptly to climate change and minimize the environmental impacts of its business activities. Through close collaboration between its dedicated environmental organization and relevant departments, the Company has established an efficient management system that leverages the expertise of each function to drive meaningful environmental improvements. The Environment & Safety Team serves as the dedicated operational function responsible for regulatory compliance and performance management related to water, air emissions, waste management, and climate change response. The ESG Management Team is responsible for establishing company-wide environmental policies and strategies and plays a central role in embedding environmental management across the organization by reporting key matters to the ESG Committee and the Board of Directors, monitoring performance, and identifying opportunities for improvement.



Environmental Management Activities at Each Stage of the Value Chain

Product Development	**Climate Action** - Prescription of microplastic alternatives **Resource Circulation** - Products made from recyclable materials **Biodiversity** - Development of bio-based materials and vegan products
Procurement	**Climate Action** - Monitoring of activities of partner companies to reduce greenhouse gas emissions and use renewable energy **Resource Circulation** - Joint development of environmentally-friendly cosmetic packaging materials with the partner companies **Biodiversity** - Operation and investment in proper treatment facilities for pollution-causing substances
Manufacturing	**Climate Action** - Use of renewable energy **Resource Circulation** - Reutilizing to recycle generated waste **Biodiversity** - Operation and investment in proper treatment facilities for pollutants
Recycling	**Climate Action** - Monitoring greenhouse gas emissions **Resource Circulation** - Waste recycling and development of alternative packaging materials for paper/plastic **Biodiversity** - Development of bio-based materials and vegan products

Environmental Management Policy

As a global R&D and manufacturing company specializing in cosmetics and quasi-drugs, Kolmar Korea places environmental management at the core of its business philosophy and practices company-wide environmental stewardship based on its ISO 14001 Environmental Management System. This year, the Company strengthened its Environmental Management Policy by incorporating its commitment to biodiversity conservation and ecosystem protection. Kolmar Korea continues to minimize environmental impacts while working with local communities to restore and conserve the natural environment.

Key Contents of Environmental Management Policy

① We recognize the environmental impacts and risks associated with our activities, products, and services and strive for environmental accident prevention and continuous innovation throughout our management activities.
② We comply with relevant domestic and international environmental regulations, international agreements, and local ordinances and establish and operate related regulations.
③ We minimize water and air pollutants emission, establish and operate waste management systems for raw materials, auxiliary materials, and products, contribute to the establishment of a resource circulation practice platform, and fulfill our corporate social responsibilities.
④ We create an organizational culture where all employees understand and practice the environmental management policy.
⑤ We continuously carry out activities to reduce greenhouse gas emissions to respond to the climate change crisis actively.
⑥ Minimize the environmental impacts of our business activities while fulfilling our responsibility for biodiversity conservation and ecosystem protection. To this end, we collaborate with local communities and stakeholders and continuously strive to restore and conserve the natural environment.
⑦ We disclose this policy to stakeholders and encourage and guide our affiliates and partner companies to pursue green management.

Environmental Management Monitoring

Since obtaining ISO 14001 certification in 2010, Kolmar Korea has maintained a globally recognized environmental management system through annual surveillance audits and three-year recertification audits. Based on this certified system, the Company conducts systematic environmental impact assessments and risk evaluations to monitor the impacts of its business activities. Based on the results, Kolmar Korea implements proactive measures, including investments in emission control and pollution prevention facilities and process innovation, to minimize its environmental footprint.

Integrated Environmental Management System

Kolmar Korea establishes quantitative KPIs to enhance the effectiveness of its climate change response and regularly monitors progress toward company-wide targets. In particular, the Company identifies potential climate-related impacts of its business activities in advance through environmental impact assessments, minimizing its environmental footprint while proactively responding to increasingly stringent domestic and international environmental regulations. Going forward, Kolmar Korea will continue to respond responsibly to climate change and advance sustainable management through a systematic approach to environmental management.

Management System and Implementation Plan

Executives' Environmental KPI Management

To enhance the effectiveness of its environmental management and ESG management, Kolmar Korea establishes and implements company-wide environmental targets and execution strategies. The Company operates a systematic feedback process by monitoring implementation progress according to the review cycle for each target and evaluating performance against KPI-based metrics. Performance data are aggregated annually to assess progress toward company-wide targets, and the results are regularly reported to the CEO, the ESG Committee, and the Board of Directors to support decision-making. To strengthen management accountability for environmental performance, Kolmar Korea directly links company-wide environmental targets to executive KPIs. In addition, the Company continues to expand the scope of its environmental management by establishing supplementary targets across a broad range of environmental topics beyond its core KPIs.

Key Executives' Environmental KPIs

- Improvement of greenhouse gas emission intensity and energy consumption intensity
- Implementation of improvement activities related to greenhouse gases and energy
- Improvement of pollutant and waste emission intensity
- Enhancement of waste recycling rate

2025 Key Executives'[1)] KPI Performance[2)]

- Approximately 5.0% reduction in greenhouse gas emissions intensity
- Approximately 4.8% reduction in energy intensity
- Approximately 24.8% reduction in air pollutant emissions intensity
- Approximately 5.1% reduction in wastewater discharge intensity

1) Internal executives whose C-level position or equivalent executive responsibility (e.g., Executive Vice President or Vice President) is not identified
2) Based on data from domestic sites

Environmental Management System Framework

Environmental Impact Assessment

Based on the ISO 14001 international standard, Kolmar Korea assesses the direct and indirect environmental impacts of its activities throughout the entire value chain, from product development to service delivery. Through these assessments, the Company determines environmental significance and priorities and implements practical improvement measures to mitigate potential adverse impacts. To ensure continuous environmental risk management, Kolmar Korea conducts not only regular environmental impact assessments but also ad hoc assessments when significant changes occur, such as new business expansion or process modifications. All departments are included within the assessment scope to minimize potential blind spots, while the Environment & Safety Team oversees company-wide management and supervision of the assessment results to strengthen the effective implementation of environmental management.

Risk Factor Identification

Kolmar Korea proactively identifies environmental risks across its business activities using a range of assessment criteria, including the likelihood of occurrence, potential impact, and regulatory compliance. Environmental impacts exceeding the established criteria are classified into a pool of significant environmental impacts for focused management. For high-risk issues, the Company establishes and implements timely action plans to systematically control potential risks.

Risk Factor Mitigations

Kolmar Korea establishes and implements tailored action plans to address identified significant environmental impacts and risks. The Company continuously monitors environmental risks and enhances its management processes to minimize the adverse environmental impacts of its business activities.

Environmental Impact Assessment Process

1. Analysis of Business Activities
2. Identification and Quantification of Environmental Aspects
3. Conducting Environmental Impact Assessments and Classifying Significant Environmental Impacts
4. Risk Assessment, and Establishment and Implementation of Improvement Measures
5. Monitoring of Improvement Tasks and Implementation Performance

Environmental Regulation Management

To establish an environmental management system based on ISO 14001, Kolmar Korea continuously monitors compliance with environmental laws and regulations across all relevant areas, including the Chemical Substances Control Act, the Wastes Control Act, and the Occupational Safety and Health Act. The Company regularly reviews whether the chemicals it handles are subject to regulatory requirements and operates a proactive compliance management system. It also monitors the enactment and amendment of relevant legislation, including the Fire Services Act, on a quarterly basis. To strengthen the effectiveness of regulatory compliance, Kolmar Korea updates its legal register every quarter to clearly define the scope of legal requirements applicable to all sites. Based on the legal register, the Company prepares compliance assessment checklists with detailed evaluation criteria and closely monitors implementation across its operations. When new regulatory requirements are identified, they are promptly shared with relevant departments to establish appropriate response measures. Through this company-wide collaborative approach, Kolmar Korea has achieved zero environmental regulatory violations for four consecutive years. Going forward, the Company will continue to maintain a stable operating environment through rigorous regulatory compliance.

Environmental Regulation Management Process

Identification	· Identify regulatory amendments · Check regulatory compliance · Identify legal requirements (when newly enacted or amended)
Review	· Review regulations, such as applicable targets by business site · Seek application methods by business site and establish strategies · Strengthen capabilities, such as completing relevant training for personnel in charge
Application	· Assign related departments and define R&R · Form regulation-related task force (when necessary, such as new regulations) · Prepare all regulation-related matters
Action	· Check regulatory compliance · Report inspection details and implement improvement measures, etc.

Integrated Environmental Management System

To advance carbon neutrality, Kolmar Korea has established a target to reduce its greenhouse gas emissions intensity by 3% annually and regularly monitors energy performance and progress toward this target. The Company is actively evaluating investments in facilities and the adoption of emissions reduction technologies to improve the efficiency of manufacturing processes and utility operations. Through continued environmental investment, Kolmar Korea will proactively respond to climate-related risks and strive to minimize the environmental impacts of its sites.

Management System and Implementation Plan

Key Environmental Impact Goals Roadmap

Category	Unit	2023	2024	2025[4]	2026 Goals	2030 Goals
Greenhouse gas intensity[1]	tCO_2-eq/ KRW billion	15.9	14.3	14.3 (13.9)	13.5	11.9
Greenhouse gas intensity(Domestic)		9.3	8.1	7.7 (7.9)	7.5	6.6
Energy intensity[1]	TJ/KRW billion	0.28	0.25	0.25 (0.24)	0.24	0.21
Energy intensity(Domestic)		0.19	0.17	0.16 (0.16)	0.17	0.15
Renewable energy generation and consumption	TJ	1.1	1.1	1.4	-	-
Water consumption intensity[1]	m3/KRW billion	273.0	233.4	234.3 (226.4)	219.6	194.4
Water consumption intensity(Domestic)		158.9	142.4	140.8 (138.1)	133.9	118.6
Total water recycling[2]	m3	28,830.0	18,094.0	33,852.0	-	-
Waste water discharge intensity[3]	m3/KRW billion	95.3	84.0	79.7 (81.4)	77.3	68.4
Water pollutant intensity[3]	kg/KRW billion	5.8	4.9	5.9 (4.7)	4.6	4.1
Air pollutant intensity[3]		1.56	1.24	0.93 (1.20)	0.91	0.80
Waste intensity[3]	ton/KRW billion	1.8	1.8	1.9 (1.7)	1.6	1.4
Total waste recycling rate	%	83.0	84.8	84.4 (85.4)	86.0	88.4
Environmental investment	KRW 100 million	0.8	1.0	0.7	-	-
Environmental operation cost		6.6	8.6	9.1	-	-

1) Includes domestic sites (excluding certain subsidiaries) and overseas sites (China, the United States, and Canada).
2) Includes reclaimed water consumption at the Wuxi site in China. Total water consumption = water withdrawal + water reuse.
3) Based on data from domestic sites (excluding certain subsidiaries).
4) Figures shown in parentheses under the 2025 data represent the 2025 targets.

Environmental Investment

2025 Environmental Investment Performance

Installation of High-Efficiency Equipment (Turbo Blower)

Improved energy efficiency through the installation of a turbo blower at the Sejong site

- GHG emissions reduction: 31.3tCO_2-eq/yr
- Electricity savings: 68,138 kWh/yr
- Electricity cost savings: Approximately KRW 14 million

Turbo blower (Before replacement -> after replacement)

Investment in Energy-Efficient Equipment

Reduced electricity consumption through LED lighting replacement at the Bucheon site

- GHG emissions reduction: 12.4 tCO_2-eq/yr
- Electricity savings: 26,968 kWh/yr
- Electricity cost savings: Approximately KRW 4 million

2026 Environmental Investment Plan

- Expansion and improvement of wastewater treatment processes to reduce water pollutant discharges
- Investment in high-efficiency utilities and equipment to reduce electricity consumption

Integrated Environmental Management System

Kolmar Korea establishes quantitative annual targets and continuously monitors implementation progress to systematically manage air pollutant emissions, water pollutant discharges, and wastewater discharges. In 2025, the Company further strengthened its environmental management infrastructure by investing in process improvements and facility expansions at selected sites to reduce water pollutant discharges and enhance the stability of wastewater treatment. In addition, Kolmar Korea operates a company-wide chemical management system to ensure the safe and efficient handling of hazardous chemicals, with a focus on preventing chemical accidents at its sites and minimizing environmental impacts.

Implementation Activities and Performances

Pollutant Management

Air Pollutant Management

Kolmar Korea is strengthening inspections of air pollution control facilities and operating an IoT-based monitoring system to reduce emissions and prevent environmental incidents. At selected sites, oil-fired boilers have been replaced with electric water heaters, heating and cooling systems, and metal heaters, significantly reducing NOx and particulate matter emissions. As a result, the Company achieved an approximately 30% reduction in air pollutant emissions and met its annual emissions intensity target. Going forward, Kolmar Korea will continue to maintain air pollutant emissions at no more than 70% of applicable regulatory limits.

Water Pollutant Management

Kolmar Korea operates and maintains wastewater treatment and pollution control facilities to reduce water pollutant discharges, with internal standards set at no more than 20% of applicable regulatory limits. Each site regularly measures and records pollutant levels and inspects related facilities. From 2025 to 2026, the Company is expanding wastewater treatment capacity and improving process efficiency to accommodate increased production. In 2025, turbo blowers and advanced treatment facilities were introduced to stabilize dissolved oxygen (DO) levels, improve treatment efficiency, and reduce pollutant loads. Going forward, Kolmar Korea will continue strengthening water pollutant management through continuous monitoring and environmental facility investments.

2025 Environmental Improvement Investments

Category	Activities	Expected Benefits
Physical Treatment	Installation of an automatic screening system (wastewater influent stage)	Improved efficiency of physical treatment for incoming wastewater
Chemical Treatment	Installation of a microbubble system	Improved pollutant removal efficiency and reduced treatment load
Biological Treatment	Installation of a turbo blower	Stable dissolved oxygen (DO) supply, improving the stability and efficiency of biological treatment
Advanced Treatment	Installation of filtration equipment	Additional removal of BOD, SS, T-N, and T-P

Non-Point Source Pollution and Groundwater Protection

At selected sites, Kolmar Korea utilizes stormwater treatment facilities with a treatment capacity of 2,400 m^3 per hour, installed within the industrial complex, to properly treat pollutants such as BOD and SS contained in first-flush stormwater, thereby preventing contamination of surrounding water bodies, including surface water and groundwater. In addition, the Company conducts regular inspections of these facilities in accordance with applicable regulations and fulfills all regulatory requirements for non-point source pollution management, including the annual submission of inspection records to the competent environmental authority.

Wastewater Discharge and Treatment

Kolmar Korea operates a dual wastewater treatment system that integrates on-site treatment facilities with publicly operated wastewater treatment facilities to manage wastewater generated from its manufacturing and research and development activities while complying with applicable effluent discharge standards. To reduce wastewater generation, the Company has established standardized cleaning procedures for each product category and continuously monitors the volume of water used for cleaning. In addition, Kolmar Korea promotes water reuse to proactively address potential water-related risks.

Category	Unit	2023	2024	2025[1]
Air pollutant emissions	ton	1.3	1.3	1.1
Air pollutant emissions intensity	ton/KRW billion	0.002	0.001	0.001 (0.001)
Water pollutant discharges	ton	5.0	5.2	7.0
Water pollutant discharge intensity	ton/KRW billion	0.006	0.005	0.006 (0.005)
Wastewater discharges	m^3	81,682.9	88,967.8	95,015.0
Wastewater discharge intensity	m^3/KRW billion	95.3	84.0	79.7 (81.4)

* Includes domestic sites (excluding certain subsidiaries).
1) Figures shown in parentheses under the 2025 data represent the 2025 targets.

Soil Pollutant Management

Kolmar Korea conducts regular soil contamination inspections to prevent soil contamination risks arising from its business activities and to ensure compliance with applicable regulations. Since 2021, the Company has conducted annual inspections, exceeding the statutory inspection frequency of once every two years, thereby maintaining a proactive approach to soil quality management.

Hazardous Chemical Management

Kolmar Korea is reducing the use of hazardous chemicals through technology development and process improvements. The Company has eliminated the use of hazardous substances in product packaging materials by adopting soy-based inks. In addition, newly expanded production lines have been equipped with facilities that replace conventional hazardous chemicals with non-hazardous alternatives. Going forward, Kolmar Korea plans to further improve existing facilities using hazardous chemicals and expand investment in equipment that utilizes non-hazardous chemicals. To prevent chemical accidents, the Company also conducts regular training, emergency response drills, and on-site inspections for employees handling hazardous chemicals, and will continue to implement various initiatives to reduce the use of hazardous chemicals.

Chemical Substance Management Process

Kolmar Korea operates a company-wide chemical management system to protect clients and employees from potential risks associated with chemicals used throughout its manufacturing processes. All chemicals are tracked through a dedicated chemical management system, enabling the Company to monitor their history and usage. To ensure access to chemical safety information, the Company provides all employees with continuous access to Material Safety Data Sheets (MSDS). The Company conducts both routine and periodic inspections to maintain a safe working environment while ensuring strict compliance with applicable regulations. In particular, employees engaged in hazardous chemical handling operations are provided with appropriate personal protective equipment, and the control velocity of local exhaust ventilation systems is measured at least once a month to enhance the effectiveness of exposure control. In addition, Kolmar Korea strengthens physical security and emergency preparedness by operating CCTV systems in chemical storage areas and providing chemical-specific emergency response equipment, thereby maintaining regulatory compliance and a safe chemical handling environment.

Integrated Environmental Management System

Kolmar Korea operates a systematic environmental incident prevention and emergency response process to prevent harm to people, property, and the environment. In the event of an environmental incident, the Company activates its emergency response system to ensure prompt and effective action, thereby minimizing environmental impacts. In addition, Kolmar Korea provides regular environmental training for employees to enhance awareness of environmental risks and strengthen environmental stewardship across the organization, thereby improving the effectiveness of its environmental management practices.

Implementation Activities and Performances

Environmental Accident Prevention

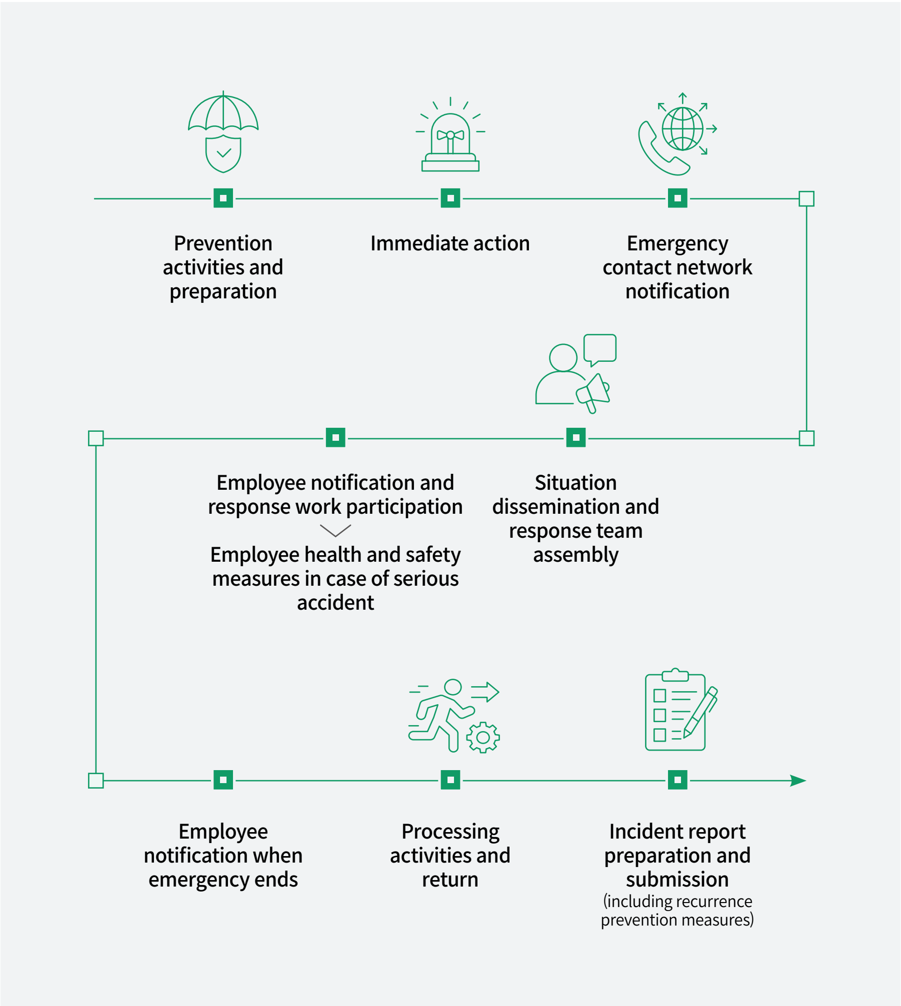
Kolmar Korea has established a systematic prevention and response framework for environmental incidents and other emergency situations to minimize harm to people, property, and the environment. The Company classifies emergencies into natural disasters and operational emergencies and has developed detailed response and evacuation procedures to enable prompt and effective action under each scenario. The Environment & Safety Team manages emergency response manuals and Standard Operating Procedures (SOPs) for each emergency scenario and conducts regular emergency drills based on simulated incidents to strengthen organizational preparedness. In addition, the Company provides emergency response training for all departments and identifies potential hazards through both routine and ad hoc site inspections, thereby reinforcing its environmental incident prevention efforts.

Emergency Preparedness and Response

To prepare for emergency situations, Kolmar Korea operates a comprehensive emergency preparedness system, including the management of emergency response kits by department, the installation of emergency evacuation maps, and the establishment of internal and external emergency communication networks. In the event of an incident, each department carries out immediate initial response measures in accordance with the established emergency procedures, while the emergency communication network is activated to promptly notify relevant authorities and internal departments. Depending on the scale of the incident, an appropriate emergency response team is organized, and relevant information is communicated to all employees. Designated personnel are assigned to carry out response activities to prevent the incident from escalating. Once the situation has been brought under control, the Company announces the termination of the emergency, conducts recovery activities and damage assessments, and prepares an incident report for submission to the emergency response manager. Based on a thorough root cause analysis, Kolmar Korea establishes corrective and preventive measures to fundamentally prevent similar incidents from recurring.

Environmental Incident Response Drill

Emergency Response Process



Environmental Education

Kolmar Korea provides regular environmental training to embed environmental management principles throughout the organization and foster a culture of environmental responsibility. Reflecting the characteristics of each site, the training covers practical topics such as water management, air emissions, waste management, and chemical management, and is delivered through both in-person and online formats to improve accessibility. Beginning in 2025, the Company strengthened the effectiveness of its training program by transitioning from semiannual or ad hoc sessions to a quarterly training system, while continuing to provide additional training whenever necessary to respond flexibly to emerging issues. Going forward, Kolmar Korea will continue to diversify training topics and encourage active employee participation to further integrate environmental management values across the organization.

2025 Environmental Management Education

Category	Participants	Unit	2025
Climate Change	All employees*	Persons	1,192
Water, Air, and Chemical Management	Job-specific personnel*		1,608
Waste Management	All employees*		1,057

* Excludes personnel required to remain on duty and employees on leave.

Chemical Substance Safety Education

Kolmar Korea provides regular training on the proper handling of chemicals, emergency response procedures, and chemical information to strengthen the safety capabilities of employees who handle chemicals. The Company enhances the effectiveness of its chemical management system by conducting periodic emergency drills based on emergency scenarios and implementing Standard Operating Procedures (SOPs), while continuously assessing on-site safety management capabilities. Going forward, Kolmar Korea will further strengthen its emergency response system by diversifying emergency scenarios and will continue to improve production processes to reduce the use of hazardous chemicals, thereby fostering a safer workplace environment.

Integrated Environmental Management System

To strengthen water resource management, Kolmar Korea continuously monitors water consumption and water withdrawal across its domestic and overseas sites and regularly assesses water stress under both current conditions and the Business-as-Usual (BAU) scenario using the World Resources Institute (WRI) Aqueduct Tools. In addition, the Company continuously implements water reuse and water conservation initiatives across its operations to minimize its impact on water resources.

Implementation Activities and Performances

Water Resource Risk Analysis and Management

Kolmar Korea continues to invest in water reuse initiatives and water-related infrastructure to improve the efficiency of water resource management, while conducting continuous monitoring and performance management in recognition of the water-intensive nature of its operations. According to the World Resources Institute (WRI) Aqueduct Tools assessment, all of the Company's sites are currently classified as having a Low-Medium (1–2) level of water stress. Nevertheless, Kolmar Korea conducts periodic internal assessments to prepare for potential changes in water-related risks resulting from climate change. Based on these assessments, the Company analyzes future risks to enhance resource efficiency and will continue to promote sustainable water resource management through ongoing product research and process development aimed at reducing water-related risks.

Current Water Stress Status of Domestic and Overseas Business Sites

Category	Sites	Overall Water Risk Baseline(2026)
Domestic	Sejong Site	Low-Medium(1-2)
	Jeonui Site	Low-Medium(1-2)
	Jeondong Site	Low-Medium(1-2)
	Bucheon Site	Low-Medium(1-2)
	R&D Complex	Low-Medium(1-2)
Overseas	USA Site 1	Low(0-1)
	Canada Site	Low(0-1)
	China - Wuxi Site	High(3-4)

Low (<10%) | Medium-low(<10~20%) | Medium-high (<20~40%) | High(<40~80%) | Very high(>80%)

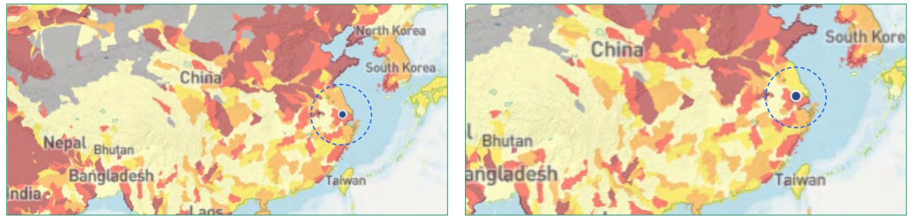
WRI, Aqueduct water risk atlas

Domestic/Overseas Business Sites WRI SSP 3, RCP 7.0 BAU Scenario

Domestic

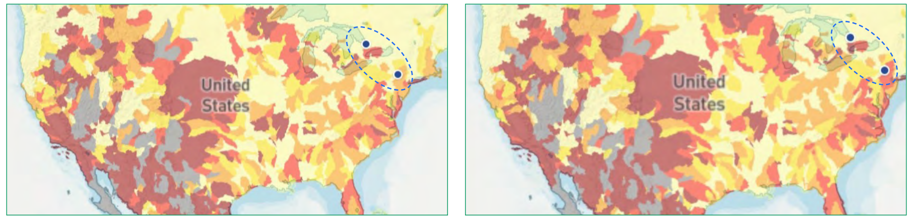
2030 2050

China



2030 2050

USA-Canada



2030 2050

Water Reuse System

To ensure product safety and minimize environmental impacts, Kolmar Korea uses purified water produced through various treatment processes, including reverse osmosis (RO), electrodeionization (EDI), ultraviolet (UV) sterilization, and activated carbon filtration, in its manufacturing processes. At selected sites, all reject water generated during the purified water production process is recovered and reused as utility water, accounting for approximately 7% of the site's annual water consumption. In addition, improvements to utility facilities enabled the Company to limit the increase in water consumption to approximately 1.4% year over year despite a 6.6% increase in production volume, thereby preventing the more than 10% increase in water consumption that would otherwise have been expected without such improvements. At the China site, where water stress has been assessed as "High," reclaimed water supplied through the Company's treatment facilities and the industrial complex's centralized wastewater treatment plant is reused in utility systems, achieving a water reuse rate of approximately 20%. Going forward, Kolmar Korea will continue to evaluate water management measures tailored to regional risks and expand the application of water reuse initiatives where appropriate.

Total Water Consumption, Intensity, and Total Water Recycling

Category	Unit	2023	2024	2025
Total Water Consumption[1]	m^3	304,285.9	309,151.7	340,951.9
Water Consumption Intensity	m^3/KRW Billion	273.0	233.4	234.3 (226.4)
Total Water Recycling[2]	m^3	28,830.0	18,094.0	33,852.0

*Includes domestic sites (excluding certain subsidiaries) and overseas sites in China, the United States, and Canada.
1. Water consumption = Water withdrawal + Water reuse
2. Includes reclaimed water used at the Wuxi site in China, which is supplied by the industrial complex.*

Integrated Environmental Management System

Based on analyses of water-related risks and site-specific conditions, Kolmar Korea identifies key water-related risks and opportunities and assesses their potential impacts on business operations. The Company comprehensively evaluates the potential financial, operational, brand, and regulatory implications of these risks and opportunities and continuously implements proactive measures tailored to the characteristics and risk profile of each site.

Implementation Activities and Performances

Water-Related Risk and Opportunity Impacts and Response

Kolmar Korea operates a water-intensive business in which purified water is used as a key raw material across its skincare, color cosmetics, and body care product lines, while process water for cleaning, cooling, and container washing is extensively used as utility water throughout its manufacturing operations. To address water-related risks and opportunities, the Company conducts site-level water stress assessments, monitors water flows throughout the entire production process, and implements investment initiatives to strengthen water resource management.

Category	Risk and Opportunity Drivers	Business Relevance	Likelihood	Scale	Key Stakeholders	Potential Impacts(Financial, Operational, Brand, Regulatory)	Risk Mitigation and Opportunity Initiatives
Risk	Product Safety Risks Resulting from Deterioration in Purified Water Quality	· Product quality issues arising from contamination of purified water with foreign substances or microorganisms · Risks associated with deterioration in source water quality or aging of water purification facilities	Low	High	Clients, Government Agencies	· Disposal of an entire production batch containing contaminated purified water could result in immediate production losses ranging from tens to hundreds of millions of KRW. · Non-compliance with water quality management requirements identified during GMP inspections by the Ministry of Food and Drug Safety (MFDS) could result in the suspension of manufacturing and sales operations. · Distribution of products contaminated by microorganisms could cause adverse skin reactions, leading to large-scale consumer claims, product recalls, and significant reputational damage.	1) Operate SOPs for manufacturing water management. 2) Strengthen manufacturing water quality testing. 3) Implement real-time automated monitoring of water quality indicators.
	Seasonal Instability in Water Supply Due to Climate Change	· Increased variability in water source levels due to intensified extreme weather events, such as seasonal heavy rainfall and droughts, resulting in greater instability in the supply of manufacturing water · Potential disruptions to production schedules when peak cosmetics production periods coincide with extreme weather events	Low	High	Shareholders & Investors, Clients, Partner Companies, Local Communities	· Water supply restrictions during peak production periods, when output is two to three times higher than during the off-season, may result in penalties for delivery delays and distribution channel penalties. · Failure to establish water resource response plans required under global customers' ESG supply chain requirements may result in contractual disadvantages.	1) Update Water Stress ratings for each site annually based on the WRI Aqueduct and establish emergency response levels according to the rating. 2) Conduct continuous monitoring of water resource-related supply chains.
	Stricter Wastewater Discharge Standards and Tightening Water Regulations in Key Export Markets	Strengthening of domestic and international regulations related to water resources	Low	Medium	Government Agencies, Local Communities	· Mandatory installation of advanced wastewater treatment facilities may increase capital expenditures (CapEx) at each site. · Failure to comply with wastewater discharge standards under increasingly stringent ESG supply chain assessment requirements imposed by global clients may result in contractual disadvantages.	1) Strengthen the frequency of in-house monitoring of wastewater pollutant concentrations by parameter. 2) Enhance monitoring of country-specific legal requirements related to wastewater discharge.
	Damage to Production Facilities Caused by Heavy Rainfall and Flooding	Flooding or landslides at certain sites caused by river overflow, heavy rainfall, or other extreme precipitation events may disrupt production operations.	Low	High	Shareholders & Investors, Clients, Partner Companies	· A GMP contamination determination may require the complete suspension of affected production lines until recertification is completed, resulting in potential revenue loss. · Damage to production facilities, raw materials, work-in-process, and finished goods inventories, together with the cost of disposing of defective products generated during production restart, may result in additional financial losses. · Delivery delays may lead to contractual penalties and other financial sanctions.	1) Conduct site-specific assessments of physical climate risks using flood vulnerability maps and prioritize investments in disaster prevention facilities. 2) Operate emergency response scenarios and strengthen emergency preparedness drills. 3) Maintain insurance coverage against damage caused by natural disasters.
Opportunity	Development of Environmentally Friendly Products	Development of environmentally friendly products that incorporate water resource considerations throughout the research and development process	Low	High	Shareholders & Investors, Clients, Partner Companies	· Create new growth opportunities and enhance corporate reputation by fostering new consumer demand through the launch of environmentally friendly product lines. · Reduce operating expenses (OpEx) through lower water consumption.	1) Promote research and development activities that incorporate water resource considerations.
	Reduction of Water-related Costs and Water Consumption	· Investment in water reuse facilities · Reduced water consumption and improved efficiency through the introduction of water-saving equipment · Growing customer demand for water reuse initiatives	Medium	Medium	Government Agencies, Local Communities, Partner Companies	· Reduced water consumption may improve performance in external ESG assessments, contributing to the retention and expansion of contracts with global customers. · Reduced water consumption may lower operating expenses (OpEx).	1) Continuously evaluate investments in water reuse and other related facilities. 2) Operate a target management system, including the establishment of KPIs. 3) Conduct ongoing monitoring of water use. 4) Strengthen inspections of water use facilities at each site.

Waste Management and Sustainable Packaging

Kolmar Korea is committed to minimizing waste generated throughout its manufacturing processes by expanding recycling initiatives and strictly complying with waste management requirements according to waste type. In addition, the Company is strengthening a circular production system through a range of initiatives to reduce the environmental impact of packaging, including lightweight packaging design, enhanced recyclability, and the adoption of recycled materials.

Management System and Implementation Plan

Waste Management Operation System

Kolmar Korea operates a cross-functional collaboration framework to ensure the proper management of waste and expand recycling. Waste-generating departments focus on reducing waste generation through source segregation by waste characteristics and type, while the Environment & Safety Team ensures compliant waste management throughout the entire process by monitoring regulatory requirements and managing permits and approvals. The R&D Department enhances the environmental sustainability of products by developing and commercializing alternative materials to replace plastics. In addition, the Company maximizes recycling rates through waste characterization and the selection of optimal waste management service providers. Going forward, Kolmar Korea will continue to accelerate the establishment of a circular production system by focusing on waste reduction and resource recovery.

Waste Management Process

Product Development
- Environmental assessment at the development stage (ease of packaging recycling, material reduction)

Production
- Identification and permitting of new waste
- Separate storage of generated waste
- Establishment of waste recycling targets

Treatment
- Verification of legal compliance
- Confirmation of transport vehicles and transport conditions
- Regular inspection of treatment companies and verification of lawful treatment

Waste Treatment Process and Reduction Efforts

Kolmar Korea continuously expands the recycling of waste raw materials, waste bulk materials, and packaging materials generated during manufacturing based on a compliant waste management system tailored to each waste category. In particular, instead of simply incinerating or landfilling general waste, packaging materials, and sludge generated at its sites, the Company maximizes resource circularity by processing and recycling these materials for use as cement raw materials or solid recovered fuel (SRF). All waste is safely managed by qualified waste management service providers, and the operational suitability of each contractor is verified through on-site inspections and technical reviews conducted during the annual contract renewal process. In addition, Kolmar Korea maintains transparent waste traceability by continuously reporting waste data to the Allbaro System, the national integrated waste management system, and monitoring the entire waste management process from generation to final treatment using GPS data linked to the system. The Company also continues to develop and commercialize environmentally friendly packaging materials to reduce waste generation and increase recycling rates.

Zero Waste Landfill and Recycling

Kolmar Korea is increasing resource circularity by diverting waste bulk materials, wastewater sludge, and other waste streams previously designated for incineration or landfill to recycling. Although the landfill rate increased slightly compared to the previous year due to higher production volumes, the Company achieved its waste intensity target while continuing to implement various initiatives to improve recycling rates. Going forward, Kolmar Korea will continue to comply with all applicable regulatory requirements while striving to achieve zero waste to landfill and establish a sustainable circular resource management system.

Waste Intensity and Targets

Category	Unit	2023	2024	2025	2026 Goal	2030 Goal
Waste Intensity	ton/KRW billion	1.8	1.8	1.9 (1.7)	1.6	1.4

* Applicable to domestic sites (excluding certain subsidiaries).
1) The Figure in parentheses below the 2025 data represents the 2025 target.

Total Waste Generated and Recycling

Category			Unit	2023	2024	2025
Total Waste Generated[1]			ton	1,503.7	1,892.4	2,225.3
Total Waste Treatment[2]			ton	1,498.6	1,872.5	2,204.0
Total Waste Storage			ton	5.1	19.9	21.3
General Waste	Total Treatment		ton	1,470.9	1,841.5	2,164.8
	Incineration		ton	199.2	228.1	268.4
	Landfill		ton	24.0	10.1	19.1
	Recycling		ton	1,247.8	1,603.3	1,877.4
	Storage		ton	4.7	19.6	21.3
Designated Waste	Total treatment		ton	27.7	30.9	39.2
	Incineration		ton	18.0	18.0	24.7
	Recycling		ton	0.0	1.9	0.0
	Medical Waste	Total Treatment	ton	9.7	11.1	14.5
		Incineration	ton	9.7	11.1	14.5
	Storage		ton	0.4	0.3	0.0
Total Waste Recycling			ton	1,247.8	1,605.2	1,877.4
Total Waste Recycling Rate[3]			%	83.0	84.8	84.4

1) Total Waste Generation = Total Waste Treatment + Total Waste Storage.
2) All waste is managed by third-party waste management service providers.
3) Total Waste recycling rate = (Total Waste recycling / Total waste generated) × 100

Waste Management and Sustainable Packaging

As a global cosmetics manufacturer, Kolmar Korea is committed to advancing environmental stewardship and social responsibility through the development and adoption of sustainable packaging. To this end, the Company has established a systematic packaging development organization and material verification process. Guided by its 3R (Reduce, Reuse, Recycle) Green Strategy, Kolmar Korea is reducing the environmental impact of its packaging while strengthening the sustainable competitiveness of its products. Building on these strategic initiatives, the Company aims to establish itself as a leading environmentally responsible ODM partner in the sustainable beauty industry.

Management System and Implementation Plan

Sustainable Packaging Development Operation System

Kolmar Korea is advancing its ESG management by developing packaging solutions that reduce plastic consumption and carbon emissions. The Company is expanding the adoption of recyclable, environmentally friendly packaging and refill products while developing and proposing sustainable design solutions that support the transition to a circular economy. In addition, Kolmar Korea applies design strategies that improve energy efficiency throughout the manufacturing process, thereby reducing carbon emissions and minimizing environmental impacts.

Design Group

- Design Development Team 1
- Design Development Team 2
- Design Technology Development Team
- Graphic Design Team

Team	Role and Responsibility
Design Development Team 1	· Monitoring of PCR or easily recyclable sustainable packaging and new product development through database
Design Development Team 2	· Exploring container ideas reflecting environmentally friendly needs · Developing designs to create prototypes and actual products (refill function, material review, parts minimization, etc.)
Design Technology Development Team	· Evaluation of packaging material structure for recycling ease · Review of domestic and international packaging-related environmental laws and regulations · Review of mold design for plastic usage reduction · Verification of test injection products and review of mass production feasibility
Graphic Design Team	· Composition of environmentally friendly printing specifications design using FSC-certified paper and soy ink · Proposing effective expression methods that reduce post-processing (foil, laminating) that is difficult to recycle

Sustainable Packaging Development

To contribute to the circular economy, Kolmar Korea continuously monitors the composition of its packaging materials and proactively proposes sustainable packaging solutions that meet customer needs from the early stages of new product development. Through a systematic process spanning planning, development, and production, the Company creates both environmental and economic value while strengthening its market competitiveness.

Sustainable Packaging Development Process

Planning	Setting sustainability goals and defining the direction and scope of the project
Product Selection	Selecting products to which packaging will be applied and specifying development direction after analyzing product lifecycle and consumer needs
Market Analysis	Reviewing regulations and certification standards through competitor cases and global trend research
Idea Selection	Deriving optimal ideas through brainstorming and evaluating environmental, economic, and technical feasibility
Design	Designing considering physical properties/functions of packaging and verifying performance through prototype production
Evaluation/ Improvement	Optimizing packaging and improving issues based on test results and market feedback
Production	Applying sustainable manufacturing processes to maximize resource efficiency and mass-producing packaging finished through quality control

3R GREEN Strategy Framework

Kolmar Korea's 3R GREEN Strategy serves as the Company's core environmental strategy for sustainable product manufacturing and is built around three key principles: Reduce, Reuse, and Recycle. Guided by this strategy, the Company develops environmentally friendly packaging solutions to reduce the environmental impact of its products while establishing a company-wide sustainable manufacturing system. Through continuous technological innovation and collaboration, Kolmar Korea also puts its ESG vision into practice by contributing to the realization of a circular economy.

Resource Saving	Resource Efficiency	Ease of Waste Disposal
· Reduced plastic consumption · Reduced carbon emissions	· Reduced use of single-use packaging · Reduced energy consumption during production · Extended product and packaging life cycle	· Material free of hazardous substances · Resource circularity
REDUCE	REUSE	RECYCLE
BY Redesign, Resize	BY Refill PCR	BY One Material
· Packaging optimization · Lightweight packaging	· Refill packaging · Use of post-consumer recycled (PCR) resin	· Use of mono-materials · Easy-to-recycle packaging

Waste Management and Sustainable Packaging

Guided by its 3R (Reduce, Reuse, Recycle) Green Strategy, Kolmar Korea develops sustainable packaging solutions that incorporate key ESG principles, including resource conservation, waste reduction, and improved recyclability. Through continuous technological innovation, the Company is leading the development of products that promote resource circularity and minimize environmental impacts. In doing so, Kolmar Korea practices responsible business management while creating long-term ESG value.

Implementation Activities and Performances

2025 Kolmar Korea Major Development Cases of Environmentally Friendly Packaging

One-Hand Pump Paper Pack (Winner of the Red Dot Design Award)

REDUCE

Kolmar Korea's Design Group has continuously validated the environmental potential of paper-based materials through the proactive development of paper tubes, paper sticks, paper pouches, and other innovative packaging solutions. In response to the growing sustainability trend in the global beauty industry, the Company adapted aseptic paper carton technology widely used in food packaging for cosmetic applications, enabling the development of environmentally friendly containers suitable for large-capacity products and broader product line expansion. A key challenge during development was overcoming the structural limitations of paper materials, particularly container deformation caused by moisture absorption. To address this, the load-bearing structure and pump angle were optimized with a user-centered (UX) design approach, enabling stable one-handed dispensing. The final design incorporates an all-PP mono-material pump and an easily separable paper pack structure, improving both waste separation convenience and resource circularity.



2025 Major Development Cases of Environmentally Friendly Packaging for Clients

Kolmar Korea's Design Group is leading the development of cosmetics incorporating sustainable packaging through close collaboration with its customers. By adopting environmentally friendly packaging designed for easy waste separation through the use of standardized packaging materials, the Company promotes resource circularity and enhances recycling efficiency. In addition, Kolmar Korea contributes to sustainable forest management and environmental protection by using paper certified by the Forest Stewardship Council (FSC) as well as paper certified by national authorities, including the U.S. Food and Drug Administration (FDA) and Germany's ISEGA. Going forward, Kolmar Korea will continue to promote ESG management together with its customers by proposing innovative packaging solutions, including the Company's proprietary paper sticks and paper pouches, while expanding ESG values throughout the value chain.

Major Cases	Contents
Paper Stick	Stick-type cosmetic packaging that reduces plastic use by approximately 80% compared to conventional injection-molded containers (development proposal) 
Paper Pouch	Packaging designed for improved recyclability by using Kolmar-developed paper material instead of aluminum (development proposal) 
Mono-Material Container(ALL PP)	Packaging made entirely of polypropylene (PP) to improve recyclability 
FSC®	Packaging made with FSC®-certified paper from responsibly managed forests 
FSC® + Soy Ink	Packaging made with FSC®-certified paper and soy-based ink 
Earth Pack	Packaging made with environmentally certified paper compliant with U.S. FDA and Germany's ISEGA standards 

Development of Sustainable Skincare Packaging for a Client

REUSE REDUCE RECYCLE

Kolmar Korea redesigned one of its major clients' best-selling skincare products with a focus on sustainability by reducing resource consumption and improving recyclability. The Company expanded the use of mono-material packaging, introduced a refill packaging structure, and optimized the packaging design, including the packaging-to-product ratio, to minimize plastic consumption.


Waste Management and Sustainable Packaging

Kolmar Korea advances sustainable packaging development and ESG management through close collaboration with its cosmetic packaging manufacturing subsidiary, Yonwoo. Leveraging Yonwoo's advanced packaging manufacturing capabilities, the Company develops packaging solutions that minimize environmental impacts throughout the entire product life cycle, from product planning and design to manufacturing and end-of-life, while creating differentiated environmental value.

Implementation Activities and Performances

Sustainable Packaging Development Collaboration System

Kolmar Korea and Yonwoo work closely together to enhance technical excellence, user convenience, and environmental performance through a wide range of collaborative initiatives, including the adoption of mono-material packaging, plastic reduction, refill packaging systems, and recycled materials. Built on Yonwoo's 5R Strategy (Reduce, Refill, Recyclable, Recycled, Renewable), this collaborative model extends beyond the development of environmentally friendly packaging to serve as a foundation for responsible ESG management across the supply chain. As a global ODM company, Kolmar Korea leverages this synergy to contribute to the development of a more sustainable beauty industry ecosystem.

5R Strategy Framework

Recyclable	**Recyclable Products** Products composed of PE, PP, PET that are easy to reuse plastic
Refill	**Refillable Products** Products that can be refilled with contents after use of reused by inserting new content cartridges
Reduce	**Plastic Usage Reduction Products** Products with reduced weight compared to existing products to reduce plastic usage
Renewable	**Products Made with Sustainable Materials** Products made from environmentally friendly sources such as bio-resin instead of conventional petroleum-derived plastics
Recycled	**Products Using Recycled Plastic** Products made using recycled materials (PCR) instead of virgin materials

HK Kolmar HK Yonwoo

Product		Category	Environmentally Friendly Performance
	Eco Stick W	Recyclable Refill	· Made with environmentally friendly PP plastic · Reduces plastic consumption by 23% (front) and 20% (back) when the 20 mL refill cartridge is replaced
	Capsule Jumbo	Recyclable	· Made with environmentally friendly PP and PE plastics
	Clean Stick	Recyclable	· Made with environmentally friendly PP plastic
	Eco Dropper V2	Recyclable	· Made with environmentally friendly PP plastic
	EZ Airless Eco Cream Jar	Recyclable Refill	· Made with environmentally friendly PP and PE plastics · Reduces plastic consumption by 36% when the refill container is replaced
	Spot V2	Refill	· Made with environmentally friendly PP, PE, and PET plastics · Reduces plastic consumption by 27% when the refill container is replaced

Product		Category	Environmentally Friendly Performance
	Glass Dual Light	Refill	· Made with environmentally friendly PP, PE, and PET plastics, combined with glass · Reduces plastic consumption by 38% (15 mL) and 51% (30 mL) when the refill container is replaced (excluding the glass component)
	Glass Straight Jar	Recyclable Refill	· Made with environmentally friendly PP, PE, and PET plastics, combined with glass · Reduces plastic consumption by 73% when the refill container is replaced (excluding the glass component)
	Dew Palette-4pans	Recyclable	· Made with PETG; reduces plastic consumption of the primary package by 100% when using the refill · 2026 Korea Star Awards – Grand Prize of the Chairman of the Korea Packaging Association Federation
	3CC One Material Pump 4CC One Material Pump	Recyclable	· Constructed exclusively from environmentally friendly PP and PE plastics with a plastic spring · 2021 Korea Star Awards – Minister of Trade, Industry and Resources Award · 2022 WorldStar Awards – Health & Personal Care Category Winner · 2022 ADF Sustainable Innovation Award – Finalist
	015 CV One Material Pump 020 CV One Material Pump	Recyclable	· Constructed exclusively from environmentally friendly PP and PE plastics with a plastic spring
	4CC Mono Material Pump(PE)	Recyclable	· Constructed exclusively from environmentally friendly PE plastic with a plastic spring · 2024 Korea Star Awards – Minister of Trade, Industry and Resources Award

Waste Management and Sustainable Packaging

Subsidiary CASE

HK Yonwoo

PPWR Response Task Force

To proactively prepare for the EU Packaging and Packaging Waste Regulation (PPWR), scheduled to take effect in August 2026, Yonwoo established a company-wide task force in March 2026. The task force operates as a cross-functional working group comprising representatives from product development, quality, sales, and other relevant departments. Through regular and ad hoc meetings, it coordinates the progress of key initiatives across functions in real time. This collaborative framework enables the efficient implementation of key initiatives, including data management, the establishment of internal processes, and employee training across relevant departments. Building on this proactive response framework, Yonwoo continues to strengthen its regulatory compliance capabilities through close collaboration with Kolmar Korea. In particular, the two companies integrate their formulation and packaging technologies from the early stages of product planning to develop technical solutions that comply with PPWR requirements. Going forward, Kolmar Korea and Yonwoo will continue to expand regulatory support and sustainable product development for customers targeting the European market.

Yonwoo PPWR Response Task Force Structure

- CEO
  - PI Team(TFT Lead)
    - Marketing & Sales
    - Design & Development
    - Quality
    - SCM &Production

PPWR Roadmap

’25.09	• Conduct a company-wide survey and raise organizational awareness for PPWR compliance
’26.03 ~ ’26.05	• Establish and operate the PPWR Response Task Force (1) Define cross-functional roles and responsibilities (R&R) for issuing DoCs and TDs (2) Establish systems to support recyclability and recycled content verification (3) Analyze the current sustainable product portfolio and develop DfR guidelines (4) Establish procedures for the assessment and management of PFAS and other hazardous substances
’26.08	• Begin issuing DoCs and TDs for applicable customers • Finalize new product development guidelines based on DfR principles • Finalize and institutionalize the PPWR DoC issuance process
’27~	• Review certification schemes and the supply chain to verify recycled content • Institutionalize the development of PPWR-compliant sustainable products based on DfR principles • Carry out additional PPWR compliance initiatives

PPWR, Packaging and Packaging Waste Regulation

1. Definition

- A comprehensive regulation established by the European Union (EU) to reduce packaging waste and accelerate the transition to a circular economy by managing the entire life cycle of packaging.

2. Key Features

- Establishes a comprehensive framework covering the entire life cycle of packaging and will be implemented as a Regulation that is directly applicable across all EU Member States.
- Applies to all packaging and packaging waste generated within the EU, regardless of packaging material or point of use.
- While serving as a regulatory framework, it is also expected to create new growth opportunities for the circular economy industry.

PPWR
- Design & Manufacturing
- Post-Market Verification
- Consumer Use
- Waste Management

Biodiversity Conservation

To address the climate crisis and contribute to global biodiversity conservation, Kolmar Korea systematically assesses and manages natural capital impacts and risks by applying the LEAP approach based on the TNFD framework. Going forward, the Company will continue to expand its natural capital management strategy and broaden its scope of application while actively incorporating science-based assessment results into management decision-making. Through these efforts, Kolmar Korea aims to progressively extend its natural capital management framework across all domestic and overseas operations and establish a globally aligned natural capital management system.

Management System and Implementation Plan

Biodiversity Conservation Organizational Structure

Kolmar Korea has established a company-wide management framework for biodiversity conservation. The ESG Committee oversees biodiversity-related governance by identifying key nature-related risks and opportunities, while establishing and monitoring strategic initiatives based on these assessments. The Environment & Safety Team and the ESG Management Team work closely together as the operational functions responsible for implementing these initiatives, and the Company plans to further strengthen its management framework by incorporating biodiversity protection into its environmental policy. Kolmar Korea also proactively monitors areas surrounding its domestic manufacturing sites in Sejong and Bucheon and assesses and manages natural capital impacts and risks in accordance with the guidelines of the Taskforce on Nature-related Financial Disclosures (TNFD). Going forward, the Company will continue to enhance its natural capital risk management framework and strengthen its capacity to address the impacts of its business activities on ecosystems and biodiversity, thereby advancing its natural capital management practices.

ESG Committee
- Oversees the management of biodiversity-related risks and opportunities
- Oversees the establishment and implementation of biodiversity strategic initiatives

ESG Management Team
- Identifies biodiversity-related risks, opportunities, and impacts
- Leads and supports the implementation of biodiversity conservation initiatives

Environment & Safety Team
- Manages biodiversity-related policies
Reviews biodiversity response strategies

Domestic R&D Center	Domestic Manufacturing Sites	Overseas Manufacturing Sites
R&D Complex	Sejong Site Bucheon Site	United States China Canada

Biodiversity Risk Management

Kolmar Korea systematically identifies and manages nature-related risks and opportunities in accordance with the LEAP approach recommended by the Taskforce on Nature-related Financial Disclosures (TNFD). The Company assesses its impacts and dependencies on natural capital and biodiversity throughout its business operations and establishes appropriate response strategies to effectively manage identified risks.

Locate
- Identify the natural environment within the area of influence of business sites through site surveys and literature reviews
- Conduct Natural Capital Depletion (NCD) analysis using ENCORE

Evaluate
- Conduct Natural Capital Sensitivity (NCS) analysis
- Assess ecosystem service dependencies based on ENCORE's ISIC industry classification
- Conduct Ecosystem Services Assessment (ESA) using the InVEST Model

Assess
- Assess financial impacts based on evaluations of dependencies and impacts on natural capital
- Identify natural capital-related risks and opportunities using global assessment tools and internal and external expert evaluations

Prepare
- Develop strategies to minimize negative impacts on natural capital based on the SBTN AR3T framework
- Implement site-level actions to achieve risk mitigation targets and enhance biodiversity

Implementation Activities and Performances

Locate – Identifying the Interface with Nature

As part of the Locate phase of the TNFD LEAP approach, Kolmar Korea conducted an ENCORE-based Natural Capital Depletion (NCD) hotspot analysis covering six major domestic and overseas business sites to identify their interface with nature. The assessment evaluated each site's level of dependency on natural capital and exposure to nature-related risks across four dimensions: air depletion, biodiversity depletion, soil depletion, and water depletion. Using a five-point scale, the analysis compared the risk profiles of each site. Based on the assessment results, Kolmar Korea incorporated the operational characteristics of each site into its risk management approach. Compared with the Integrated Technology Institute, which primarily performs research activities, the Bucheon and Sejong sites operate full-scale manufacturing processes involving raw material inputs, water consumption, and chemical handling. As a result, these manufacturing sites have broader and more diverse direct interactions with natural capital throughout their production activities. Reflecting these site-specific characteristics, Kolmar Korea assigned higher risk ratings to manufacturing sites and established tailored response strategies for each site to minimize adverse impacts on ecosystems and proactively manage natural capital-related risks.

No.	Site	Business Activity	Air Depletion	Biodiversity Depletion	Soil Depletion	Water Depletion
1	Sejong Site	Manufacturing	High Risk(4)	High Risk(4)	Moderate Risk(3)	Low Risk(2)
2	Bucheon Site	Manufacturing	High Risk(4)	Very High Risk(5)	Very High Risk(5)	Low Risk(2)
3	R&D Complex	R&D	High Risk(4)	High Risk(4)	High Risk(4)	Moderate Risk(3)
4	China	Manufacturing	Very High Risk(5)	Very Low Risk(1)	Low Risk(2)	Moderate Risk(3)
5	United States	Manufacturing	High Risk(4)	High Risk(4)	Low Risk(2)	Very Low Risk(1)
6	Canada	Manufacturing	High Risk(4)	Very Low Risk(1)	Moderate Risk(3)	Low Risk(2)

Very Low Risk(1) | Low Risk(2) | Moderate Risk(3) | High Risk(4) | Very High Risk(5)

Biodiversity Conservation

During the Evaluate phase, Kolmar Korea systematically conducted a Natural Capital Sensitivity (NCS) assessment, an ecosystem service dependency analysis, and an ecosystem services valuation using the InVEST Model to scientifically assess natural capital-related risks and opportunities across its key business sites. Based on these assessment results, the Company will actively incorporate nature-related considerations into management decision-making and continue to enhance site-specific natural capital risk response strategies.

Implementation Activities and Performances

Evaluate – Assessing Nature Dependencies and Impacts

Natural Capital Sensitivity (NCS*) Assessment

- Assesses the ecological sensitivity and vulnerability of the natural environment surrounding business sites to evaluate the significance of corporate impacts on natural capital within the local context.
- Calculates the spatial overlap ratio between the Bucheon and Sejong sites (within a 10 km radius) and environmentally sensitive areas, including Korea Designated Protected Areas (KDPA), Ecological and Natural Map Grade 1 & 2 areas, Special Management Areas, and National Cultural Heritage sites.*

* Spatial overlap ratio = (Area overlapping with designated environmental themes within a 10 km radius of the site) ÷ (Total area within a 10 km radius of the site) × 100 (%)

Results of the Natural Capital Sensitivity Assessment

(Unit : %)

Site	Korea Database on Protected Areas		Ecological and Natural Maps (First/Second Grade Zone & Separately Managed Zone)		National Cultural Heritage	
	Overlap Ratio (%)	Details	Overlap Ratio (%)	Details	Overlap Ratio (%)	Details
Sejong Site	1.8	· Gobok Reservoir · Wildlife / Water Source / Scenic Protection Area · Natural Environment Conservation Area, arboreal genetic resources protection district	43.9	· Sawtooth oak and pine forests (First/ Second Grade Zone) · Forest Protection Area · Wildlife Protection Area	0.002	· Three-story Stone Pagoda of Biamsa Temple, Jeonui · Jeonui Hyanggyo Confucian School · Geungnakbojeon Hall of Biamsa Temple, Sejong (Treasure)
Bucheon Site	3.6	· Ginkgo Tree of Jangsu-dong, Incheon (Natural Monument) · Nanji Hangang Park, Seoul · Wildlife Protection Area	21.5	· Sawtooth oak, Mongolian oak, and black locust forests · Wildlife Protection Area	-	-

- The Sejong Site recorded a 43.9% overlap ratio with ecologically sensitive areas, indicating its proximity to protected areas and National Cultural Heritage sites and the need for continuous monitoring of the surrounding ecosystem.

Dependency Assessment

- Analyzed dependency impact levels using ENCORE's ecosystem service Dependency Matrix based on the ISIC * industry classification to determine the extent to which Kolmar Korea's production activities rely on specific ecosystem services, including whether operations would become impossible or be significantly disrupted in their absence.
- For the Bucheon and Sejong sites identified during the Locate phase, identified the natural capital and ecosystem services relevant to the "Manufacture of Other Chemical Products" industry and assessed the level of dependency on each ecosystem service.

* ISIC, International Standard Industrial Classification

Results of the Dependency Assessment

Bucheon Site

Sejong Site

Manufacture of Other Chemical Products

Ecosystem Service	Dependency Level*
Water purification	Moderate
Flood mitigation	Moderate
Water Supply	Moderate
Water flow regulation	Moderate
Storm mitigation	Moderate
Solid waste treatment	Moderate
Soil and sediment retention	Moderate

* Dependency levels are assigned based on the degree to which each ecosystem service is directly required for production activities and the extent of operational disruption that would occur if the service were unavailable.

- A moderate level of dependency was identified for ecosystem services related to water purification, flood mitigation, water supply, storm mitigation, and water flow regulation.
- No high-level natural capital dependency risks were identified at the Bucheon and Sejong sites.

Ecosystem Services Assessment(ESA*)

- Selected key ecosystem services based on the industry-specific dependency assessment results and used the InVEST* Model to quantify the value of ecosystem services surrounding business sites, supporting the prioritization of restoration and regeneration actions under the SBTN AR3T framework.

*InVEST (Integrated Valuation of Ecosystem Services and Tradeoffs): A quantitative ecosystem service assessment and valuation model developed by the Natural Capital Project at Stanford University. The model uses GIS-based spatial data to quantitatively assess ecosystem services within a specific geographic area.

Ecosystem Service	Assessment Module by Ecosystem Service*
Water Regulation	Quantifies the annual water yield within the watershed surrounding the business site.
Water Purification	Evaluates water purification services by analyzing nutrient loads, including nitrogen and phosphorus runoff.
Climate Regulation	Quantifies carbon storage and carbon sequestration by land cover type surrounding the business site.

* Water Regulation: InVEST Water Yield, Water Purification: InVEST Nutrient Delivery Ratio, Climate Regulation: InVEST Carbon (Carbon Storage & Sequestration)

Ecosystem Services Assessment Results

- Compared with the surrounding forest ecosystem, the Bucheon Site showed relatively higher water regulation capacity but lower climate regulation capacity.
- Compared with the surrounding forest ecosystem, the Sejong Site showed relatively higher water regulation capacity but lower water purification capacity.

Biodiversity Conservation

During the Assess phase, Kolmar Korea analyzed the potential financial exposure arising from its dependencies and impacts on natural capital and systematically evaluated the financial implications of nature-related risks and opportunities associated with key ecosystem services. Building on these assessment results, the Prepare phase establishes differentiated natural capital risk management strategies and implementation plans tailored to the characteristics of each business site across the entire value chain, based on the SBTN-recommended AR3T framework. Kolmar Korea will continue to advance its science-based natural capital management system and fulfill its role as a responsible company by making meaningful contributions to biodiversity conservation and ecosystem restoration.

Implementation Activities and Performances

Assess – Analysis of Nature-related Risks and Opportunities

Kolmar Korea conducted a financial exposure analysis by integrating ecosystem services assessment results with operational data to evaluate the financial impacts of dependencies and impacts on natural capital. Using key indicators,* including water consumption, wastewater discharge, T-P discharge, and GHG emissions, the Company compared nature-related risks across business sites. Water purification and climate regulation were identified as key areas requiring management attention, with the Sejong Site showing relatively higher exposure to water-related risks and the Bucheon Site to climate regulation-related risks. Based on these findings, Kolmar Korea identified key natural capital risks and management priorities and plans to expand quantitative risk assessments and strengthen its natural capital risk management framework.

Category	Risks and Potential Financial Impacts	Opportunities and Potential Financial Impacts
Water Regulation	· Increased costs of securing water resources · Higher operating costs due to stricter water abstraction regulations · Increased capital investment in water reuse systems	· Reduced operating costs through wastewater reuse and improved water efficiency · Enhanced customer trust and strengthened sustainable supply chain resilience
Water Purification	· Production disruptions and revenue losses resulting from tighter water quality regulations · Increased wastewater treatment costs · Higher capital investment in advanced wastewater treatment facilities · Decline in business site asset value due to deteriorating water quality	· Increased ESG investment opportunities through leadership in water quality management · Enhanced customer trust and strengthened sustainable supply chain resilience
Climate Regulation	· Loss of revenue opportunities due to delayed renewable energy transition · Higher Scope 2 electricity procurement costs · Increased capital investment in low-carbon facilities	· Stabilized electricity costs through expanded renewable energy use · Enhanced revenue opportunities and competitiveness through the low-carbon transition · Expanded sustainable supply chain opportunities and increased ESG investment

* Based on measured data for 2024

Prepare – Developing Response strategies and Implementing Improvement Actions

Kolmar Korea has established and is actively implementing a systematic approach to minimize identified natural capital risks and proactively address potential and emerging nature-related risks. In particular, the Company develops differentiated response strategies and implementation plans tailored to the key risks at each business site in accordance with the four-step mitigation hierarchy recommended by the Science Based Targets Network (SBTN) under the AR3T framework—Avoid, Reduce, Restore & Regenerate, and Transform. These strategies are designed to directly reflect the ecosystem service gaps and levels of financial exposure identified during the Evaluate and Assess phases, enabling more effective and practical natural capital risk management.

Avoid — Preventing Impacts on Natural Capital

Kolmar Korea conducts environmental impact assessments when establishing, expanding, or modifying domestic and overseas business sites to identify potential impacts of its business activities on biodiversity and the natural environment at an early stage. The Company also uses GIS-based analyses of natural capital-sensitive areas to assess the proximity of business sites to protected areas, ecologically important areas, and national cultural heritage sites, and evaluates whether they are located within high-risk natural capital areas. The assessment results are incorporated into business planning and operational decision-making. Through these efforts, Kolmar Korea seeks to prevent potential impacts on natural capital-sensitive areas and minimize the risk of biodiversity loss and ecosystem service degradation resulting from its business activities.

Restore & Regenerate — Ecosystem Restoration and Regeneration

Kolmar Korea supports the Convention on Biological Diversity Kunming–Montreal Global Biodiversity Framework and is expanding its natural capital management approach beyond minimizing impacts within its business sites to actively conserving and restoring degraded ecosystems outside its operational boundaries. To support these efforts, employees at the Sejong Site regularly participate in environmental clean-up activities along the Jeonui Station hiking trail and the Jocheon watershed, while employees at the R&D Complex conduct similar activities in Seocho-gu and around the Yeouicheon stream in Seoul. In particular, the Company continues ecosystem restoration activities in the Wonteogol area of Cheonggyesan Mountain, an Ecological and Landscape Conservation Area designated by the Ministry of Environment, through the removal of pollution sources.

Reduce — Minimizing Negative Impacts on Natural Capital

Based on the results of its natural capital risk assessment conducted using the LEAP approach, Kolmar Korea has established and implemented water management strategies to reduce biodiversity impacts at the Sejong and Bucheon Sites. To minimize the direct environmental impacts associated with business operations, including water pollution and water use, the Company has set targets to reduce total phosphorus (T-P) discharges and continues to improve the operational efficiency of its wastewater treatment processes. As a result, total phosphorus (T-P) discharges decreased by approximately 84%, from 0.037 tonnes in 2024 to 0.006 tonnes in 2025. In addition, Kolmar Korea has established water reuse systems to expand water recycling within its operations and reduce overall water consumption, thereby strengthening water circularity and minimizing adverse impacts on natural water systems. The Company also plans to expand and upgrade the wastewater treatment facility at the Sejong Site to enhance wastewater treatment capacity and improve effluent quality management, thereby contributing to the conservation of surrounding ecosystems.

Transform — Transitioning to a Sustainable System

Kolmar Korea is committed to complying with the Convention on International Trade in Endangered Species of Wild Fauna and Flora in line with global efforts to protect natural capital. The Company operates an internal verification process that proactively screens all new raw materials and products at the early stages of product development to determine whether they are subject to CITES regulations. Through this process, Kolmar Korea prevents the use of illegally sourced materials and prioritizes ethically and sustainably sourced alternatives. In addition, the Company continuously monitors domestic and international regulatory and policy developments related to CITES and promptly incorporates relevant changes into its raw material management system, thereby strengthening its capacity to manage biodiversity-related risks. Beyond regulatory compliance, Kolmar Korea is committed to ecosystem conservation and responsible business practices while reinforcing biodiversity protection throughout its value chain.

Development of Products Contributing to Environmental and Social Problem-Solving

Kolmar Korea has established an integrated R&D management system that enables experts across diverse disciplines to communicate and collaborate in developing products that contribute to addressing environmental and social challenges while creating value in beauty, health, and customer satisfaction. Through the development of innovative technologies and the convergence of technical expertise, the Company's researchers are committed to developing next-generation products that address environmental and social challenges while leading market innovation.

Management System and Implementation Plan

Organizational Structure for Development of Products Contributing to Environmental and Social Problem-Solving

As a global cosmetics company, Kolmar Korea strives to provide products that fulfill environmental and social responsibilities while delivering value to customers. The Company operates a dedicated organizational structure for the development and management of products that contribute to addressing environmental and social challenges, centered around its R&D Institute. Through this structure, Kolmar Korea seeks to strengthen its competitiveness in the global cosmetics market and promote sustainable research and development. Each department is assigned roles and responsibilities aligned with its expertise and works to develop products that improve both environmental and social performance. In addition, departments collaborate organically to further expand sustainability across the broader environmental and social landscape through Kolmar Korea's products. Going forward, Kolmar Korea will continue to pursue innovation through ongoing research and development and a strong commitment to ESG, with the goal of becoming a leader in the global cosmetics industry.

Technical Research Lab.

- Skin Care Lab.
- Perfumery Lab.
- Make-up Lab.
- Analysis Center
- UV TECH Innovation Lab.
- Chroma Kolmar Studio
- Personal Care Lab.
- U'r Lab.
- Convergence Technology Lab.
- RAS Center
- Skin & Natural Products Lab.

Main Role

- Conducting formulation and technology research, source technology development, new material development, skin research, safety research, analytical research, global research system, etc.

Implementation Activities and Performances

Developing Sustainable Beauty Products with Environmental and Social Considerations

Kolmar Korea develops environmentally responsible beauty products based on internationally recognized certifications, including COSMOS,* and government certification schemes. The Company has obtained vegan certification through rigorous controls over animal-derived ingredients and cross-contamination prevention. Since 2025, it has also launched PETA-certified products and developed reef-safe products to strengthen its commitment to animal welfare and marine ecosystem protection. Going forward, Kolmar Korea will continue developing responsible products that incorporate environmental and social values.

* COSMOS is an international standard for organic and natural cosmetics developed by COSMOS-AISBL, comprising BDIH (Germany), ICEA (Italy), ECOCERT and COSMEBIO (France), and the Soil Association (UK).

Sales Performance of Natural and Organic Certified Products

Category	2023[2]	2024	2025
Sales of Natural and Organic Certified Products[1] (Unit: KRW 10,000)	18,681[3]	41,550[3]	70,215

1) Includes Premium Eco-Label, MFDS Natural & Organic Cosmetics, COSMOS Organic, and ECOCERT certified products.
2) Covers the period from August to December 2023.
3) Sales figures for 2023–2024 were revised following enhancements to the management system, including the coding and identification of additional natural and organic certified products.

Sales Performance of Vegan Certified Products

Category	2023[2]	2024	2025
Sales of Vegan Certified Products[1] (Unit: KRW 100 million)	331	1,391	2,076

1) Includes products certified by EVE, V-Label, WE Vegan, Biorius, The Vegan Society, Korea Institute of Vegan Assessment and Certification, Vegan Standard Certification Institution, Korea Vegan, and Korea Vegan Agency.
2) Covers the period from August to December 2023.

Sales Performance of PETA Certified Products

Category	2025
Sales Performance of PETA Certified Products[1] (Unit: KRW 10,000)	4,884

1) Based on the Company's internal system records. Products certified independently by clients or not registered in the internal system are excluded.

Environmentally and Socially Responsible Raw Materials

Category	Number of Raw Materials[1]
BPJPH Halal	3,262
EVE Vegan, WE Vegan, Vegan Standard Certification Institution	4,031
KMF Halal, KHA Halal	3,042
PETA Vegan	3,352
V-Label	3,697
The Vegan Society	4,601
Cruelty Free, Leaping Bunny	3,569
Korea Vegan	4,916

1) Raw materials meeting multiple certification criteria may have been counted more than once.

Achievement in Environmentally Friendly Patent Applications

In response to growing demand for sustainable cosmetics and environmentally responsible products, Kolmar Korea continues to strengthen its environmentally friendly technology capabilities. In 2025, the Company filed 32 new patent applications, of which 22 patents were registered. Going forward, Kolmar Korea will continue investing in research and innovation to enhance its competitiveness in the cosmetics market while supporting consumers' value-driven purchasing decisions.

Category		Number of Cases
Patent Applications	2025(Cumulative)	101
	2025(New)	32
Patent Registrations	2025(Cumulative)	63
	2025(New)	22

Development of Products Contributing to Environmental and Social Problem-Solving

Kolmar Korea contributes to environmental protection and sustainability by developing plant-based ingredients that replace animal-derived materials through its proprietary platform technologies. Going forward, the Company will continue to expand the development of environmentally responsible bio-based ingredients that combine superior quality with sustainability. In addition, the Kolmar Korea R&D Institute actively participates in the establishment and revision of environmental labeling certification standards led by government agencies and related organizations, while supporting nationwide environmental campaigns. Through these efforts, the Company goes beyond product development to drive the transition toward a more sustainable beauty industry and promote a culture of sustainable consumption.

Implementation Activities and Performances

Introduction of Major Developed Products

Sustainable Ingredients Enabled by Platform Technologies

Kolmar Korea has developed proprietary extraction technologies that isolate key active ingredients from a wide range of plants, including roses, Centella asiatica, and Houttuynia cordata, in response to diverse client needs. These technologies overcome the limitations of conventional animal-derived ingredients while minimizing environmental impacts and delivering high-quality bioactive ingredients.

Flollagen™: Next-Generation Vegan Collagen Recognized for Global Innovation

Kolmar Korea has pioneered Flollagen™, a plant-derived functional ingredient developed as a sustainable alternative to animal-derived collagen, creating new opportunities in the sustainable beauty ingredients market. The key component of Flollagen™, Extensin, is a glycoprotein naturally found in plant cell walls that is rich in hydroxyproline, a major structural component of animal-derived collagen, giving it similar structural characteristics. Based on these properties, Flollagen™ has emerged as a collagen-boosting ingredient that supports skin lifting and hydration. In 2025, its innovation and technological excellence were internationally recognized when it received the Silver Award in the Functional Cosmetic Ingredients category at the European BSB Innovation Awards. Kolmar Korea will continue to expand the development of plant-derived bio-based ingredients, including Flollagen™, further strengthening its position as a global leader in environmentally responsible high-performance cosmetic ingredients.

Shaping the Future of Sustainable Beauty with Plant-Derived PDRN

Kolmar Korea has developed PhytoGEN™ PDRN, a high-performance ingredient derived from plant callus cultures through its proprietary environmentally friendly extraction technology, overcoming the limitations of conventional salmon DNA-derived PDRN. Composed of highly purified low-molecular-weight fractions ranging from 50 to 1,500 kDa, PhytoGEN™ PDRN significantly improves both safety and sustainability compared with animal-derived PDRN while minimizing energy consumption and environmental impacts and maximizing the efficacy of its active ingredients. Its benefits for skin regeneration, elasticity, wrinkle improvement, and hydration have been demonstrated, positioning it as a next-generation ingredient attracting significant attention in the vegan cosmetics market in 2025. Going forward, Kolmar Korea will continue to expand the development of sustainable bio-based ingredients through technological innovation and environmental responsibility.

From Products to the Industry: Kolmar Korea's Green Leadership

Contributions to Eco-Label Certification System

To foster a sustainable beauty industry ecosystem, Kolmar Korea actively participates not only in obtaining environmental certifications for its products but also in the development and revision of environmental labeling certification standards led by government agencies and related organizations. Leveraging its R&D expertise across a wide range of product categories, including detergents, hair care, and body care products, the Company continuously provides technical input during stakeholder consultations, contributing to the establishment of practical and more advanced environmental standards across the industry.

Date	Discussion Topic	Activity
25.04	EM102 – Evaluation Method of Environmental Impact of Detergents on Water System	Technical review of the proposed revision
25.11	Stakeholder consultation on hair care and cosmetic chemical products	Review of the proposed certification criteria
25.11	Stakeholder consultation on hair care and cosmetic chemical products	Review of the proposed revisions to the certification criteria
24.07	EL308 – Shampoo & Rinse & Body Cleanse	Technical review of the proposed revision
24.06	Stakeholder consultation for soap products	Review of the proposed certification criteria
23.12	EL308 – Shampoo & Rinse & Body Cleanse	Technical review of the proposed revision
23.09	EL308 – Premium Eco-Label Certification	Certification of eligible products and equivalent products

Promoting Environmentally Responsible Consumption and Participating in Green Consumption Week

As a representative Eco-label certified company, Kolmar Korea actively participates in nationwide environmental campaigns involving businesses, citizens, and government organizations. Beyond developing environmentally responsible products, the Company promotes a culture of sustainable consumption and supports the transition toward a more sustainable beauty industry by providing expert insights and participating in public campaigns.

Date	Organizer / Event	Activity
25.05	Ministry of Environment, Korea Environmental Industry & Technology Institute/ Green Consumption Week Campaign	[Expert Presentation as a Representative of Eco-Label Certified Companies] Shared best practices on the green transition in the cosmetics industry and presented recommendations for promoting environmentally responsible beauty consumption.



Development of Products Contributing to Environmental and Social Problem-Solving

Kolmar Korea conducts Life Cycle Assessments (LCA) for key products to systematically identify environmental impacts across the entire product life cycle and establish a foundation for sustainable product development. The assessment applies a Cradle-to-Gate boundary, covering the production and transportation of raw materials and packaging materials through the manufacturing stage, and quantitatively analyzes environmental impacts at each stage. The results are utilized as key baseline data for improving product environmental performance and developing environmentally responsible products. Going forward, Kolmar Korea plans to progressively expand the assessment scope and impact categories, further enhance its product environmental information management system, and proactively respond to evolving stakeholder expectations.

Implementation Activities and Performances

Life Cycle Assessment

LCA Methodology

To systematically assess environmental impacts across the product life cycle, Kolmar Korea conducted Life Cycle Assessments (LCA) in accordance with ISO 14040, ISO 14044, and ISO 14067. In 2025, the Company performed Cradle-to-Gate assessments covering raw material and packaging production and transportation through manufacturing. Product-level impacts were quantified using site-specific data and internationally recognized LCA databases. The Company also applied the Environmental Footprint (EF) 3.1 and IPCC 2021 methodologies to assess key impacts, including climate change and water use, and analyzed contributions by life cycle stage and product component.

Application of LCA Results

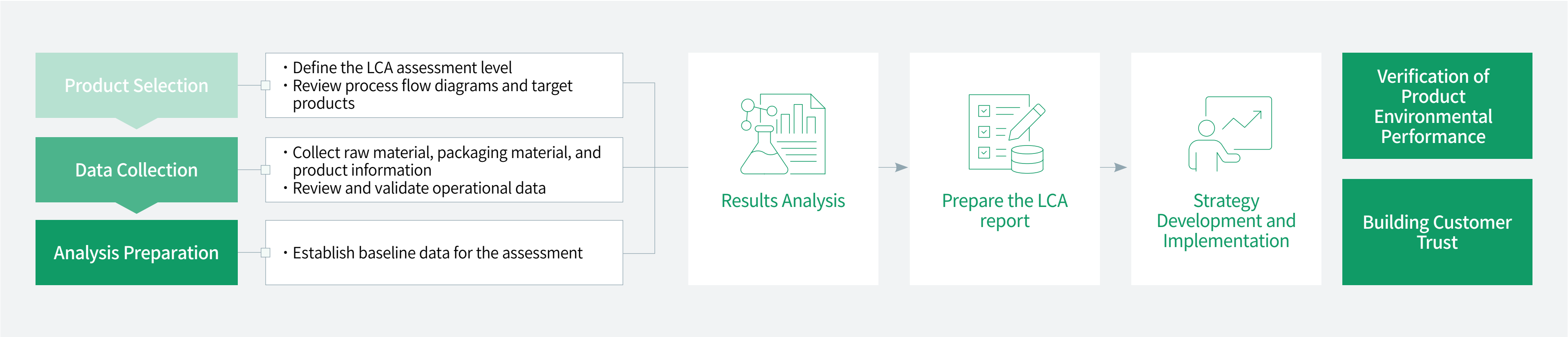
Kolmar Korea uses LCA results as baseline data for product environmental performance management and the development of environmentally responsible products. By quantifying environmental impacts across the product life cycle, the Company identifies key impact hotspots and prioritizes improvements in raw materials, packaging, and manufacturing processes. In addition, Kolmar Korea uses quantitative environmental data to respond to customer information requests and ESG assessments while enhancing its product environmental information management system.

LCA Results

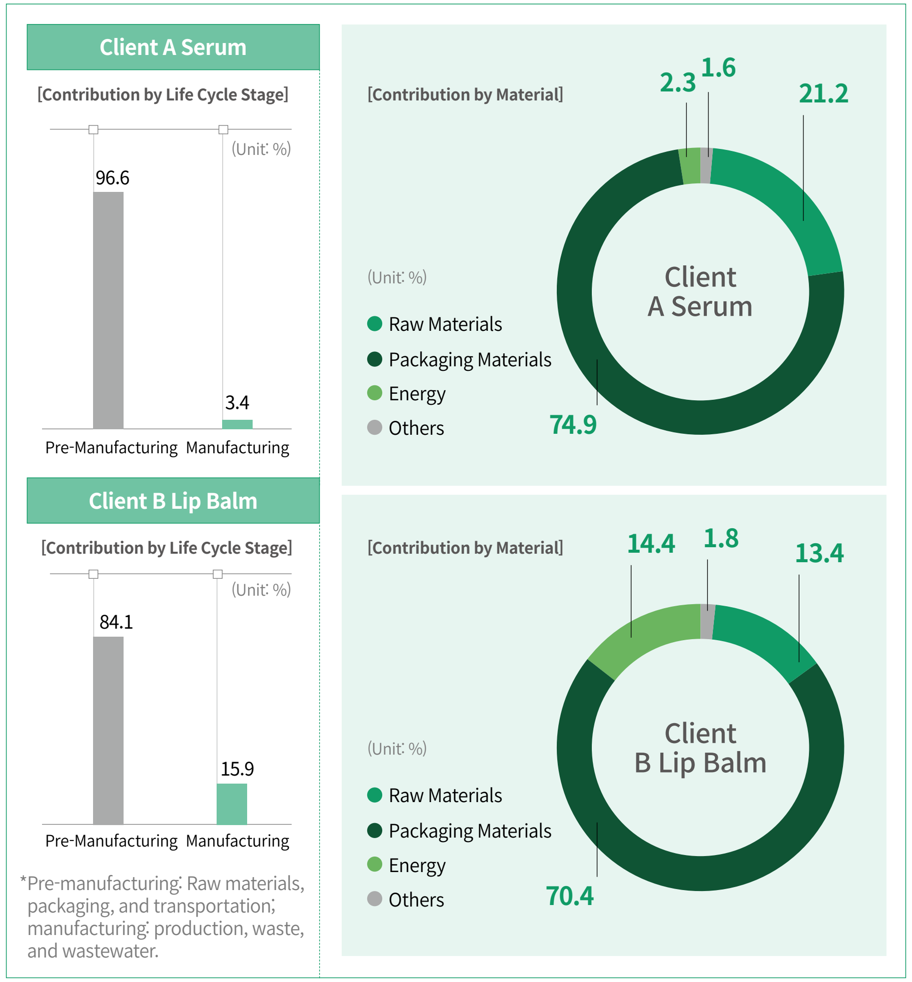
The assessment results showed that a substantial proportion of environmental impacts occurred in upstream supply chain stages, including raw material and packaging production, rather than manufacturing. Climate change and water use impacts were particularly high in premanufacturing stages, while packaging materials were major contributors to overall impacts. Certain raw materials and electricity consumption were also identified as key hotspots, highlighting opportunities for packaging redesign, raw material optimization, and improved energy efficiency. Going forward, Kolmar Korea will expand LCA application to key products and strengthen efforts to improve product environmental performance and develop more sustainable products.

Life Cycle Assessment Report

LCA Assessment Process and Outcomes



Detailed LCA Results (Carbon Emissions)



Social

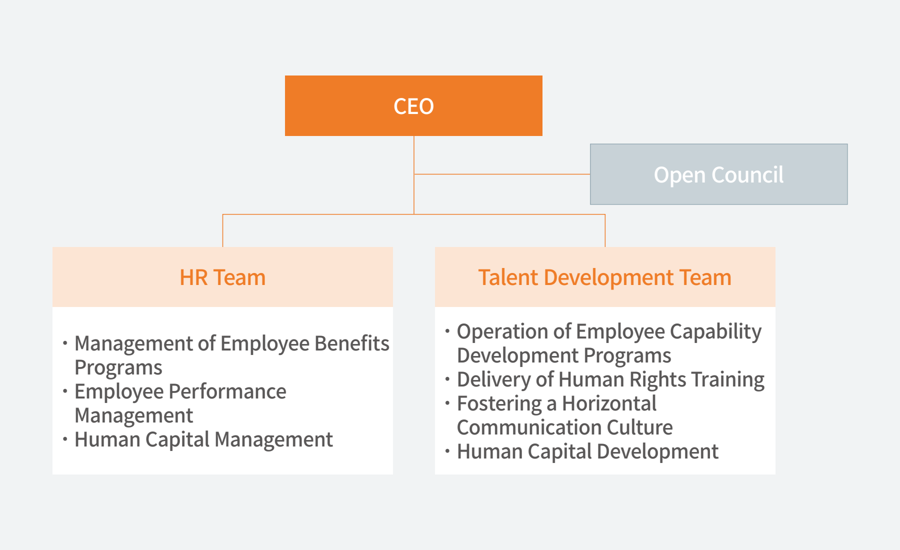
Kolmar Korea places people at the heart of its business. The Company has established and operates a wide range of programs to enhance employee safety and quality of life. As a responsible member of the communities in which it operates, Kolmar Korea also works together with its employees to carry out a variety of social contribution activities on an ongoing basis.

Healthy Organizational Culture

Kolmar Korea has established a systematic human capital management framework aligned with the principles of the Universal Declaration of Human Rights and the United Nations Global Compact Ten Principles, providing a strong foundation for fostering a healthy organizational culture. The Company operates a comprehensive human capital management system to attract, develop, and retain talented employees, while supporting employee growth through a fair, performance-based compensation system. In addition, Kolmar Korea promotes work-life harmony by expanding communication channels and continuously enhancing family-friendly welfare programs. Through these efforts, the Company is committed to building a sustainable and healthy workplace culture.

Healthy Organizational Culture Operation System

Kolmar Korea operates a structured governance framework, led by the ESG Committee, to foster a healthy organizational culture. Through close collaboration among the HR Team, Talent Development Team, ESG Management Team, Open Council, and individual business sites, the Company systematically manages and oversees key organization-wide issues. In particular, Kolmar Korea actively listens to employee concerns and frontline feedback and incorporates them into management practices, ensuring that a healthy organizational culture is deeply embedded throughout the Company and continues to evolve over time.



Open Council

To foster a culture of labor-management cooperation and mutual growth, Kolmar Korea operates the Open Council, a consultative body comprising seven management representatives and seven employee representatives. Based on open and constructive dialogue, the Council discusses a wide range of issues, including organizational culture improvements and employee grievance resolution, while playing a central role in driving practical workplace improvements. In 2025, the Council further enhanced its effectiveness by holding quarterly meetings at both the Sejong and Bucheon sites as well as at the company-wide level. Key agreements reached through these meetings were implemented across the organization, reinforcing the Company's commitment to mutual growth and mutual prosperity.

2025 Open Council Activities

Meeting Date	Key Agenda Items
2025.03.21	· Increased meal allowances for business travel and overtime · Reviewed the establishment of a resort reservation program for employees · Revised eligibility criteria for the production incentive program (expanded eligibility)
2025.06.20	· Enhanced family-friendly programs by introducing school entrance congratulations grants for employees' children · Expanded support for the company café to help reduce employees' out-of-pocket expenses
2025.09.24	· Expanded parking support for pregnant employees · Increased the number of new books available in the company library
2025.12.24	· Introduced in-person foreign language conversation classes for employees · Reviewed the expansion of employee special leave for family events · Expanded shuttle bus services to improve employees' commuting accessibility

Healthy Organizational Culture Management System

Kolmar Korea recognizes a healthy organizational culture as a key driver of corporate sustainability and has integrated internationally recognized principles into its management practices, including the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the ILO Charter, the UNGC 10 Principles, and the OECD Due Diligence Guidance. Based on these international standards, the Company operates a wide range of programs that promote mutual respect, employee engagement, and mutual growth, while fostering exemplary labor-management relations to create a workplace where everyone is respected and empowered to realize their full potential. Going forward, Kolmar Korea will continue to strengthen its organizational culture management framework so that all employees can grow together with autonomy and accountability, while further embedding a healthy organizational culture throughout the Company.

International Standards and Guidelines for Operating a Healthy Organizational Culture

- Universal Declaration of Human Rights
- United Nations Guiding Principles on Business and Human Rights
- The Constitution of the International Labor Organization
- The 10 principles of the UN Global Compact
- OECD Due Diligence Guidance for Responsible Business Conduct

Healthy Organizational Culture

Kolmar Korea regards respect for human rights as a core value of its corporate culture and has established a systematic human rights policy that is embedded throughout its management practices, enabling the effective implementation of human rights management. The Company enhances human rights awareness among all employees through regular training while promoting a variety of initiatives to foster a culture of open and horizontal communication, thereby cultivating a human rights-friendly and healthy workplace culture. Going forward, Kolmar Korea will continue to strengthen its human rights management framework by further enhancing a workplace environment where all employees are respected and empowered to communicate openly and autonomously.

Human Rights Management System

Kolmar Korea has established the Kolmar Korea Human Rights Policy to respect the human rights of all stakeholders, including employees, and to promote human rights management while preventing human rights risks throughout its business operations. Aligned with internationally recognized standards, the Policy provides a systematic framework consisting of general principles and governance for human rights, together with 22 detailed operational guidelines covering areas such as non-discrimination, fair working conditions, humane treatment, freedom of association, the prohibition of forced and child labor, occupational health and safety, and the protection of the human rights of local communities and customers. Through this framework, Kolmar Korea systematically integrates respect for human rights across its business activities. In particular, Kolmar Korea maintains a strict prohibition on child labor in accordance with its Human Rights Policy. The Company prevents child labor by thoroughly verifying legal documents, including identification, during the recruitment process. Should any human rights violations be identified in the future, Kolmar Korea is committed to promptly establishing and implementing effective remediation measures.

Basic Principles of Kolmar Korea Human Rights Policy

- Non-discrimination
- Compliance with labor conditions
- Humane treatment
- Guarantee of freedom of association and collective bargaining
- Prohibition of forced labor and child labor
- Guarantee of occupational safety
- Sustainable supply chain management
- Protection of the human rights of residents
- Guarantee of environmental rights
- Protection of the human rights of customers

Horizontal Communication Culture Establishment

Reverse Mentoring Program

To foster an open workplace atmosphere and a horizontal organizational culture, Kolmar Korea regularly operates a reverse mentoring program in which junior employees at the staff and assistant manager levels serve as mentors to executives. During the 2025 reverse mentoring program, held from April 21 to June 13, newly appointed Kolmar Group executives participated as mentees and engaged in open dialogue with junior employee mentors. As part of the program, participating executives explored the latest trends in culture, digital technologies, and popular destinations to better understand younger generations, while also discussing the Company's overall operations and key issues from the perspective of junior employees in a candid and informal setting. Going forward, Kolmar Korea will continue to strengthen a healthy organizational culture by promoting intergenerational harmony and open communication across the organization.

Operation Junior Committee

Since 2023, Kolmar Korea has operated the Junior Committee, a collaborative program that brings together senior executives and junior employees to conduct market research and identify emerging insights in an open and horizontal working environment. Through visits to brand pop-up stores and exhibitions, the Junior Committee serves as a platform for exploring the latest market trends, creating positive synergies by combining the trend awareness of younger employees with the business expertise of senior executives. In 2025, the Company held two Junior Committee sessions, during which executives and junior employees jointly conducted market research and shared trend insights identified in the field, contributing to the expansion of organization-wide insights and stronger cross-level communication.

Futsal Tournament

Kolmar Korea organized an employee futsal tournament to encourage open communication and foster a horizontal organizational culture. The tournament brought together 70 employees from seven teams representing various departments at the Sejong site. By competing and cheering each other on regardless of position or department, participants strengthened teamwork and collaboration while reinforcing a workplace culture built on mutual respect and open communication.

2025 Sejong Site Futsal Tournament

Employee Engagement Events

Kolmar Korea organizes a variety of employee engagement events throughout the year to create an enjoyable and vibrant workplace while strengthening connections among employees. In 2025, the Company held a range of interactive programs at the R&D Complex and the Sejong and Bucheon sites, including activities such as the Roulette Event, Snack Draw, and Kolmar Stationery Shop, providing employees with fun and accessible opportunities to participate. Approximately 5,400 cumulative employee participations were recorded across all business sites during the year. These initiatives have helped embed a culture of open communication across departments and organizational levels while fostering a more positive and collaborative workplace environment.

Date	Event	Site
Jan. 22	Roulette Event	R&D Complex
Feb. 11	Snack Draw Event	Bucheon Site
May 26	Kolmar Stationery Shop	R&D Complex
Jun. 24	Kolmar Stationery Shop	Sejong Site
Jun. 26	Kolmar Stationery Shop	Bucheon Site
Sep. 5	Snack Draw Event	Sejong Site
Dec. 18	Year-End Santa Event	Sejong Site
Dec. 29	Snack Draw Event	R&D Complex
Dec. 29	Year-End Santa Event	R&D Complex

Healthy Organizational Culture

Kolmar Korea regards the strategic management of human capital as a key driver of sustainable growth and prioritizes the attraction of talented professionals as a core element of its long-term competitiveness. The Company fosters an inclusive workplace where individuals from diverse backgrounds have equal opportunities to succeed and fully realize their potential. In particular, Kolmar Korea promotes an inclusive organizational culture by ensuring equal employment opportunities for socially disadvantaged groups and actively advancing women into leadership and key professional roles. Furthermore, the Company continues to invest in talent acquisition and development to strengthen its human capital capabilities and support sustainable business growth.

Human Capital Management System

Kolmar Korea is committed to attracting highly qualified professionals who will lead domestic and global markets while creating differentiated value for clients. To ensure equal and open opportunities for all applicants, the Company operates a fair and transparent recruitment process that prohibits discrimination based on gender, age, religion, social status, place of origin, educational background, pregnancy, medical history, or any other protected characteristic. These principles are formally incorporated into the Company's Rules of Employment, providing a strong institutional foundation for a transparent and systematic recruitment process.

Certified Interviewer Program

To enhance the professionalism and objectivity of its recruitment process, Kolmar Korea operates a Certified Interviewer Program. Prior to the Company's biannual open recruitment campaigns, department managers and executives from hiring departments are required to complete structured training and assessments before being certified as interviewers. Through this rigorous qualification system, the Company strengthens its ability to identify talented candidates while providing all applicants with a fair, consistent, and transparent recruitment experience

Kolmar Talent Philosophy

Kolmar Korea actively recruits talented individuals based on its action-oriented talent philosophy, We the Kolmar PROfessional. The Company also develops and nurtures its employees in accordance with the Kolmar Way, its core talent development philosophy.

Talent Recruitment

Kolmar Korea is strategically expanding its talent pipeline by diversifying its recruitment channels and increasing engagement with prospective candidates. The Company promotes inclusive recruitment through participation in career fairs and by identifying international talent at events such as the 2026 HYU Global Career Fair, thereby proactively strengthening its human capital competitiveness. Going forward, Kolmar Korea will continue to enhance its capabilities to attract global talent in line with evolving recruitment trends and the changing needs of future industries.

Kolmar Korea Talent Recruitment Briefings

Year	Recruitment Event	Participant	Format/ Remarks
2025	Career Talk Job Fair (First Half)	348	4 universities
	Korea Job Fair	160	In-person
	Headquarter Invitation Briefing(First Half)	185	In-person
	Yeungnam University Career Fair	70	In-person
	Career Talk Job Fair (Second Half)	608	8 universities
	Gyeongbuk Dream Festa Job Fair	70	In-person
	Headquarter Invitation Briefing(Second Half)	361	In-person
2026	Career Talk Job Fair (First Half)	272	4 universities
	HYU Global Career Fair	50	In-person
	Yeungnam University Career Fair (First Half)	70	In-person
	Mutual Growth Job Fair	192	In-person


2025 First Half Career Talk Job Fair and Headquarter Invitation Briefing

Promotion of Employment for the Socially Disadvantaged

Kolmar Korea is committed to promoting social inclusion and inclusive growth by expanding employment opportunities for socially disadvantaged groups. Since 2023, the Company has recruited athletes with disabilities, contributing to job creation and improved welfare for persons with disabilities. In 2025, Kolmar Korea hired five additional employees with disabilities, increasing its employment rate of persons with disabilities to 1.91%. Going forward, the Company will continue to provide stable employment opportunities while fostering an inclusive workplace culture built on mutual respect and consideration.

Promotion of Outstanding Female Talent

Kolmar Korea is committed to enhancing the professional development of women and fostering a supportive and inclusive workplace. As of the end of 2025, women accounted for 43.9% of the Company's total workforce, while the proportion of female managers and executives continued to be systematically monitored and strengthened. In recognition of its continued efforts to support the development of female engineering talent and promote workplace diversity, Kolmar Korea received the Minister of Trade, Industry and Resources Award for Outstanding Organization/Company in Supporting the Growth of Women Engineers at the 2025 Industrial Field Women Engineers Conference, becoming the only mid-sized company to receive the award for the second consecutive year. Kolmar Korea will continue to provide an environment where women can fully realize their potential and build long-term careers.

Awards Ceremony for Outstanding Organizations and Companies Supporting the Growth of Women Engineers

Customized Talent Development through Industry-Academia Collaboration

Since 2016, Kolmar Korea has operated the K-Girls Day program, an industry-academia partnership initiative designed to encourage female students to pursue careers in science, technology, engineering, and mathematics (STEM) and support their entry into industry. In 2025, the Company conducted two on-site programs for a total of 53 high school and university students. The programs included corporate introductions, site tours, recruitment information sessions led by the Human Resources team, and discussions with female employees, providing participants with practical insights into career opportunities in the industry. Kolmar Korea will continue to invest in developing future talent by supporting greater participation and interest in STEM-related industries.

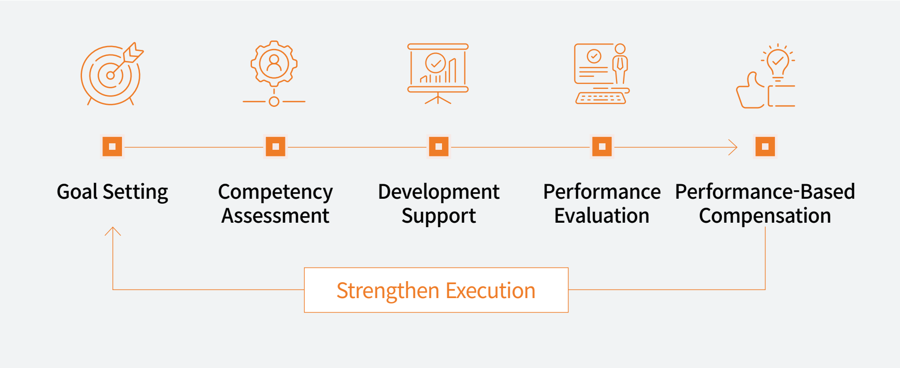
Healthy Organizational Culture

Kolmar Korea operates a performance management system that aligns organizational and individual performance while promoting employee capability development through continuous feedback. Recognizing people as the Company's most valuable asset, Kolmar Korea has established a job-based talent development system that organically integrates the entire employee lifecycle, from recruitment and organizational management to competency assessment and talent development. Going forward, the Company will continue to foster an environment where employees can achieve sustainable growth based on their professional expertise while enhancing the effectiveness and adoption of its human capital management practices.

Employee Performance Management

Kolmar Korea carries out a range of performance management initiatives to align organizational and individual performance while supporting employee capability development. Through its competency assessment program, the Company regularly evaluates three core competencies and three job-specific competencies for each employee, using the results as a foundation for coaching and individual development. In addition, employees establish measurable performance objectives at the beginning of each year, which are formally reviewed and evaluated at year-end to enhance the objectivity and transparency of the performance management process. To encourage self-directed growth, employees develop individual competency development plans at the beginning of each year, with progress reviewed throughout the year and at year-end. Job descriptions are also made available through the Company's intranet, enabling employees to identify competency gaps and proactively strengthen their professional capabilities. In 2025, Kolmar Korea enhanced its compensation framework by introducing a performance-based annual salary system that more closely links rewards to individual performance. Through this initiative, the Company has strengthened its compensation system to ensure fair and performance-driven rewards while reinforcing employee motivation and continuously improving organizational execution.

Employee Performance Management Process



Employee Performance Management Activities

Performance Management	· Establishing and linking goals between individuals and organizations · Conducting Evaluation Committees · Separating performance evaluation and competency diagnosis · Regular and ongoing feedback - Planning (March), Mid-year review (first half), Final (December) - 3 times annually
Career Development	· Establishing individual competency development plans · Registering in interested job pool · Sharing job description information

Performance Appeal Process and Evaluation Committee

To ensure fairness and credibility in its performance evaluation process, Kolmar Korea operates both a performance appeal process and an Evaluation Committee. Employees who believe that their performance results or evaluation outcomes have been assessed inappropriately may submit a formal appeal through an established process. Each appeal is reviewed objectively by the Evaluation Committee and, where appropriate, the evaluation is reconsidered. Through this process, the Company enhances the transparency of its performance management system while strengthening employee confidence in evaluation outcomes, thereby fostering a high-performance culture built on trust and fairness.

KSR(Kolmar Self Recommend) Program

Kolmar Korea operates the Kolmar Self Recommend (KSR) Program, which provides high-performing employees with opportunities for promotion regardless of the minimum tenure requirements for their current position. Employees who demonstrate outstanding performance, strong capabilities, and significant contributions to the organization may nominate themselves for promotion by presenting objective evidence of their achievements and performance. Promotion decisions are then made through a fair and merit-based evaluation process. By recognizing and advancing exceptional talent based on performance, the Company strengthens employee engagement and loyalty while motivating high-potential employees to accelerate their career development.

Healthy Organizational Culture

Kolmar Korea promotes practical human rights management by embedding its Human Rights Policy, established on the foundation of a corporate culture that respects human rights, throughout the organization. In addition, the Company enhances employees' awareness of human rights through regular training while fostering a human rights-friendly organizational culture by implementing various initiatives that promote open communication and a horizontal workplace culture. Going forward, Kolmar Korea will continue to strengthen its human rights management framework by creating a workplace where all employees respect one another and communicate openly in an environment built on trust and mutual respect.

Human Rights Education

To foster an organizational culture that values diversity and supports the well-being of all employees, Kolmar Korea provided human rights training to its entire workforce, achieving a 100% completion rate. Furthermore, beginning in the third quarter of 2026, the Company plans to introduce new training programs on child labor and forced labor for all employees to further strengthen its human rights risk management. Through the expansion of these educational initiatives, Kolmar Korea will continue to reinforce a responsible corporate culture that is aligned with global human rights standards.

Workplace Sexual Harassment Prevention Education

To prevent human rights violations and foster a healthy organizational culture, Kolmar Korea provides annual workplace sexual harassment prevention training to all employees*. The training program focuses on practical preventive measures, including relevant legal requirements, reporting procedures, and response protocols, to help create a workplace where all employees can work safely in an environment of mutual respect.

* Refers to all current employees

Workplace Disability Awareness Improvement Education

Based on an organizational culture that values harmony among employees and respects individual differences, Kolmar Korea provides workplace disability awareness training to promote understanding of employees with disabilities and prevent discrimination. The training program helps employees develop a proper understanding of the definition and types of disabilities while introducing relevant laws and policies related to the employment and vocational rehabilitation of persons with disabilities. Through these initiatives, the Company strives to foster an inclusive workplace where employees with and without disabilities can work and grow together.

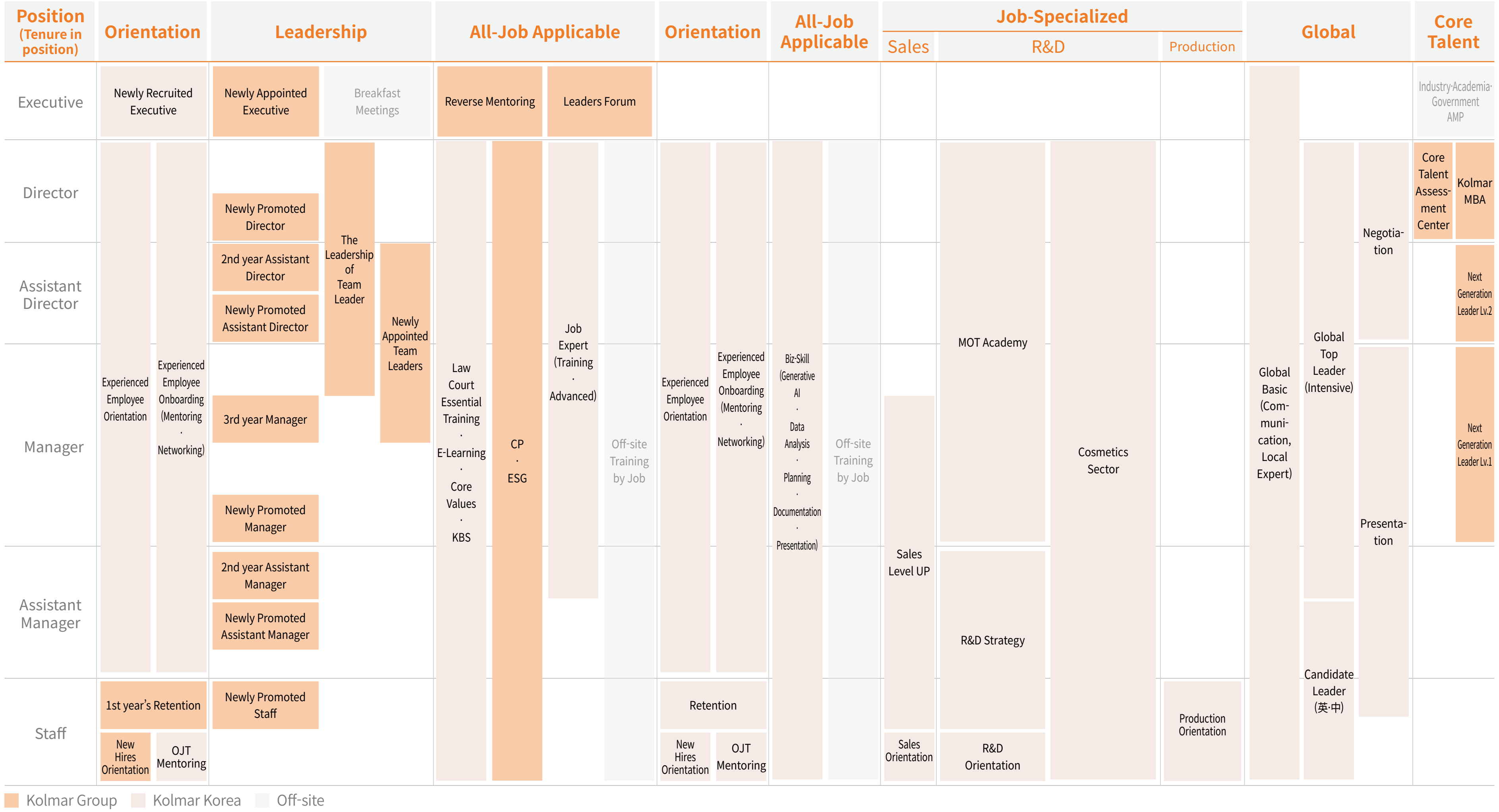
Completion Status of Human Rights Education

Category	Unit	2023	2024	2025
Human Rights Education[1]	Hours	3,330	3,885	4,083
	Persons[2]	1,110	1,295	1,361
	Completion Rate[2]	100%	100%	100%

1) Includes Disability Awareness Training, Workplace Sexual Harassment Prevention Training, and Workplace Harassment Prevention Training.
2) Based on employees who completed the training by December of each reporting year, excluding employees on leave.

Kolmar Korea 2025 Executive/Employee Development System

Kolmar Korea develops and operates talent development programs tailored to employees' roles and career levels to enhance engagement and support professional growth. By providing employees with the knowledge and resources needed to perform their roles effectively, the Company is committed to fostering a culture of continuous learning and development.



Healthy Organizational Culture

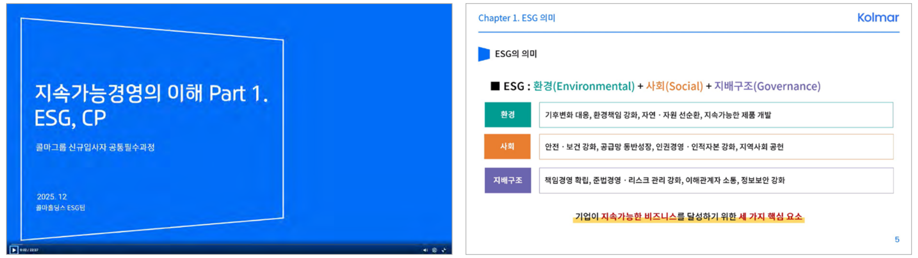
Kolmar Korea's management philosophy, "Organic Management," reflects its commitment to strengthening employees' self-reliance and long-term growth. Guided by this philosophy, the Company operates a wide range of education and training programs to create an environment where every employee can develop as a talented professional and maximize their individual strengths. Kolmar Korea will continue to support all employees in developing into well-rounded professionals equipped with strong leadership, professional expertise, and global capabilities.

Employee Competency Enhancement Training

<table>
<tr><th>Category</th><th>Training Program Description</th><th>Target</th></tr>
<tr><td>Leadership Competency Enhancement Training</td><td>• A structured, role-based leadership development program designed to identify and cultivate leadership potential across all organizational levels, including newly promoted employees, managers, and new team leaders.<table><tr><th>Target Group</th><th>Program</th></tr><tr><td>Promoted Employees</td><td>Progressive leadership training from newly promoted Assistant Managers to General Managers</td></tr><tr><td>2nd year Assistant Manager / 3rd Year Managers</td><td>Intensive leadership competency development</td></tr><tr><td>Executives</td><td>Leadership seminars held twice a year</td></tr><tr><td>New Executives</td><td>Intensive program focused on executive mindset and strategic leadership</td></tr></table></td><td>• Strengthen individual capabilities and competitiveness
• Develop leadership potential across all organizational levels
• Enhance long-term organizational competitiveness</td></tr>
<tr><td rowspan="2">Job Competency Enhancement Training</td><td>Sales & Marketing Training
• Proposal presentation (PT) capability assessment and training in essential skills, including planning, content structuring, and presentation delivery
• Hands-on presentation practice with expert and peer feedback to strengthen professional expertise and performance-oriented motivation</td><td>• Strengthen job competencies through competency assessment and essential skill development</td></tr>
<tr><td>Communication Workshop for Client-Facing Functions
• Training program focused on the importance of effective workplace communication and communication strategies for customer-facing departments</td><td>• Enhance collaboration through stronger organizational communication
• Increase awareness of effective workplace communication</td></tr>
<tr><td>Global Competency Enhancement Training</td><td>• Offline language training combined with AI-based learning solutions.<table><tr><th>Category</th><th>Description</th></tr><tr><td>Offline training</td><td>Business English conversation courses by proficiency level</td></tr><tr><td>Learning Support</td><td>AI language learning subscriptions to encourage self-directed learning</td></tr></table></td><td>• Improve practical foreign language proficiency
• Strengthen employees' global capabilities</td></tr>
<tr><td>AI Frontier</td><td>• Practical training program covering AI technology trends and the effective application of AI to improve productivity and workplace performance</td><td>• Validate practical applications of generative AI
• Enhance AI capabilities to strengthen business competitiveness</td></tr>
<tr><td>HK E-Academy</td><td>• Online learning platform offering high-quality educational content across foreign languages, humanities, and general knowledge</td><td>• Develop employees' potential and professional expertise
• Foster a collaborative learning ecosystem that promotes knowledge and skill sharing</td></tr>
<tr><td>Orientation Training</td><td>New Employee Program
• Orientation program designed to promote collaboration among new employees while introducing the Company's values and culture.
• VISION-Remind program for employees marking their first anniversary, aimed at strengthening organizational commitment and facilitating long-term integration.
Experienced Hire Program
• Supports organizational integration, adaptation to the new work environment, and relationship building.</td><td>• Strengthens camaraderie and interpersonal bonds among participants through interactive, participation-based learning activities.
• Enhances employees' sense of belonging and organizational commitment.</td></tr>
</table>

ESG Training for New Employees

As part of its onboarding program, Kolmar Korea provides an online course, Understanding Sustainability Management, to help new employees understand the Company's management philosophy and core values. The curriculum covers key topics such as ESG, Compliance Program (CP), and family-friendly policies, enabling new employees to quickly align with the Company's strategic direction. Upon completion of the program, participant satisfaction surveys are conducted on a regular basis to evaluate its effectiveness, and the results are used to continuously enhance ESG training content tailored to new employees.



Mandatory Training for New Employees

Promotion Training for Newly Promoted Employees

In 2026, Kolmar Korea delivered an online training program for 17 employees who were promoted through the Company's regular promotion process. The program was designed to strengthen organizational engagement by reinforcing the Group's core values, establishing followership, and enhancing communication skills based on mutual respect. All participants successfully completed the program, and the training received an average satisfaction score of 4.72 out of 5.0 for both course content and instructor quality.

Healthy Organizational Culture

Kolmar Korea complements its structured training programs with practical support initiatives designed to enhance employees' professional expertise and encourage continuous self-development. Through these efforts, the Company fosters an environment where employees can proactively deepen their capabilities while strengthening the organization's core competencies. In addition, Kolmar Korea evaluates participant satisfaction and training effectiveness for major learning programs. Feedback collected through these assessments is incorporated into the following year's training plans and curriculum improvements to enhance the practical relevance and effectiveness of its learning programs.

Supporting Career Development and Technical Capability Enhancement

AI Boom-Up Program

Kolmar Korea launched the AI Boom-Up Program to transform the way employees work by promoting the practical use of artificial intelligence. A total of 85 employees participated in the program, taking part in an AI Best Practice Competition and the AI Challenge Lab, a hands-on training program designed to strengthen practical AI capabilities, including the use of n8n and AI agents. Participants showcased their solutions during a final demonstration attended by senior management, sharing practical applications and outcomes. Going forward, Kolmar Korea plans to establish an internal AI community to further foster a technology-driven culture of innovation.

AI Leadership Academy

Kolmar Korea operates the AI Leadership Academy to drive workplace innovation and strengthen business competitiveness through the effective use of AI technologies. In 2025, the Company hosted five sessions led by external experts, covering the latest AI technology trends and practical business applications. By offering both online and offline learning opportunities, Kolmar Korea enhanced accessibility and learning effectiveness for employees across the organization. The Company will continue to advance employees' AI capabilities to remain competitive in an increasingly dynamic technological environment.

AI Leadership Academy Sessions in 2025

Session	Training Topic	Target Participants	Participants
1	Workflow Automation Powered by AI Agents	All Executives and Employees	289(offline: 167, online: 122)
2	The Era of AGI Market Dominance		232(offline: 169, online: 63)
3	he Present and Future of Generative AI and Business Applications		173(offline: 121, online: 52)
4	Leadership for Driving Performance in the AI Era		111(offline: 21, online: 90)
5	The AI Agent Era: Transforming Ways of Working and Organizational Culture		139(offline: 92, online: 47)

Kolmar Group Common and Job-Specific AI Training

Kolmar Korea delivered company-wide AI training to strengthen employees' job-related capabilities and improve workplace productivity through the practical application of generative AI. Conducted over 14 sessions from May to September 2025, the program was built around HK GPT, the Company's in-house AI platform, and featured nine specialized curricula tailored to the needs of different functions, including Planning, R&D, Sales, and Production. A total of 317 employees completed the program. Going beyond theoretical instruction, the training emphasized hands-on applications such as workflow automation and data analysis that could be immediately applied in daily operations, achieving a high average satisfaction score of 4.52 out of 5.0. Kolmar Korea will continue to refine its AI training curriculum and strengthen integration with internal systems, enabling employees to leverage AI technologies more effectively and drive innovation across the organization.

Common and Job-Specific AI Training Programs

Training Program	Target Participants	Duration	Session
Prompt Engineering for Practical Applications	Common	3H	3
Performance Level-Up for Proposal Writing	Common	7H	1
Enhancing Workplace Productivity with Excel	Common	7H	2
Deep Dive into Data Analytics	Common(Advanced)	7H	1
R&D Innovation (1): Research Design Based on Scientific Literature	R&D	4H	2
R&D Innovation (2): Research History Management	R&D	4H	2
Sales Innovation	Sales	7H	2
Marketing Innovation	Marketing	7H	2
Manufacturing & Quality Innovation	Manufacturing/ Quality	7H	1

Life Planning Program

Kolmar Korea operates a Life Planning Program to help employees approaching retirement prepare systematically for life after retirement and alleviate uncertainty about the future. Going beyond regulatory requirements, the Company provides practical and meaningful support, enabling employees to confidently plan their second careers and post-retirement lives.

Training Program	Target Participants	Duration	Participants
Life Planning Program	Employees aged 50 and above (as of December 2025)	16H	21

Leadership Capability Development

To strengthen the management capabilities and strategic thinking of leadership-level employees, Kolmar Korea provides access to SERICEO, a premium executive education platform operated by the Samsung Global Research. The platform offers learning opportunities covering management strategy, leadership, industry trends, and global business issues, equipping leaders with the latest insights and management perspectives. Through this initiative, the Company enhances leadership expertise and supports more effective decision-making and organizational management in a rapidly changing business environment.

Graduate Degree Support Program

Kolmar Korea operates a Graduate Degree Support Program to cultivate key talent and strengthen employees' professional expertise. Since launching the program in 2020, the Company has provided financial support for employees pursuing master's and doctoral degrees. In 2025, 12 employees were selected to receive educational assistance to support their professional development and degree completion. Kolmar Korea will continue to encourage employees to deepen their academic expertise and grow together with the Company.

Healthy Organizational Culture

Kolmar Korea operates practical employee welfare policies and work-life balance initiatives to enhance job satisfaction and improve employees' quality of life. In particular, the Company promotes a family-friendly workplace by supporting employees in balancing their professional and personal lives, enabling them to perform at their best with peace of mind. Going forward, Kolmar Korea will continue to regularly review and enhance its employee welfare programs and family-friendly initiatives to foster a progressive workplace culture that supports the health, well-being, and work-life balance of all employees.

Workplace Culture Management System

Kolmar Korea supports work-life balance through flexible work arrangements, a PC-Off system, annual leave promotion, and parental leave with 100% salary support for the first month. The Company will continue strengthening employee welfare.

*Excluding non-regular employees

Employee Work-Life Balance Programs

Category		Description
Family Benefits	Health Check-ups	Comprehensive annual health check-ups for employees at Assistant Manager level and above
	Support for family events	Financial assistance and paid leave for weddings, 70th birthday celebrations, and bereavement (bereavement leave eligibility expanded in 2025)
	Educational assistance	Educational assistance for preschool children and scholarships for employees' children.
	Childbirth incentives	KRW 10 million for the first child, KRW 10 million for the second child, and KRW 20 million for the third child
	Support for High-Risk Pregnancies	Reduced working hours for pregnant employees during early (within 12 weeks) and late (from 32 weeks) pregnancy
	Paid leave for prenatal examinations	Paid leave for prenatal checkups by pregnancy stage
	Workplace Childcare Center	Operation of an on-site childcare center
Housing Support	Relocation Housing Support	Housing assistance for employees relocated to other locations, including overseas assignments
Leisure Support	Welfare point support	Welfare points provided to employees on their birthdays
Additional Employee Benefits	Long-term service rewards	Recognition and awards for long-serving employees
	Psychological counseling services*	Employee demand survey conducted for the reintroduction of the counseling service
	Work environment	PC-Off system, on-site fitness center, women's lounge, and company-operated book café

* Reintroduction approved through the Labor-Management Council agenda in the first quarter of 2026, with the service scheduled to resume in the third quarter of 2026.

Family-Friendly Management

Kolmar Korea has maintained its Family-Friendly Certification since 2021, achieving a score of 93.2 in the 2024 validity extension assessment, above the average of 79.5. The certification remains valid until November 2026, and the Company plans to apply for recertification.

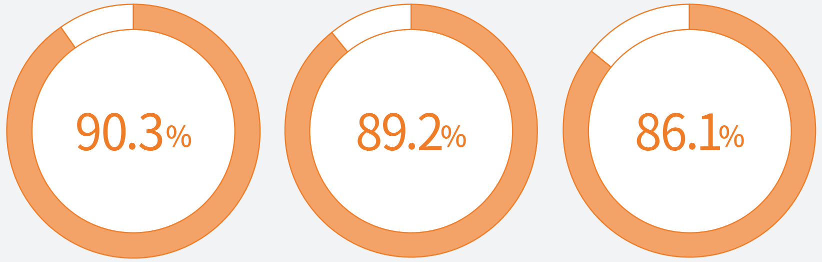
Detailed Assessment Criteria for Family-Friendly Management

Category		Details
Leadership Commitment		Top management commitment and leadership
Implementation of Family-Friendly Policies	Support for Childbirth and Childcare	Utilization rate of parental leave by female employees
		Utilization rate of reduced working hours for childcare by female employees
		Utilization rate of parental leave by male employees
		Utilization rate of reduced working hours for childcare by male employees
		Employee retention rate following parental leave and maternity leave
		Utilization rate of spousal paternity leave
	Flexible Working Arrangement	Utilization rate of flexible working arrangements
		Annual leave utilization rate
	Employee and Family Support	Use of Family Care Leave/Leave of Absence
		Health support programs for employees and their families
		Child education support programs
		Support for Single-Parent, Multicultural Families and Employees with Disabilities
	Family-Friendly Workplace Culture	Family leisure support and family participation programs
		Family-friendly and gender equality workplace education
Employee Satisfaction		Employee satisfaction with family-friendly policies and workplace culture initiatives

Family-Friendly Certification Achievement

Kolmar Korea Assessment Results

Company-wide implementation of a leading family-friendly management system to support employees' work–life balance



Utilization rate of parental leave or reduced working hours for childcare among female employees	Return-to-work rate following parental leave and employee retention rate after maternity and paternity leave	Utilization rate of at least 10 days of spousal paternity leave
*Overall Average 63.5%	*Overall Average 72.4%	*Overall Average 66.3%

Healthy Organizational Culture

Kolmar Korea operates a wide range of family-friendly programs to help ease employees' childcare and parenting responsibilities while fostering a workplace where work and family life can be balanced. To ensure employees receive continuous support throughout every stage of family life—from marriage and pregnancy to childbirth and parenting—the Company has established a comprehensive employee support framework. Through these initiatives, Kolmar Korea enhances employee engagement while contributing to greater workplace productivity.

Family-Friendly Management Activities

Support for Pregnant Employees and Expecting Parents

Kolmar Korea provides maternity uniforms and annual prenatal education programs for expecting parents. These initiatives support employees' needs and foster a caring and supportive workplace culture.

Tailored Maternity Uniforms

2025 Kolmar Group Pregnancy Day

Parental Leave and Return-to-Work Support

Kolmar Korea operates a comprehensive support system to ease the financial and emotional challenges of childbirth and parenting while supporting workforce continuity. The Company provides financial assistance during parental leave, return-to-work training, and recognition programs for colleagues supporting employees during their absence. Through these initiatives, Kolmar Korea fosters an inclusive workplace that supports work-life balance.

Category	Details
Financial Support During Parental Leave and Tax-Exempt Childbirth Incentives	· Parental leave allowance for employees starting leave within five days of completing 100% maternity leave. · Pays childbirth incentives in full without tax deductions to maximize employees' financial benefits.
Kolmar Childcare Workload Support Program	· Provides additional leave and welfare points to employees who share the workload of colleagues on parental leave. · Fosters a supportive workplace culture by reducing colleagues' workload burden.
Return-to-Work Training for Employees Returning from Parental Leave	· Training on childbirth support, relevant laws and precedents, and stage-specific parenting guidance. · Supports a smooth return to work while helping prevent career interruptions.

Workplace Childcare Center

To help alleviate employees' childcare responsibilities and foster a workplace where work and family life can be balanced, Kolmar Korea opened a Workplace Childcare Center in March 2025. The center provides a safe environment and professionally designed childcare programs for infants and young children, enabling employees with young families to work with greater peace of mind. Kolmar Korea will continue to enhance employees' quality of life by expanding its family-friendly programs and strengthening its employee welfare infrastructure.

Kolmar Korea Workplace Childcare Center

Kolmar Family Day

To foster a family-friendly workplace and strengthen employees' understanding of the Company's culture, Kolmar Korea hosted a Family Day event for employees and their families. Approximately 100 employee families from the Kolmar Group participated in the event, which included workplace tours and introductions to the pharmaceutical and cosmetics businesses to help participants gain a deeper understanding of the Company. Families also enjoyed a variety of interactive activities for all ages, including environmentally friendly product-making classes, a family sports festival, and a balloon show, providing opportunities for employees and their families to connect and spend quality time together.

Kolmar Family Day 2025

DE&I Activities

Support for Women's Futsal Club(KWFC)

Kolmar Korea supports the activities of its Women's Futsal Club (KWFC) to strengthen connections among female employees and foster an inclusive and healthy workplace culture. More than an employee club, KWFC serves as an official internal engagement program that promotes company-wide networking and leadership development for women. Through this initiative, Kolmar Korea continues to cultivate an inclusive workplace where all employees have opportunities to connect and grow regardless of gender.

Kolmar Korea Women's Futsal Club(KWFC)

Recognition and Awards for Employees Participating in the National Para Games

Kolmar Korea recognizes and celebrates the achievements of employees with disabilities who demonstrate excellence by overcoming challenges and contributing their unique talents. In 2025, the Company held an official recognition event to honor employees who achieved outstanding results at the 45th National Para Games. By recognizing their accomplishments, Kolmar Korea reinforces an inclusive workplace culture that values diversity, promotes a sense of pride among underrepresented employee groups, and celebrates individual achievement without discrimination.

Recognition Ceremony for Medalists at the 45th National Para Games (2025)

Healthy Organizational Culture

Kolmar Korea operates both internal and external grievance channels for employees, customers, local communities, and other stakeholders to help prevent and mitigate potential human rights risks that may arise throughout its business operations. Recognizing that employee engagement is a key driver of sustainable business growth, the Company also conducts annual organizational culture assessments. Based on the assessment results, Kolmar Korea incorporates identified improvement opportunities into its management practices, fostering an advanced organizational culture where all employees feel valued, satisfied, and fully engaged in their work.

Employee Grievance Handling System

Kolmar Korea operates internal and external grievance channels to protect the human rights of its stakeholders and ensure that concerns are addressed promptly and fairly. Employees can report grievances through the internal Better Kolmar bulletin board, while external stakeholders, including Partner Companies, can submit reports through the whistleblowing channel on the Company's official website. To protect whistleblowers and prevent retaliation, Kolmar Korea has established internal whistleblowing procedures. In 2025, all eight ethics-related reports received were fully resolved through mutual agreement or review by the Personnel Committee. In addition, to proactively respond to growing employee awareness of workplace rights and evolving regulatory requirements, Kolmar Korea participated in a company-wide consulting project to strengthen its grievance handling framework. Through this initiative, the Company reviewed and enhanced its grievance handling manual and strengthened its operational capabilities, establishing a more systematic foundation for managing potential workplace risks.

Employee Grievance Handling Process

Reporting and Receipt	Received through Better Kolmar/ Kolmar Korea official website channels
Investigation	Report investigation and whistleblower protection
Reporting of Results	Preparation of investigation result report and request for review by personnel committee
Follow-up Actions	Personnel committee result handling and notification of handling results

Receipt Targets
- Workplace harassment
- Workplace sexual harassment
- Other ethical management violations

Organizational Culture Diagnosis

Kolmar Korea has conducted annual organizational culture assessments since 2019 to objectively evaluate employee satisfaction across all aspects of its corporate culture. To support its vision of becoming a great place to work, the Company recently updated the assessment framework to reflect evolving workplace trends and now conducts a comprehensive evaluation across seven key dimensions of organizational culture. The assessment, which covers all employees, examines a broad range of topics, from job, department, and leadership satisfaction to the overall working environment. Following each assessment, Kolmar Korea conducts Focus Group Workshops (FGWs) with employees and the HR Group to gather practical feedback on improvement opportunities. The insights gained are incorporated into the Company's management practices to foster a more progressive and inclusive organizational culture. Going forward, Kolmar Korea will continue to identify key organizational issues through regular assessments and feedback processes, implement targeted improvement initiatives, and further strengthen a healthy and engaging workplace culture.

Organizational Culture Diagnosis Process

Diagnosis System Establishment
- Review and finalize diagnosis questions
- Design main diagnosis system pages
- Organize list of diagnosis participants
- Prepare diagnosis system

Diagnosis Implementation
- Conduct company-wide diagnosis
- Send participation notification emails and text messages
- Monitor participation status and encourage participation
- End diagnosis

Data Analysis and Report Generation
- Data cleansing
- Calculate basic statistics by analysis unit
- Derive data for result generation
- Implement FGW and organize the results
- Generate result reports by group, company, and executive

Result Reporting
- Submit final result report

Seven Organizational Culture Diagnosis Dimensions

Diagnosis Dimension	Details
Strategic Foundation	• Strategic direction • Organizational foundation
Operating System	• Operational efficiency
Culture	• Collaboration and trust • Respect • Innovation and learning • Purpose and values
Leadership	• Trust-based environment • Growth support
Execution Environment	• Team effectiveness
Employee Engagement and Well-being	• Meaningful work • Sustainability
Future Readiness	• Customer focus • Agility

Healthy Organizational Culture

Kolmar Korea introduced an international standards-based human rights impact assessment for the first time in 2025 to systematically identify and assess potential human rights risks. The assessment covered 35 detailed indicators across 11 human rights areas and incorporated an employee survey to provide a comprehensive evaluation of potential risks. Through a four-step cyclical process that included an analysis of emerging human rights issues and a materiality assessment, the Company identified tailored improvement actions for key stakeholder groups. Based on these findings, Kolmar Korea will continue to strengthen its company-wide human rights management framework.

Human Rights Impact Assessment

Kolmar Korea conducted a human rights impact assessment to identify potential risks across its operations and strengthen its human rights management framework. The assessment, conducted from November 2025 to May 2026, referenced international standards including the UNGPs, OECD Guidelines, ILO Core Conventions, ISO 26000, and EU CSDDD, and covered employees and external stakeholders across 11 human rights areas, 35 assessment items, and 157 indicators. Based on the results, Kolmar Korea will continue strengthening its human rights management practices and framework.

Human Rights Impact Assessment Process

Kolmar Korea conducts human rights impact assessments through four steps: planning, data collection, impact assessment, and reporting. The Company reviews emerging issues and prior assessment results, examines internal policies and procedures, and conducts stakeholder surveys to identify risks. Risks are assessed by severity and likelihood to prioritize improvement actions, with results transparently communicated to internal and external stakeholders.

Step	Key Activities	
Step 1 Planning	Preliminary Review and Business Activity Mapping • Review of the previous year's human rights management performance • Business activity chain mapping	Review of Human Rights Issues • Identification of human rights issues in the public and private sectors
Step 2 Data Collection	Review of Internal Policies and Governance Documents • Review of Human Rights Risk Indicators • Collection of Supporting Evidence for Assessment Indicators	Stakeholder Assessment • IStakeholder Mapping • Human Rights Survey
Step 3 Impact Analysis	Data Analysis • Identification of human rights risks across the Company	Materiality Assessment • Comprehensive Analysis of Collected Data
Step 4 Reporting	Identification of Key Human Rights Issues • Prioritization of human rights issues and identification of improvement actions	Reporting • Preparation of the assessment report

Review of Human Rights Issues and Checklist Development

Kolmar Korea analyzed domestic and international human rights trends and violation cases to identify potential risks arising from changes in the business environment. The Company reviewed cases involving workplace bullying, supply chain labor rights, and occupational health and safety, assessing their causes, potential risks, and preventive measures. The findings were used to develop a human rights assessment checklist and will support future risk assessments and improvement actions.

1. Identification of Key Human Rights Issues

Discrimination | Forced Labor | Supply Chain Management | Occupational Health and Safety | Freedom of Association

- Identification of major human rights issues and trends in the public and private sectors

2. Analysis of Cases and Findings

- Analysis of actual cases and findings across the five human rights issue areas

3. Identification of Key Takeaways and Risk Assessment

- dIdentification of key takeaways from each human rights issue
- Assessment of the likelihood of occurrence at Kolmar Korea for each issue

Human Rights Risk Identification

Human Rights Risk Identification Indicators

To comprehensively assess human rights impacts, Kolmar Korea established a framework comprising 11 assessment areas, 35 items, and 157 indicators. Through on-site assessments, the Company evaluated human rights management practices and identified stakeholders directly exposed or vulnerable to risks, including employees and Partner Companies. This approach provides a foundation for developing site-specific improvement actions and practical response measures beyond policy-level commitments.

Human Rights Survey

Kolmar Korea conducted a company-wide Human Rights Survey covering all employees to assess human rights practices and identify potential risks. Conducted from March 24 to April 3, 2026, the survey included 29 questions across seven categories. Quantitative and qualitative analyses identified differences in perceptions and operational gaps, providing baseline data for future improvement initiatives.

Target Participants	All Kolmar Korea Employees	Survey Design	7 categories, 29 questions
Survey Period	March 24 to April 3, 2026		
Analysis Method	Multiple-choice Questions	• Identified high-scoring areas by calculating the mean response score for each question. • Analyzed response distributions based on the proportion of each response option.	
	Open-ended Questions	• Conducted qualitative analysis based on open-ended responses.	

Living Wage Identification

Kolmar Korea is committed to ensuring that all employees receive a living wage above the statutory minimum wage. Based on the global IDH Salary Matrix methodology, the Company assessed compensation levels at major domestic operations covering approximately 95% of employees. Going forward, Kolmar Korea will regularly monitor and manage the assessment data, aiming to ensure a stable living wage for all employees by 2030.

Item	Details	
Assessment Methodology	IDH Salary Matrix	
Assessment Scope	Major domestic sites (R&D Complex, Bucheon, and Sejong)	
Number of Employees Assessed	Bucheon Site	150
	Sejong Site	492
	R&D Complex	673
	Total	1,315(95% of the total workforce of 1,384 employees)

* Excludes regular and contract employees without payroll records (e.g., employees hired in December who worked fewer than 15 days), as well as employees assigned to other worksites (e.g., Andong, Yeoju, Incheon, and overseas secondees).

Healthy Organizational Culture

Kolmar Korea fosters a workplace where employees can thrive and grow together based on mutual respect. The Company strengthens its human capital competitiveness by promoting equitable hiring practices, providing systematic talent development opportunities, and maintaining a fair, performance-based compensation system. It also enhances employee satisfaction by offering programs that support work-life balance and fostering a culture of open, horizontal communication. Going forward, Kolmar Korea will continue to cultivate a healthy organizational culture that balances autonomy with accountability, supporting the sustainable growth of both its employees and the Company.

Healthy Organizational Culture Management Goals

Kolmar Korea has made embedding a healthy organizational culture a core management objective and introduced a Human Rights Impact Assessment framework in 2025. The assessment serves as a key foundation for systematically evaluating human rights conditions across the organization, including working conditions, diversity and inclusion, and human rights risks within the supply chain, while identifying opportunities for improvement. Through this framework, Kolmar Korea aims to foster a business environment where the human rights of all stakeholders are respected. In the second half of 2026, the Company also plans to launch a specialized human rights training program for all employees, focusing on key global human rights issues such as child labor and forced labor. The program is designed to strengthen employees' human rights awareness and further reinforce a responsible management culture aligned with internationally recognized human rights standards. Kolmar Korea is committed to enhancing organizational diversity by attracting outstanding R&D talent and maintaining fair, non-discriminatory recruitment practices. The Company also operates a systematic human capital management framework to support the continuous development of employees' professional capabilities. Recognizing that talented employees are the foundation of sustainable business growth, Kolmar Korea provides career stage-specific learning programs and diverse professional development opportunities, creating an environment where both employees and the organization can grow together. This people-centered management philosophy extends throughout the Company's organizational culture. By promoting open communication between management and employees and continuously expanding its family-friendly workplace programs, Kolmar Korea fosters a healthy and engaging work environment where every employee can fully realize their potential. Going forward, the Company will continue to strengthen its people-centered organizational culture to enhance employees' quality of life, create greater social value, and support sustainable growth.

Healthy Organizational Culture Roadmap

Talent Acquisition	Talent Development and Professional Capability Building	Family-Friendly Management for Work-Life Balance
Attract outstanding talent and enhance workforce diversity	Develop talent through diversified learning and development programs and foster a fair, performance-driven organizational culture	Improve the work environment through the establishment and enhancement of customized employee benefits programs

2027 Goals

Enhancing Workforce Diversity
- Gradually increase the employment rate of employees with disabilities (target: 2.0%)
- Improve employee engagement

Women's Leadership Development Program
- Continue leadership development programs for aspiring women managers (semiannually)
- Increase the proportion of women in management positions

Expansion of Human Rights Impact Assessment

2030 Goals

Human Rights Impact Assessment
- Identify human rights risks and implement mitigation measures based on the assessment results- Establish a Human Rights Impact Assessment framework across all business sites

Women's Leadership Development Program
- Achieve 37% representation of women in management positions
- Promote the advancement of women talent through women's leadership development programs

Family-Friendly Management
- Enhance employee benefits programs and maintain Family
- Friendly Management Certification

Maintain 100% living wage coverage for all employees

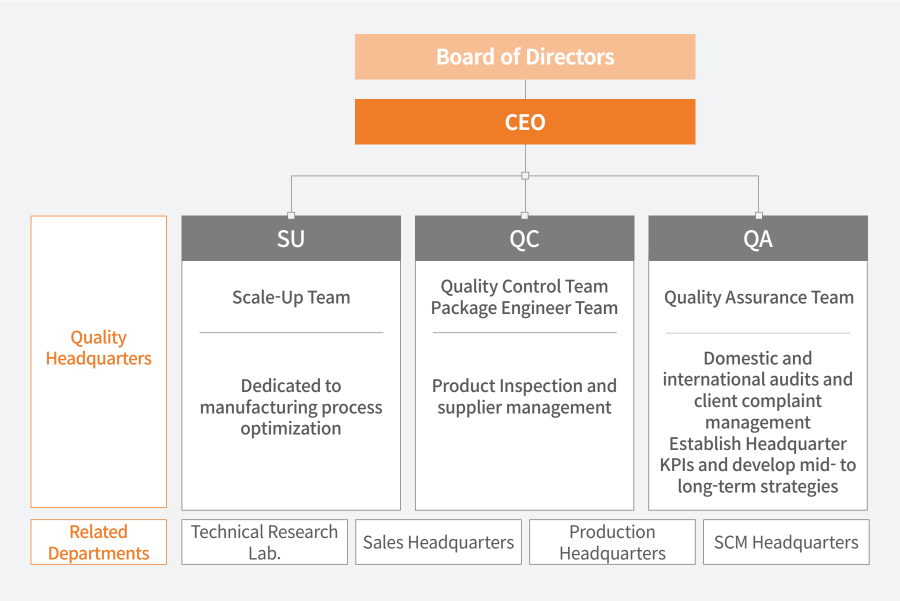
Product Safety and Quality Responsibility

Kolmar Korea has established a quality management system aligned with global standards and operates a company-wide quality management framework spanning the entire value chain, from product planning and R&D to final shipment. To systematically manage product safety risks, the Company also operates a risk management process that proactively identifies and mitigates potential quality issues. Going forward, Kolmar Korea will continue to enhance its quality governance to strengthen business continuity and deliver the highest level of product reliability expected in the global marketplace.

Management System and Implementation Plan

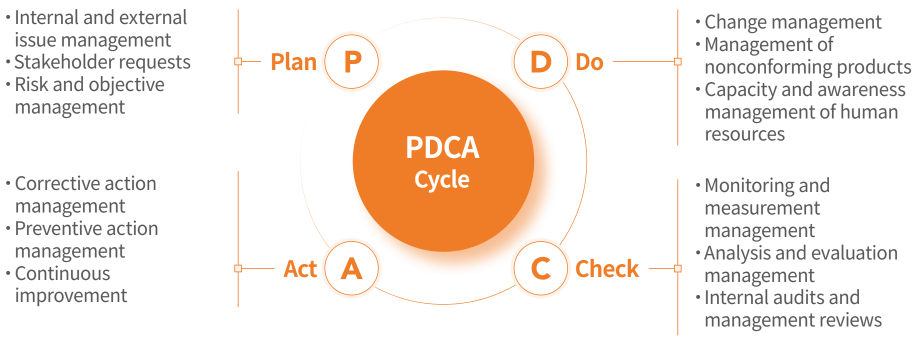
Product Safety and Quality Management Governance

Kolmar Korea maintains a systematic quality management organization led by the Quality Headquarters to oversee quality across the entire value chain, from raw and packaging material procurement to finished product manufacturing. Through designated quality personnel in each department, the Company conducts annual reviews of internal and external quality issues and stakeholder requirements, identifying product quality risks and implementing improvement measures. To strengthen accountability and execution at the operational level, quality improvement activities are incorporated into the key performance indicators (KPIs) of responsible personnel. In 2025, Kolmar Korea further enhanced its quality management system by establishing a dedicated Scale-up Team. The team strengthens process validation by quantifying filling and packaging process parameters and conducting risk assessments for key manufacturing processes. In addition, the Company performs Quality Point (Q-Point) reviews throughout the product development process under a project leader-led communication framework, enabling the early identification and management of quality risks while enhancing product reliability to meet global quality standards.



Quality Management System Operation

Kolmar Korea has established a quality policy defining company-wide quality responsibilities and objectives. The Company implements stage-gate quality verification across the value chain, from product planning to final shipment, and drives continuous improvement based on the PDCA cycle. It also strengthens internal quality standards through monitoring global regulatory developments and proactive quality risk assessments.



Quality Management Risk Management

Kolmar Korea conducts annual ISO 9001 surveillance audits and periodic internal audits to maintain and verify the effectiveness of its quality management system. External audits by accredited certification bodies assess system adequacy and effectiveness, while qualified internal auditors monitor quality risks. Special audits are also conducted in response to significant system changes or major quality issues, followed by corrective actions and post-audit monitoring.

Quality Risk Management Performance

Category	Audits Conducted (2025)	Nonconformities Identified	Corrective Actions Completed	Corrective Action Completion Rate
ISO9001 Internal Audit[1]	1	3	3	100%
ISO9001 External Audit[2]	1	2	2	100%

1) Results of quality management system evaluations conducted through internal audits
2)Status of ISO 9001 compliance and improvement based on external audit results

Internal Auditor Training


2025 Internal Auditor Training

Kolmar Korea operates an internal audit program to continuously maintain and enhance product safety and quality while systematically evaluating compliance with operational requirements across its manufacturing sites. Internal audits serve as a key management tool for proactively identifying and addressing weaknesses in production and quality processes, helping prevent product safety incidents and quality risks. To support the effectiveness of this program, Kolmar Korea provides regular internal auditor training for production and quality team leaders and other designated key personnel. Through these training programs, the Company continues to strengthen the expertise of its internal auditors and enhance the effectiveness of its internal audit framework.

Eligibility	Employees with at least one year of service, who have passed the Internal Auditor Qualification Assessment, and hold Grade 4 or above
Participants	Key personnel from the Production and Quality departments
Training Duration	8 hours of in-house training or an equivalent external training program
Training Topics	- Overview and objectives of internal audits - Internal audit procedures and key considerations - Internal auditor qualification requirements and core competencies - Audit interviewing and questioning techniques - Internal audit checklist

*Internal auditor qualification is valid for three years

Compliance with Standard Operating Procedures (SOPs) and Identification and Remediation of Internal Policy Violations

Kolmar Korea reviews updates to quality-related laws, regulations, and guidelines annually, promptly incorporates new requirements into its internal quality manuals, and embeds them into day-to-day operations through company-wide training. In addition, the Company monitors global regulatory developments and quality testing standards on a quarterly basis, enabling the proactive identification and management of product health and safety risks through a systematic risk response framework.

Product Safety and Quality Responsibility

Kolmar Korea strictly applies Good Manufacturing Practices (GMP) and quality control standards throughout the entire production process, from the receipt of raw and packaging materials to the shipment of finished products. Upon receipt, raw and packaging materials undergo sampling and testing to verify their conformity with quality requirements. Stage-gate quality inspections are then performed throughout the manufacturing process, and only products that have successfully completed the Company's final release approval process are approved for market distribution. Placing customer safety as its highest priority, Kolmar Korea continues to strengthen its company-wide quality management system by enhancing its quality testing capabilities in line with global standards.

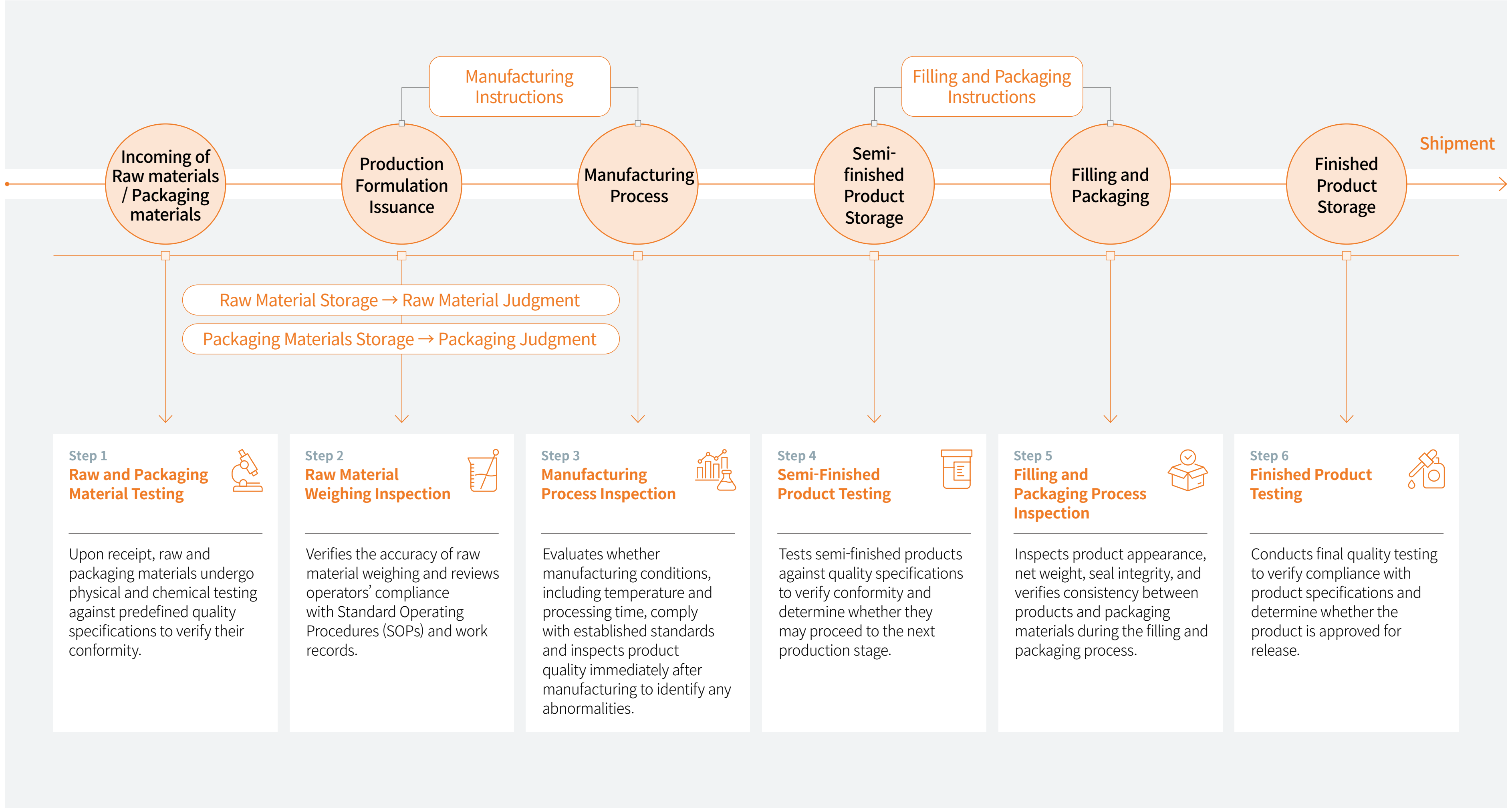
Management System and Implementation Plan

Quality Control Process

Kolmar Korea operates a six-step quality control process to prevent quality defects and ensure product safety and reliability throughout the manufacturing process. Upon receipt, raw and packaging materials undergo specification conformity testing, and only approved materials are released for production. During the weighing stage, the Company verifies measurement accuracy and compliance with standard operating procedures. Throughout manufacturing, production conditions and the quality of semi-finished products are evaluated to determine whether products may proceed to the next stage of production. During the filling and packaging stage, product appearance, net weight, and seal integrity are inspected. Finally, only products that successfully pass finished product testing and receive release approval from the designated Quality Assurance representative are authorized for market distribution.

- **First in the domestic industry to hold CGMP No. 1 and No. 2 designated facilities**
  (No. 1: Sejong Fundamental Cosmetics Factory, No. 2: Bucheon Color Cosmetics Factory)
- **Only in the domestic industry to have a record of issuing internationally accredited**
  test report in the field of cosmetic harmful substances and microorganisms
- **Possesses quality control and reliability evaluation equipment**
  Vision, Tensile Compression Tester, RCA Tester, etc.
- **Possesses systematic new product quality verification process**
  (warehoused packaging cross-check, Pre-filling test, filling and packaging observation, etc.)
- **High response capability for production of over-the-counter drugs (OTC) and general**
  cosmetics (MoCRA) for U.S. export through U.S. FDA OTC manufacturing facility and MoCRA manufacturing facility registration

6-STEP Quality Control Process



Product Safety and Quality Responsibility

Kolmar Korea continues to strengthen its quality management capabilities by operating employee-led Quality Control (QC) Circles, advancing its quality management systems, and obtaining globally recognized quality certifications. The Company also conducts regular quality monitoring and assessments of its Partner Companies to elevate quality standards across the supply chain, strengthen quality capabilities, and promote systematic mutual growth.

Implementation Activities and Performances

Quality Control Circles (QCC) Activities

Kolmar Korea operates a company-wide Quality Control Circle (QCC) program to foster a culture of employee-led, continuous quality improvement. Each year, the Company holds a QCC competition to identify and share best practices in process improvement while encouraging active employee participation through a performance-based recognition and rewards program. In 2025, a QCC initiative improved the analytical process for functional cosmetics, reducing testing time by 30.5% and generating annual cost savings of approximately KRW 124.65 million. These improvements strengthened the Company's quality competitiveness and enhanced operational efficiency. QCC that demonstrate outstanding performance through the internal evaluation process are selected to participate in the National Quality Management Competition, showcasing Kolmar Korea's quality excellence. From 2018 through 2025, the Company participated in the competition for eight consecutive years, receiving Presidential Medals and the Minister of Trade, Industry and Resources Award. In 2025, Kolmar Korea was also recognized in the Administrative and Indirect Functions category.

Award at the 51st National Quality Management Competition

Quality Management Certification Achievements

Kolmar Korea continues to obtain and maintain globally recognized quality management certifications, including designation as Korea's first CGMP-compliant cosmetics manufacturer and certification to ISO 22716, the international standard for Good Manufacturing Practices (GMP) for cosmetics. In 2024, the Company successfully passed a U.S. Food and Drug Administration (FDA) inspection, further demonstrating that its product safety and quality management systems meet the rigorous requirements of the global market, including the United States. By continuously strengthening its global quality capabilities, Kolmar Korea reinforces consumer confidence and supports the expansion of its presence in international markets.

Quality Management Certifications

Certification Name	Certification Authority	Description	Certified Sites
CGMP	MFDS	Current Good Manufacturing Practice standards	Korea (Sejong, Bucheon)
ISO22716	Bureau Veritas	International Good Manufacturing Practices and Quality Management Standards for Cosmetics	Korea (Sejong, Bucheon), China (Beijing, Wuxi), USA, Canada
ISO9001	Bureau Veritas	Quality Management System Certification	Korea (Sejong, Bucheon), China (Beijing)
FDA OTC	U.S. FDA	OTC Products and Cosmetics Certification	Korea (Sejong, Bucheon), USA, Canada
Health Canada	Health Canada	NHP & Drug Products and Cosmetics Certification	Korea (Sejong)
KMF Halal	KMF	Halal Certification for Cosmetics	Korea (Sejong, Bucheon)
KHA Halal	KHA	Halal Certification for Cosmetics	Korea (Sejong)
BPJPH Halal	BPJPH	Halal Certification for Cosmetics	Korea (Sejong)

Partner Company Evaluation and Quality Management

Kolmar Korea operates a systematic evaluation and quality management program for raw material suppliers, packaging material suppliers, and contract manufacturing partners to enhance value chain quality. Before onboarding, Partner Companies undergo cross-functional evaluations by Procurement, R&D, and Quality teams to assess manufacturing capabilities, technical expertise, and quality performance. After registration, Partner Companies are evaluated annually based on quality, delivery, and environmental and social responsibility criteria, with focused assessments for companies with high material delivery volumes or defect rates. The Company also provides tailored quality management and process improvement support to strengthen supply chain quality competitiveness.

2025 Partner Company Quality Management Activities

Packaging Material Partner Companies

Issue Identification	On-site Assessment	Quality Training and Improvement
Identified Partner Companies with the highest material delivery volumes and defect rates, and shared the results of root cause analyses for identified quality issues.	Conducted on-site evaluations using standardized checklists, performed step-by-step inspections, and provided recommendations for improvement.	Provided training on the Packaging Material Quality Management Standards, introduced best practices, and shared improvement case studies.

Raw Material Partner Companies

Issue Identification	On-site Assessment	Quality Training and Improvement
Identified Partner Companies with the highest material delivery volumes and defect rates, and shared the results of root cause analyses for identified quality issues.	Conducted on-site evaluations using standardized checklists, performed step-by-step inspections, and provided recommendations for improvement.	Provided training on the Raw Material Quality Management Standards, introduced best practices, and shared improvement case studies.

Outsourced Processing Partner Companies

Issue Identification	Production Observation	Follow-up Management
Identification of companies with high frequency of indicators such as rework rate and claim rate	Explanation of items requiring intensive management through observation during production	Sharing of quarterly or annual issues and verification of preventive measures implementation

Product Safety and Quality Responsibility

Kolmar Korea operates a comprehensive system for the development of safe ingredients and the analysis and management of hazardous substances to ensure product safety and quality. The Company also manufactures products in compliance with global regulatory requirements and customer specifications. In line with the growing global movement toward eliminating animal testing, Kolmar Korea is developing ethical clinical research systems that uphold bioethical principles, further strengthening its commitment to sustainable product development.

Implementation Activities and Performances

Hazardous Substance Analysis

Kolmar Korea conducts proactive hazardous substance analysis to safeguard consumer health and safety. This process serves as a key component of the Company's product safety framework, ensuring compliance with domestic and international cosmetics regulations while reinforcing confidence in product quality. Guided by a strong commitment to consumer safety and ethical responsibility, Kolmar Korea remains dedicated to delivering safe products and strengthening the sustainability of its product portfolio.

2025 Hazardous Substance Analysis Performance

Hazardous Substance Analyses Conducted	54,679
Hazardous Substance Analysis Parameters	18

Hazardous Substance Management for Raw Materials and Finished Products, 1,4-Dioxane Analysis

Kolmar Korea operates a rigorous analytical and management system for cosmetic ingredients to safeguard consumer health and safety. In particular, the Company places strong emphasis on the proactive control of 1,4-dioxane, a hazardous substance that may occur as an unintended by-product during the manufacturing of surfactants and ethylene oxide-derived ingredients commonly used in shampoos, cleansers, and other personal care products. Because 1,4-dioxane is classified as a potential carcinogen and may pose health risks through long-term exposure, Kolmar Korea employs advanced analytical technologies to precisely measure residual levels in both raw materials and finished products. The Company also applies stringent internal control standards to ensure product safety and protect consumer health.

Hazardous Substance Management for Raw Materials and Finished Products, Methanol Analysis

Kolmar Korea proactively monitors and controls methanol, a hazardous substance that may be introduced through raw materials or solvents during the cosmetics manufacturing process. Methanol is a highly toxic substance that can cause serious health effects, including neurological damage, vision impairment, and, in severe cases, death following skin absorption or prolonged exposure. To ensure product safety, the Company uses advanced analytical instruments and a robust quality management system to precisely detect and verify residual methanol levels. Monitoring is conducted throughout the entire manufacturing process, from raw material inspection to finished product testing, to ensure methanol concentrations remain within applicable safety limits. Through these efforts, Kolmar Korea enhances product safety and provides consumers with products they can use with confidence.

Proactive Quality Management for U.S. MoCRA Compliance

Kolmar Korea proactively manages product quality by closely monitoring global regulatory developments and applying advanced testing methodologies. To ensure compliance with the requirements for over-the-counter (OTC) drug products and the U.S. Modernization of Cosmetics Regulation Act (MoCRA), the Company has strengthened its quality testing framework across the entire product lifecycle, from raw materials to finished products. In accordance with the microbiological testing standards of the United States Pharmacopeia (USP), Kolmar Korea implements rigorous controls to prevent microbial contamination throughout manufacturing and storage. The Company also conducts preservative efficacy testing to verify product safety throughout its intended period of use. In addition, routine analyses of ethylene glycol (EG) and diethylene glycol (DEG) are performed to prevent the presence of these hazardous substances in finished products. Through a quality management system aligned with internationally recognized standards, Kolmar Korea continues to ensure the level of product safety expected in global markets.

Management of Per- and Polyfluoroalkyl Substances (PFAS)

Per- and polyfluoroalkyl substances (PFAS) are a group of fluorinated compounds in which hydrogen atoms in hydrocarbon chains are replaced by fluorine. Owing to their excellent water repellency and durability, PFAS have historically been used as film-forming agents in a wide range of client products, including cosmetics. Among them, perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS) are persistent substances that are resistant to environmental degradation. Due to their potential to accumulate in the human body and cause adverse health effects, including reproductive toxicity, liver damage, immune system disorders, and potential carcinogenicity, they have become the focus of increasing regulatory scrutiny. As PFAS regulations continue to strengthen worldwide, Korea's Ministry of Environment has designated PFOA and PFOS as prohibited substances. In addition, the Ministry of Food and Drug Safety (MFDS) has established analytical guidelines for the simultaneous determination of 12 PFAS compounds in cosmetics, further strengthening product safety oversight. In response to these evolving regulatory requirements, Kolmar Korea has developed alternative technologies that deliver excellent spreadability and water resistance without the use of PFOA or PFOS. Furthermore, the Company applies a strict non-detect policy for PFOA and PFOS in fluorinated raw materials from the raw material sourcing stage onward, reinforcing its commitment to developing products that prioritize both consumer safety and environmental protection.

Formulation Management Based on Regulatory, Customer, and International Standards

Kolmar Korea systematically collects and analyzes cosmetic ingredient regulations across global markets to proactively respond to evolving regulatory requirements. The Company also incorporates the requirements of major clients into the product development process, enabling formulations to meet the regulatory and market expectations of target countries from the earliest stages of development. Product formulations are developed in accordance with internationally recognized guidance, including recommendations issued by the Cosmetic Ingredient Review (CIR) Expert Panel in the United States and the European Union's Scientific Committee on Consumer Safety (SCCS). In addition, Kolmar Korea operates a monitoring system for potentially hazardous substances in anticipation of increasingly stringent global chemical regulations, enabling the early identification and management of ingredients that may become subject to future regulatory restrictions.

Product Safety and Quality Responsibility

Kolmar Korea strengthens employee expertise through regular quality training programs and continues to invest in a quality management system aligned with global standards to produce products consumers can trust and maintain a competitive advantage in product quality. In addition, the Company is committed to customer satisfaction by actively collecting and analyzing customer needs and complaints and incorporating the insights gained into continuous product quality improvements.

Implementation Activities and Performances

Quality Training

Kolmar Korea operates structured quality training programs to strengthen employees' practical capabilities and product quality. In 2025, the Company provided monthly training for all site employees on quality issue management, workplace hygiene, global regulatory requirements, production standards, and information management. It also provides training on quality control processes across the manufacturing lifecycle, from raw material receipt to product release. The Company will continue expanding these programs to strengthen employees' understanding and application of quality standards and regulatory requirements.

Quality Training Programs for Site Employees

Category	Key Training Topics
Quality Issue Management	• Review of quality issues for the second half of 2025 and the first half of 2026 • Key findings from internal audits
Hygiene Management	• Personnel and manufacturing hygiene management • Cleanroom classification and deviation management • Workplace and equipment sanitation • Work environment management (e.g., weighing equipment, temperature and humidity, differential pressure)
Production Process Training	• CGMP (Cosmetic Good Manufacturing Practices) requirements • OTC manufacturing processes • Understanding vegan and halal cosmetics • Global product operations management
Information Management	• Document and records management • Pest control and storage management • Data Integrity

* Excludes employees from internal affiliated companies.

Participants (2025)	634 employees across all business sites

Internal Quality Training

Category	Key Training Topics
Quality Issue Management	• Packaging material inspection procedures • Semi-finished product inspection procedures • Change management and complaint handling • Testing equipment management and out-of-specification (OOS) management • Sample preparation, laboratory safety, laboratory regulations, and stability testing • Raw material inspection and microbiological testing procedures • Specification management procedures and filling and packaging process inspection procedures • Instrumental analysis, reference standard management, and reagent management • Product specifications and batch manufacturing records

* Participants include employees from the Quality Control, Quality Assurance, Scale-up, and Package Engineering teams

Participants (2025)	157 employees from quality-related departments

Safety Assessment of Finished Products for Global Export Markets

Kolmar Korea conducts safety assessments of finished products for global export markets to verify product safety and quality. Through scientific evaluations of product quality and formulation safety, the Company strengthens consumer confidence and ensures compliance with international market requirements. Kolmar Korea will continue to enhance its quality assurance system through research and innovation to deliver safe, high-quality products worldwide.

Global Export Item (Finished Product) Safety Assessment Progress Rate	100

Global Export Item (Finished Product) Safety Issue Occurrences	0

Quality Improvement Through Continuous Development and Investment

Kolmar Korea makes annual investments in quality management to ensure product safety and strengthen consumer confidence. These investments support continuous improvements in product quality and safety through advanced technologies, equipment, and science-based approaches. The Company will continue enhancing its quality management system in line with global standards to strengthen competitiveness and deliver reliable, high-quality products.

Client Satisfaction Management

Kolmar Korea regards client feedback and complaints (VOC) as key indicators for improving product quality. Upon receiving a complaint, the Company activates an integrated response system involving Sales, Quality, and Production teams to ensure prompt resolution. In 2025, 100% of client complaints were addressed in a timely manner. The Company also requires CAPA reports for all complaints to identify root causes and prevent recurrence, incorporating findings into quality training and production processes.

Client Management Process

Identify Client Needs → Visiting Client Sites → Improvement and Follow-up Management

- **Identify Client Needs**: Identifying potential requirements and receiving feedbacks
- **Visiting Client Sites**: Collecting client claims and gathering consumer VOCs
- **Improvement and Follow-up Management**: Improving quality management system and conducting follow-up management through client satisfaction surveys

Client Management Process

Category	Performance
Customer VOC Cases Received	31
Customer VOC Cases Resolved	31(100%)

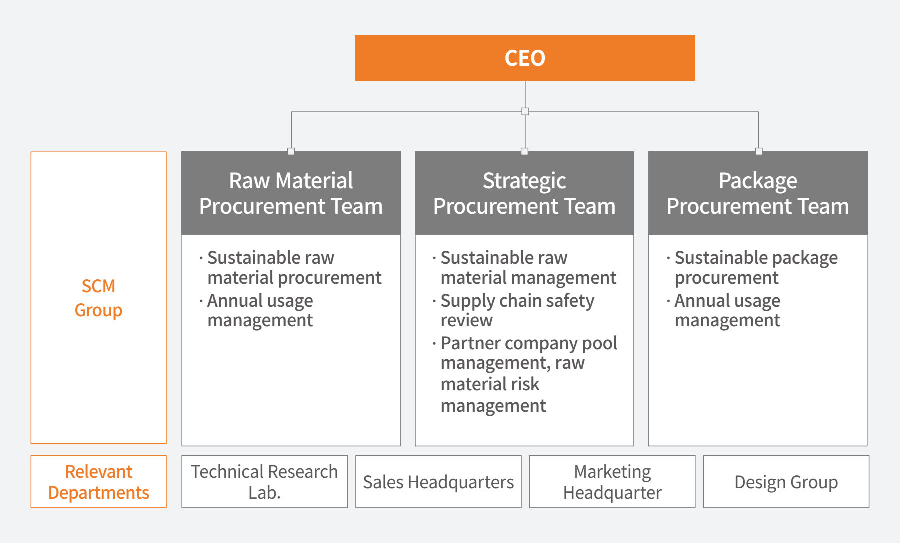
Sustainable Procurement of Raw Materials

Kolmar Korea has established and operates a systematic management framework to minimize potential human rights violations and adverse social and environmental impacts throughout the raw material procurement process. The Company also actively requires its partner companies to comply with its Sustainable Procurement Policy and Code of Conduct in accordance with applicable domestic and international standards and guidelines. Going forward, Kolmar Korea will continue to build a responsible and sustainable supply chain through robust raw material management processes and further strengthen its commitment to sustainable management.

Management System and Implementation Plan

Sustainable Raw Material Procurement Management Organizational Structure

Kolmar Korea operates a structured procurement management system to ensure the sustainable sourcing of raw materials used in product development and manufacturing. Sustainable procurement activities are led by the SCM Group, with clearly defined roles and responsibilities assigned to the Strategic Procurement Team, Raw Material Procurement Team, and Package Procurement Team. In addition, cross-functional collaboration is established with the R&D Institute, Sales Division, Marketing Division, Design Group, and other relevant departments. These functions work together to manage Partner Company and raw material risks, review certifications and supporting documentation, and strengthen responsible procurement practices across the supply chain.



Sustainable Procurement Policy

Kolmar Korea has established and operates a Sustainable Procurement Policy to minimize adverse environmental and social impacts across its supply chain and promote responsible sourcing of raw materials. Through this policy, the Company proactively identifies, prevents, and manages a wide range of risks associated with raw material production and distribution, including environmental degradation, human rights violations, and unethical business practices. Since August 2023, Kolmar Korea has required all goods supply agreements to include a written commitment to comply with its Sustainable Procurement Policy Compliance Pledge, further enhancing transparency, accountability, and trust throughout the supply chain.

Sustainable Procurement Policy

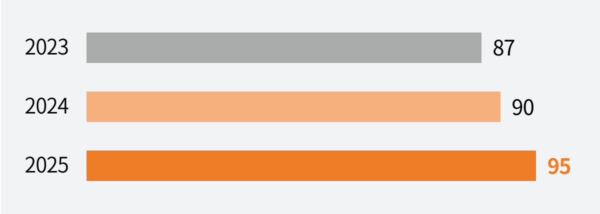
Palm Oil	Expanding the use of environmentally-friendly palm oil certified by the Roundtable on Sustainable Palm Oil
Environment and Animal Protection	Providing raw material certification materials such as Non-GMO, Non-Animal testing, Non-Nano

Code of Conduct Compliance Pledge

Human Rights and Environmental Impact Issue Inspection	Inspection of human Rights violations and negative environmental impact issues in the production and distribution process of raw and subsidiary materials
Origin Tracking and Monitoring	Establishing processes and policies for identifying and tracking the origin and source of distributed raw and subsidiary materials, products, and components

Sustainable Procurement Policy Compliance Pledge

Sustainable Procurement Policy Compliance Pledge Signing Rate (%)



Sustainable Raw Material Management Process

Kolmar Korea operates a responsible sourcing management process not only for key raw materials such as palm oil, but also for minerals that may be associated with human rights and environmental risks. The Company requires partner companies to disclose the origin and source of raw materials and takes prompt action to mitigate and prevent identified human rights and environmental risks within the supply chain. Going forward, Kolmar Korea will continue to encourage its partner companies to uphold their social responsibilities while progressively expanding the scope of sustainably sourced raw materials across its supply chain.

Key Process for Sustainable Raw Material Management

Management Policy Establishment	• Stipulating management system • Operation of sustainable raw material procurement governance
Partner Company Awareness Enhancement	• Request for partner company code of conduct compliance and sustainable procurement policy compliance pledge
Status Investigation	• Analysis of raw material procurement status • Request for partner company raw material certification documents
Risk Review	• Origin/transaction monitoring by raw material • Analysis of related certification acquisition status
Activity Status Disclosure	• Implementation of disclosure of handling and management activities for sustainable raw materials (palm oil, minerals) in Sustainability Reports

Sustainable Procurement of Raw Materials

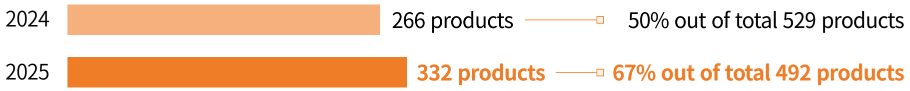
Kolmar Korea has established transparent procurement procedures for key raw materials, including palm oil, as well as gold and mica, which are mineral-based raw materials that may present environmental and social risks. The Company will continue to strengthen monitoring efforts and progressively expand the use of sustainably sourced raw materials throughout its supply chain.

Implementation Activities and Performances

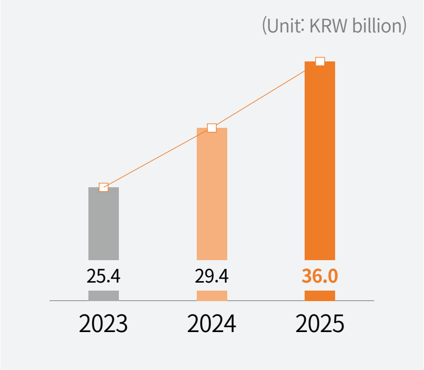
Sustainable Palm Oil Procurement

Palm oil is the primary feedstock for glycerin and is a key raw material used in more than 70% of cosmetic formulations, including creams, lotions, and cleansers, due to its moisturizing properties, emulsion stability, and texture-enhancing characteristics. However, palm oil production has been associated with environmental and social challenges, including deforestation, biodiversity loss, and human rights issues, making sustainable supply chain management an increasingly important priority for the cosmetics industry. To address these challenges, Kolmar Korea is progressively expanding its use of palm oil certified by the Roundtable on Sustainable Palm Oil (RSPO), helping to reduce the risks of deforestation, unfair labor practices, and other adverse impacts. The Company became an official RSPO member in January 2023 and has set a target of achieving an 80% share of RSPO-certified palm oil products by 2030. As of 2025, RSPO-certified palm oil accounted for 67% of applicable product categories, an increase of 17 percentage points from the previous year. In addition, the Company's procurement spending on RSPO-certified palm oil increased by KRW 6.6 billion year over year.

Number and Ratio of RSPO-Certified Palm Oils



RSPO-Certified Palm Oil Procurement Amount



RSPO Association Memberships

4-1490-23-100-00

4-1490-23-100-00

4-1490-23-100-00

Conflict Minerals (3TGs) Procurement

Kolmar Korea recognizes the serious environmental and social risks associated with the extraction of conflict minerals (3TGs: tin, tantalum, tungsten, and gold), including child labor, human rights violations, and environmental degradation. To address these risks, the Company operates a responsible mineral sourcing management framework aimed at minimizing the use of conflict minerals. Among the 3TGs, Kolmar Korea uses only gold on a limited basis, and only in selected product formulations upon customer request. All gold procured by the Company is sourced exclusively from domestic refiners certified under the Responsible Minerals Assurance Process (RMAP) of the Responsible Minerals Initiative (RMI). As a result, all gold used by Kolmar Korea is supplied domestically and has no connection to conflict-affected or high-risk areas. As of 2025, gold accounted for approximately 0.5% of the Company's total raw material procurement spend, representing only a minimal share of overall purchases. Kolmar Korea continues to monitor potential risks related to gold sourcing from conflict-affected regions. Should such risks arise, the Company will implement appropriate measures, including providing responsible minerals sourcing training for employees, strengthening supply chain traceability, and immediately suspending transactions if any minerals are found to originate from smelters or refiners that are not certified under the RMI's RMAP. Through these efforts, Kolmar Korea remains committed to fulfilling its environmental and social responsibilities across its supply chain.

RMI RMAP Registration

Metal	ID	Refinery Location	RMAP Certification
Gold	CID001078	South Korea	RMI

Responsible Mica Procurement

Mica is a key raw material used in a wide range of cosmetic products, including eye shadows, foundations, and blushes, where it provides shimmer, smooth application, and a premium finish. However, mica sourced from India, which accounts for a significant share of global mica production, has long been associated with serious ethical concerns, including child labor and poor working conditions. To address these risks, Kolmar Korea prioritizes sourcing mica from countries with stronger human rights protections, including China, Japan, South Korea, and the United States. When the use of Indian mica is unavoidable, the Company requires partner companies to provide evidence of membership in the Responsible Mica Initiative (RMI) or a formal declaration confirming the prohibition of child labor. Going forward, Kolmar Korea will continue to strengthen its responsible mica sourcing requirements, including expanding the use of RMI-certified mica across its supply chain.

2025 MICA Procurement Status

Number of Items	Procurement Status		Country of Origin	Ratio
	Total Procuremen	Number of Suppliers		
27	14 ton	10 companies	China	44.4%
			Japan	31.5%
			South Korea	21.0%
			United States	2.3%
			India	0.8%

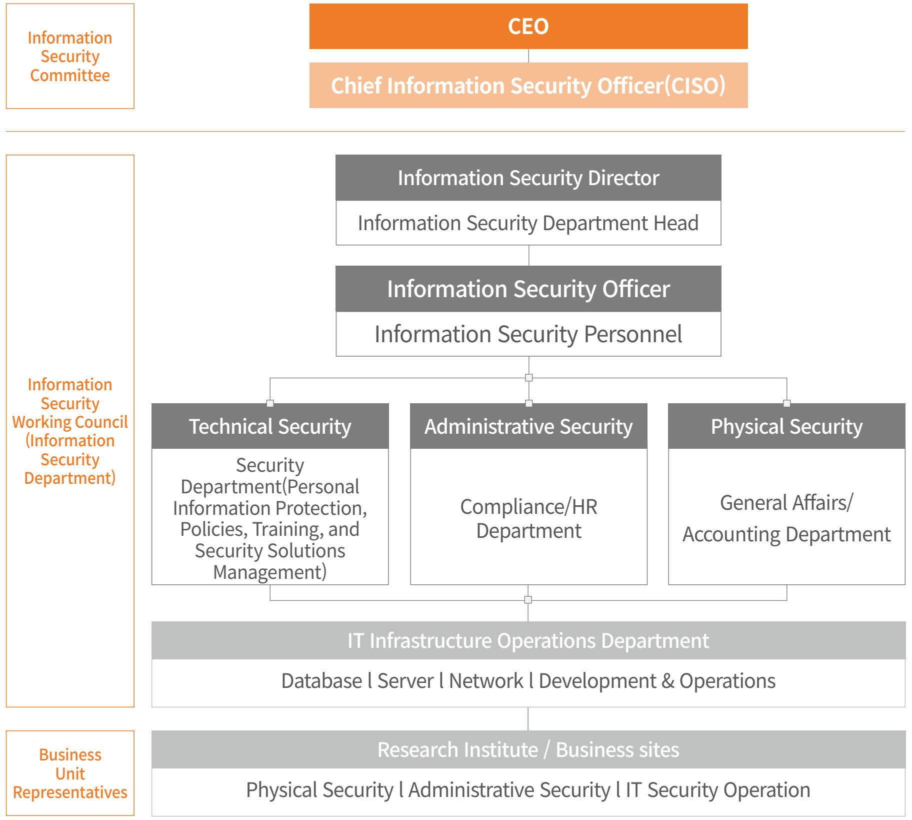
Information and Technology Security

Kolmar Korea operates a structured information security governance framework consisting of the Information Security Committee, Information Security Working Councils, and designated security personnel to protect information assets and effectively respond to evolving cybersecurity threats. Led by the Information Security Committee, the Company continuously reviews and oversees key information security issues while regularly monitoring the effectiveness of its security controls. Based on these monitoring results, Kolmar Korea continuously updates and enhances its security policies, strengthening both the effectiveness and maturity of its information security management system.

Management System and Implementation Plan

Information Security Organizational Structure

Kolmar Korea carries out systematic information security activities through regular security improvement meetings involving the Chief Information Security Officer (CISO), Information Security Managers, and Information Security Officers. Key improvement initiatives identified during these meetings are continuously managed at the operational level, with progress and implementation status reported regularly to the CISO. Through this structured governance, communication, and reporting framework, Kolmar Korea proactively addresses security vulnerabilities and continuously strengthens the effectiveness of its information security management system.



Information Security Policy

Kolmar Korea has established a robust information security framework based on three core pillars: administrative, technical, and physical security controls, supported by comprehensive information security policies. The Company operates specialized security solutions, including an Enterprise Content Management (ECM) system for centralized document management and malicious website blocking solutions. In addition, strict access controls are applied to the corporate network, operating systems, and databases to safeguard internal information assets. Kolmar Korea also maintains a transparent privacy management framework through its Privacy Policy, which discloses the collection, storage, use, and sharing (including third-party disclosure) of personal information and obtains the necessary consent from data subjects. The Privacy Policy undergoes regular legal review and updates to ensure ongoing compliance and strengthen the reliability of the Company's personal information protection practices. Furthermore, all employees provide consent for the collection and use of work-related communication information upon joining the Company, covering communications transmitted through Company-issued devices. To strengthen security awareness, Kolmar Korea conducts phishing simulation exercises twice a year to foster a proactive information security culture across the organization. The Company has also implemented an AI-enabled intelligent security monitoring system that continuously monitors abnormal user activities in real time. When suspicious behavior is detected, prompt investigation and verification procedures are initiated, enabling Kolmar Korea to effectively protect its business environment against increasingly sophisticated cyber threats.

Key Contents of Information Security Policy

Output Security	· Documents printed from Company PCs are automatically marked with a watermark/ overlay (Kolmar Korea logo) and the printer's identification information.
ERP Security	· Access to ERP is controlled by the department and menu, and all information access is logged
VGMP Security	· Content access is restricted based on security levels · Document-specific and user-specific permissions are set and controlled when utilizing electronic document information · Large attachments are not allowed when sending external emails through VGMP
Internet and Mail Security	· External mail through internet portals is controlled · Nate-On MS Messenger is not allowed for internal use · Non-work-related internet websites (obscene, gaming, gambling, movies, stocks, etc.) are blocked
Integrated PC Security	· User activity and program usage on PCs are logged and managed · Agents (security software) installed on PCs automatically collect and manage software and hardware information, allowing for management and deployment based on the collected data
Vulnerability Assessment	· Conducts website vulnerability assessments twice a year to identify and remediate security vulnerabilities across internal websites, and performs infrastructure vulnerability assessments (introduced in 2026) to inspect and remediate vulnerabilities in internal servers.
Mobile Camera Control Solution	· To prevent the unauthorized disclosure of sensitive information and facilities through mobile phone cameras, camera functions are restricted upon entry to the Integrated Technology Institute. For visitors without the required control application installed, security stickers are applied to mobile device cameras during their visit.
Storage Device Control	· Moving/copying PC information to all media, including USB, external HDD, CD/DVD RW, etc., is prohibited and controlled
PC Folder Sharing	· All document sharing is centrally managed through the Enterprise Content Management (ECM) system, with direct folder sharing between individual users prohibited.
Windows Account Password	· Windows account passwords are required for all PCs, and screen savers should be activated
Security Vulnerability Warning	· Security vulnerabilities, such as the absence of a booting password or lack of vaccine installation/update, are warned and PC usage is prohibited in case of violation of security policies
OS/DB Access Control	· Access to the OS/DB of major in-house systems through access control solution login (controlled access only for system administrators) · 2FA authentication setup completed for solution login
Corporate Network Access Control	· Network access control limited to PCs which installed essential security programs (DLP, V3) through NAC · Internet access is restricted when essential security programs are not installed
Server Security	· Server security enhancement has been completed through EDR (Sentinel One) implementation
Document Security	· Document encryption software is deployed on all Company PCs to ensure the protection of sensitive information. In addition, mandatory file encryption is applied to downloaded files within the R&D Institute, the Company's most security-sensitive division, to prevent unauthorized data leakage.

Information and Technology Security

Kolmar Korea maintains a company-wide information security management system in accordance with its Information Security Policy and demonstrated the effectiveness of its security controls by recording zero information security incidents in 2025. To further strengthen its cybersecurity capabilities, the Company proactively deploys advanced security solutions to safeguard critical business information and customer data. In addition, Kolmar Korea fosters a secure and trusted security culture by providing regular information security training and awareness campaigns that reinforce security awareness and best practices among all employees.

Implementation Activities and Performances

System Policy Change Procedures

Kolmar Korea has established and implemented a formal information security system change management procedure to ensure the stable operation of its enterprise-wide business systems. This procedure covers modifications to business systems, security configuration changes, and software updates. To maintain the effectiveness and appropriateness of the process, designated information security personnel conduct an annual review and assessment of the policy, ensuring that change management controls remain effective and aligned with operational and security requirements.

Procedure for Information Security System Policy Changes

Request Changes
- Check pre-consultation probability/ estimated timeframe
- Entering development request draft completion due date
- Department manager approval
- Operations team personnel agreement
- Operations team manager agreement
- Assigned personnel approval

Test and Change Approval
- Program development
- Test environment configuration
- Test request (Completion report creation)
- User testing
- Collaboration team manager agreement
- Operations team manager agreement

Migration Request
- Operations migration request: attach migration target files
- Operations team manager agreement
- Conducting migration work (Migration personnel)
- Result notification

Security Program Operations

Kolmar Korea, together with Kolmar Holdings, operates a PC Endpoint Data Loss Prevention (DLP) solution to monitor and control unauthorized information transfers. Through daily monitoring using DLP, DRM, and SpamSniper, the Company manages risks of confidential information leakage. In 2025, Kolmar Korea strengthened its security framework by deploying EDR and MDM, conducting phishing simulations, and enhancing controls to prevent information leakage through mobile device cameras.

Security Inspection Criteria

Category	Compliance Requirements	Inspection Criteria
Personal PC	Setting PC passwords	Verification of unset PC passwords
Personal Space	Prohibition of exposing storage devices on the desk	Exposed storage devices (USB, external hard drive, tablet PCs, etc.)
	Keeping the desk organized	Abandoned work-related documents and materials on the desk
	Prohibition of attaching system login information to the desk	Notations on memos, sticky notes, or exposed diaries
Shared Space	Setting passwords for shared PCs	Verification of unset PC passwords
	Prohibition of leaving documents unattended in shared spaces	Exposed work-related documents in meeting rooms, printers, copiers, and surrounding areas

Client Data Protection

As part of its Digital Transformation initiatives, Kolmar Korea strengthens its personal information protection framework. The Company periodically deletes personal information from its websites and protects sensitive data in internal systems through database encryption. Personal information in document files is safeguarded using DRM encryption to prevent unauthorized access and disclosure. Going forward, Kolmar Korea will continue strengthening information protection practices to ensure secure customer data management and stakeholder trust.

Security Management

Kolmar Korea conducts phishing simulation exercises twice a year to strengthen information security awareness. In 2025, 1,361 employees participated, with 12.2% of participants who opened simulated phishing emails required to complete additional security training. The Company also incorporates information security into mandatory promotion training and provides MDM security training to strengthen practical security awareness.

2025 Information Security Training

Category	Training Content	Eligible Participants	Participants Completed	Completion Rate (%)
Information Security Training	Relevant regulations on personal information protection, security measures, and best practices for safeguarding personal information	1,361	1,361	100
Phishing Simulation Exercise	Phishing and malicious email response procedures, information security awareness, and incident response to malware infections	164	164	100

Security Risk Identification

Kolmar Korea proactively manages information security risks through quarterly inspections for unauthorized software and prompt blocking measures. The Company has also expanded EDR solutions for servers to strengthen cyber threat detection and mitigation. Through these measures, Kolmar Korea continues to enhance information asset protection and cybersecurity risk management.

Conducting Security Inspection Campaigns

Kolmar Korea designates Clean Office Day for unannounced workplace inspections to assess security practices and strengthen information security awareness. The Company also issues regular security notices to prevent security incidents and promote secure workplace practices. In 2025, four security awareness notices were published covering topics such as ransomware prevention and account security.

Information and Technology Security

Kolmar Korea continuously monitors the risk of internal information leakage through its integrated information security monitoring process and conducts regular vulnerability assessments to safeguard the information of the Company and its stakeholders. The Company also operates a rigorous information security exception approval process for all corporate security systems, ensuring that any request to bypass or modify security controls is subject to strict review and authorization. Through this integrated security monitoring framework, Kolmar Korea maintains a company-wide information security management system that protects confidential business information and stakeholder data while supporting a secure and resilient operating environment.

Implementation Activities and Performances

Information Security Monitoring system Operation

Security Control Process

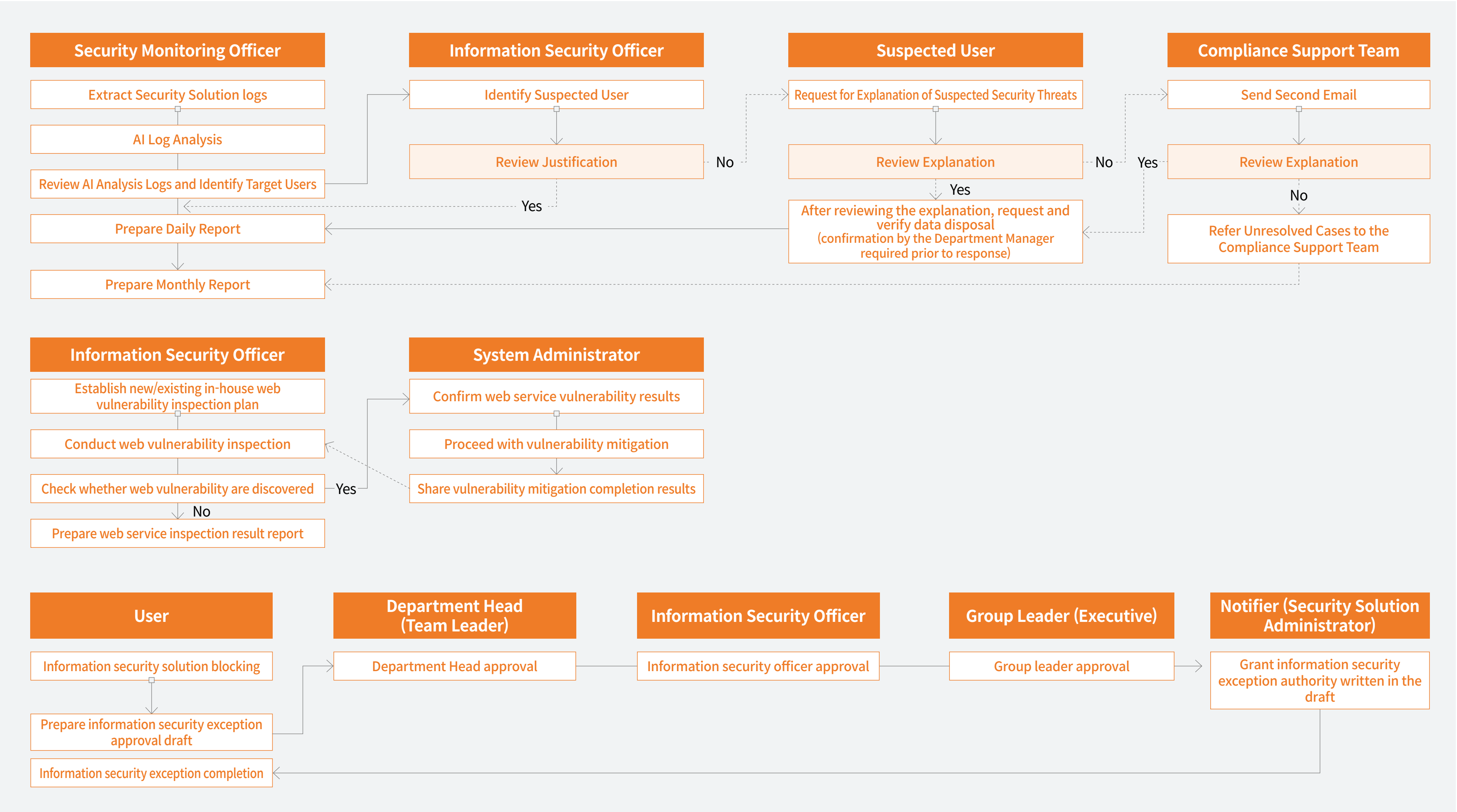
Kolmar Korea operates an AI-powered security monitoring process to prevent unauthorized disclosure of internal information. The Company conducts systematic daily, weekly, and monthly monitoring to identify and respond to potential security risks. To strengthen its response to external cyber threats, Kolmar Korea has contracted a specialized cybersecurity service provider to deliver 24/7 security monitoring and incident response services. When a security threat is detected, notifications are immediately shared with information security personnel, who report significant security events to the Chief Information Security Officer (CISO) and Information Security Managers to ensure timely and effective oversight.

Web Vulnerability Diagnosis Solution

To protect stakeholders' personal information, Kolmar Korea continuously identifies and remediates security vulnerabilities across all externally accessible websites, including its customer portal and partner company Supplier Relationship Management (SRM) system. By leveraging a web vulnerability assessment solution, the Company proactively detects external security threats and implements appropriate remediation measures to minimize the risk of personal information breaches. The results of remediation activities are shared with information security personnel, who conduct follow-up vulnerability assessments to verify that corrective actions have been effectively implemented, thereby ensuring the ongoing effectiveness of the Company's personal information protection framework.

Information Security Exception Approval Procedure

Kolmar Korea applies a rigorous information security exception approval process to the operation and management of its corporate security systems. When employees require changes to established security policies for legitimate business purposes, requests must undergo prior review by information security personnel and receive formal approval from the responsible authority before any security settings can be registered, modified, or removed. In addition, information security personnel regularly review historical exception approval records using the Company's Data Loss Prevention (DLP) system to identify potential security risks and ensure that exception approvals do not compromise the integrity of the Company's information security controls.



Information and Technology Security

Kolmar Korea continues to strengthen its information security governance framework to support stable business operations and enhance stakeholder trust. To this end, the Company establishes effective information security initiatives and annual strategic objectives to maintain a secure information environment. Going forward, Kolmar Korea will continue to make proactive investments to advance its cybersecurity capabilities and further strengthen its information security competitiveness.

Metrics and Targets

Strengthening Information Security Governance

Security Monitoring Process

Kolmar Korea continuously updates and implements its information security policies and guidelines in response to the evolving IT environment. The Company conducts daily security monitoring using DLP, DRM, and SpamSniper, while strengthening employees' security awareness through phishing simulations and information security training. To reinforce accountability, annual information security KPIs are established and regularly monitored. In 2025, the Company completed an information security inspection by the Ministry of Science and ICT with no significant findings. Kolmar Korea also plans to obtain ISO/IEC 27001 certification to further align its information security management system with international standards. In addition, the Company implements a three-pillar information security roadmap to strengthen the protection of information and technology assets. Proprietary technologies and customer-provided technical information are protected against unauthorized disclosure, while regular and ad hoc assessments of information assets and systems support business resilience. Kolmar Korea also continues to strengthen its enterprise-wide information security framework through systematic risk management addressing personal information protection regulations in key jurisdictions.

2025 Information Security KPIs

- Enhance security awareness and training effectiveness through security awareness campaigns and phishing simulation exercises
- Deploy and operate a Mobile Device Management (MDM) solution
- Implement an infrastructure vulnerability assessment solution
- Implement a Security Information and Event Management (SIEM) solution
- Deploy Endpoint Detection and Response (EDR) and Endpoint Privilege Management (EPM) solutions to strengthen PC security and security patch management

2026 Information Security KPIs

- Strengthen personal information leakage risk management through risk assessments, corrective actions, and implementation monitoring
- Revise information security policies and guidelines

Information and Technology Security Enhancement Roadmap

Securing Technical Stability

As a cosmetics manufacturing company, implementing measures to protect technical information provided by clients and activities to control leakage risks

Enhancing Business Competitiveness

Inspecting to protect and safely utilize the company's key information assets, systems, and facilities from internal and external threats

Strengthening Legal Risk Management

Strengthening privacy protection systems in major countries including Korea, the United States, and China

2025 Achievements

Category	Metrics and Targets
Information Security Education and Training	Conduct two phishing simulation exercises annually for all employees.
	Strengthen employees' security awareness by providing training on information security and cybersecurity threats.
Management System	Establish and operate an AI-powered security monitoring process to continuously monitor security threats.
	Deploy and operate a Mobile Device Management (MDM) solution to strengthen physical security at the Integrated Technology Institute and enhance user awareness of mobile device security.
	Strengthen the security of critical corporate documents by implementing a policy that automatically encrypts downloaded files for users in key departments, including the R&D Institute, as part of enhanced document encryption controls.

2027 Goals

- Advancement of information security management system based on core information
- Enhancement of information security governance
- Continuously manage security risks through the implementation of enhanced security policy solutions.
- Achievement of zero information security incidents including client data

2030 Goals

- Conducting information security assessment
- Obtaining international certifications for information security (ISO 27001)

Local Community Impact

Kolmar Korea pursues its core value of "Connection" under its vision, "Connecting to a Better Future," by creating shared value with society. Through Social Connect, the Company fosters mutual growth with local communities; through Dream Connect, it nurtures future talent; and through Winning Connect, it promotes a culture of mutual growth with clients and partner companies. To support these efforts, Kolmar Korea has established a Social Contribution Policy and a company-wide governance framework. As a short-term goal for 2026, the Company aims to increase the cumulative number of beneficiaries from its support programs for small and medium-sized partner companies to more than 740 and expand practical mutual growth initiatives with SMEs. Going forward, Kolmar Korea will continue to focus its social contribution activities on children, youth, and local communities through partnerships with specialized organizations, while creating a virtuous cycle of shared value by leveraging its expertise as a leading cosmetics ODM company.

Management System and Implementation Plan

Vision & Mission

"Connect for Better Future"

In the process of finding a "better future" together, healthy beauty and self-esteem can be restored, and this process also encompasses the meaning of pursuing genuine social change together.

Social Connect

Contributing to creating social and environmental value by utilizing business capabilities and actively practicing 'mutual growth' with the community.

Dream Connect

Contributing to empowering socially vulnerable individuals and fostering healthy future talents, and expanding opportunities for future success by sharing knowledge and experiences.

Winning Connect

Contributing to strengthening support for partner companies and spreading a culture of win-win partnership through communication.

2025 Local Community Impact Performance

Total Donations (Cash + In-kind)
1,241,145,813 KRW

Employee Volunteer Activity Participation
1,032.5 hours

Social Value Measurement
11,305,522.4 KRW

Mid- to long-term Social Contribution Plan

Social Contribution Mission	Business Division	2025 Achievements	2027 Goals	2030 Goals
Dream Connect	• Support youths preparing for • Independence Support the healthy development of juvenile in custody	• Supported capacity-building education for youths preparing for independence for 4 consecutive years • Supported the healthy development of juvenile in custody for 5 consecutive years • Achieved cumulative donations of KRW 100 million to the Dream Start program • Donated a cumulative total of 5,000 products to expand product experience (2027 target achieved ahead of schedule) • Awarded the Bucheon ESG Sharing Enterprise Award by the Gyeonggi Community Chest of Korea	• Supporting capacity-building education for youths preparing for independence for 6 consecutive years • Achieving the cumulative development of two social contribution products ahead of schedule	• Continuing capacity-building programs for young adults transitioning from care and evaluating the long-term impact of social contribution initiatives • Achieving the cumulative development of three social contribution products and donating a cumulative total of 10,000 products
Social Connect	• Employee volunteer activities • Local community contribution activities	• Achieved 1,032.5hours of employee volunteer activities • Provided emergency relief donations of KRW 40 million each to regions affected by torrential rains and wildfires	• Enhancing contributions to local communities by establishing a two-way community engagement system and expanding employee volunteer activities	• Establishing a shared value creation (CSV)-based ecosystem for collaboration with local communities and increasing management participation in social contribution and volunteer activities
Winning Connect	• Promote a culture of win-win partnership • Support partner companies and clients	• Hosted sustainability seminar 'Connect for Green' (approximately 150 persons from partner companies) • Recognized six outstanding SME partners • Provided employee welfare support for outstanding SME partners (benefiting approximately 664 employees)	• Reaching 800 persons benefiting from support programs for partner companies and clients	• Reaching 1,200 persons benefiting from support programs for partner companies and clients

Local Community Impact

Kolmar Korea is committed to Dream Connect, a social contribution initiative dedicated to nurturing future generations. The Company operates support programs for young adults transitioning from state care, juvenile offenders, and children from vulnerable backgrounds, focusing on their growth and capacity building. Beyond providing financial support, Kolmar Korea helps establish a foundation for sustainable independence while sharing knowledge and experience to empower future generations.

Implementation Activities and Performances

Dream Connect

Supporting Youth Preparing for independence

Kolmar Korea leverages its cosmetics ODM expertise to promote a virtuous cycle of resource utilization and create social value. As part of this commitment, the Company has partnered with the social enterprise SOYF for four consecutive years to support the stable independence of young adults transitioning from state care. Under its vision, “Connecting to a Better Future,” the program provides practical support through employment capacity-building, living expense assistance, and the operation of a Design Academy that helps participants build a foundation for independent living. The Design Academy offers a hands-on curriculum covering design tools and product development, encouraging active participation and practical skill development. In addition, Kolmar Korea produced and donated Vitto Hand Cream, a social contribution product developed in collaboration with Vitto, a young adult transitioning from state care, to a social enterprise. Proceeds from product sales were used to support the growth of social enterprises and provide settlement assistance for young adults transitioning from state care.

Donation Ceremony for the Young Adults Transitioning from State Care Support Program

2025 Support for Youths Preparing for Independence and Support for Social Contribution Product Details

Support for Young Adults Transitioning from State Care	4th consecutive year
Social Contribution Products Donated (Vitto Hand Cream) *Cumulative 5,682 units	1,682 units
Scholarship Recipients	10 students
Design Academy Graduates	3 students

Supporting Healthy Development of Juvenile In Custody

Kolmar Korea is improving vocational training environments at Jeongsim Girls’ Middle and High School and Mipyeong Girls’ School, educational institutions for female juvenile offenders operated by the Ministry of Justice, to support the successful independence of underserved youth and strengthen the social safety net. Rather than providing one-time donations, the program is designed to help participants achieve long-term economic independence after returning to society. The Company has supported the purchase of cosmetics, professional training materials, and equipment essential for students majoring in skincare and special makeup to obtain national technical certifications. By enhancing educational infrastructure and improving the effectiveness of hands-on training, Kolmar Korea helps participants develop practical, job-ready skills and build a strong foundation for successful employment and reintegration into society.

Support for the Rehabilitation of Juvenile Offenders (Mipyeong Girl’s School)

Support for the Rehabilitation of Juvenile Offenders (Jeongsim Girl’s Middle School)

2025 Healthy Development Support for Juvenile in Custody Details

Cosmetics Donated to Expand Product Accessibility	620 units
Cumulative Total	2,316 units

Dream Start Project

Kolmar Korea operates the Dream Start program to provide equal opportunities for children from vulnerable backgrounds in the communities surrounding its major business sites in Sejong and Bucheon. In partnership with the Sejong and Bucheon municipal governments, the program has been operated for five consecutive years since 2021, providing practical support such as private tutoring assistance, improvements to learning environments, and medical expense assistance. The program also offers integrated case management for participating children and their families to help them grow in a stable environment and become healthy members of society. Through these community-based initiatives, Kolmar Korea continues to fulfill its social responsibility while contributing to the sustainable development of local communities.

Dream Start Donation Ceremony (Bucheon)

Dream Start Donation Ceremony (Sejong)

2025 Dream Start Program Support Details

Dream Start Beneficiary Children	34
Bucheon (First Half)	23
Sejong (Second Half)	11

Local Community Impact

Kolmar Korea is committed to Social Connect, creating shared value by fostering mutual growth with local communities through its business capabilities. In addition to creating value through its core business, the Company supports the sustainable development of local communities through volunteer activities planned and led by its employees. Kolmar Korea also maintains close communication with community stakeholders to understand their needs and reflect them in its social contribution initiatives, fostering a collaborative ecosystem in which both the Company and local communities can grow together.

Implementation Activities and Performances

Social Connect

Employee Volunteer Activities

Kolmar Korea fosters a culture of meaningful volunteerism driven by employee participation. Employee-led volunteer groups, including Na-num Crew (Kolvengers, Beauty Aeong, and Deli Crew), carry out initiatives such as beauty mentoring and support for senior citizens living alone, while also participating in daily rotating meal service at the Social Welfare Center Wongak Free Meal Service. In addition, the Company promotes a culture of giving through its annual Kolmar Connect Week donation campaign held each November. Looking ahead, Kolmar Korea will continue to expand its shared value ecosystem by measuring and managing the social value created through volunteer activities while strengthening partnerships with local communities.


Na-num Crew (Deli Crew)

Na-num Crew (Beauty Aeong, Kolvengers)


Kolmar Connect Week
(Employee's Collection Donation Campaign)


Employee Relay Meal Service Volunteer Activity

Local Community Contribution Activities

Kolmar Korea promotes mutual growth with local communities through partnerships with specialized organizations and public foundations to support balanced regional development and address welfare gaps. Focusing on the communities surrounding its major business sites, the Company provides community-based support for vulnerable groups while continuing donation initiatives that contribute to long-term improvements in local infrastructure. In addition, Kolmar Korea fulfills its social responsibility by operating an emergency relief system in response to climate-related disasters. During the reporting year, the Company donated emergency relief funds to areas affected by wildfires and severe flooding, supporting the rapid recovery of vulnerable communities. Going forward, Kolmar Korea will continue to make meaningful contributions through region-specific community support and timely disaster relief initiatives.

Sejong Love for Rural Communities Gift Certificate Donation

Social Contribution Opinion Reception

Kolmar Korea operates a social contribution feedback channel to identify community needs and deliver tailored initiatives that create meaningful local impact. Based on feedback received through its stakeholder communication channel, "Social Contribution Feedback," the Company conducted a beauty career mentoring program for youth at the Seoul Metropolitan Suseo Youth Center. Using a curriculum designed by employees, the program provided cosmetics manufacturing experiences and career mentoring, offering 13 participants practical opportunities to explore careers in the beauty industry. In addition, reflecting input from local community welfare councils, Kolmar Korea provides daily necessities to vulnerable households in Jeonui-myeon and donates cosmetics to support disadvantaged women through the Christian Social Enterprise Support Center. By actively engaging with community stakeholders, the Company continues to diversify its support initiatives for underserved groups.

Donation Ceremony for Vulnerable Households in Jeonui-myeon

Support for Women from Vulnerable Communities (Christian Social Enterprise Support Center)

2025 Social Value Measurement Results

Total Employee Volunteer Hours	1,032.5 hours
Employee Participants	523
Monetized Social Value (Employee Volunteer Activities)	11,305,522.4 KRW

2025 Community Contribution Performance

Partner Organizations	17
Beneficiaries	1,515

2025 Social Contribution Feedback Outcomes

Beauty Mentoring Beneficiaries	13
Donations for Vulnerable Communities	1,050 KRW/million

Local Community Impact

Kolmar Korea puts Winning Connect into practice by fostering a culture of mutual growth and collaboration while strengthening its support framework for partner companies. Through practical support and collaboration programs that enable Kolmar Korea, its clients, and partner companies to grow together, the Company promotes a culture of mutual growth across the entire value chain and advances sustainable shared-growth management.

Implementation Activities and Performances

Winning Connect

Promoting a Culture of Mutual Growth through Fair Trade and Collaboration

Kolmar Korea continues to strengthen its practical support framework to foster a culture of mutual growth with partner companies. To ease the financial burden on outstanding small and medium-sized partner companies, the Company has shortened its payment cycle to twice a month for 10 selected partners. In addition, through its mutual growth platform and cooperation fund, Kolmar Korea provides systematic support, including awards and employee welfare programs for outstanding SME partner companies. These efforts were recognized with a "Good" rating in the 2025 Win-Win Growth Index evaluation, demonstrating the Company's commitment to sustainable partnership. Going forward, Kolmar Korea will continue to support mutual growth policies and educational programs through sponsorship of the Korea Institute for Shared Growth(KISG) while pursuing diverse initiatives that promote mutual development with partner companies.

Outstanding SME Partner Company Awards

Support for an Outstanding SME Partner Company (SINWON INPACK)

Mutual Growth Program with SME Partner Companies

Kolmar Korea hosted the 2025 Connect for Green program to promote ESG knowledge sharing with its SME partner companies. During the event, ESG experts and Dr. Kim Ji-yoon delivered presentations on global regulatory trends and the latest developments in the cosmetics industry, providing a valuable platform for partner companies to gain practical ESG insights and exchange ideas. Approximately 150 employees from partner companies specializing in raw materials, packaging materials, and contract manufacturing participated in the program, strengthening their understanding of how ESG can be effectively integrated into corporate strategy and operations. Going forward, Kolmar Korea will continue to expand such initiatives to foster a sustainable ESG ecosystem and promote mutual growth across the cosmetics industry.

2025 Connect for Green

Market Access Support for SME Clients and Partner Companies

Kolmar Korea supports SME clients in expanding market opportunities by providing platforms to showcase their products directly to consumers. At Seoul Beauty Week 2025, hosted by the Seoul Metropolitan Government, the Company operated a dedicated exhibition area for SME clients adjacent to the Kolmar Korea booth, creating valuable opportunities for direct consumer engagement. Through this initiative, participating companies were able to introduce their brands and products on-site while enhancing brand awareness through exposure on social media and other media channels. Going forward, Kolmar Korea will continue to expand market access support for SME clients through domestic and international beauty exhibitions and other industry events.

Seoul Beauty Week 2025

2025 Outstanding SME Partner Company Support Program Highlights

Award-Winning SME Partner Companies	6
Employee Receiving Welfare Support	664

2025 Kolmar Korea Win-Win Growth Index

Win-Win Growth Index by Korea Fair Trade Commission and Korea Commission for Corporate Partnership	'Good' rating

Governance

Kolmar Korea is committed to building a transparent governance structure and protecting shareholders' rights as core principles of its management, with the goal of growing as a trusted and ethical company. Guided by its Code of Ethics and Anti-Bribery and Compliance Management System, the Company upholds a strong culture of ethics and compliance. In addition, Kolmar Korea has established an integrated risk management framework to systematically identify and assess both financial and non-financial risks across the organization, enabling the proactive prevention of potential risks.

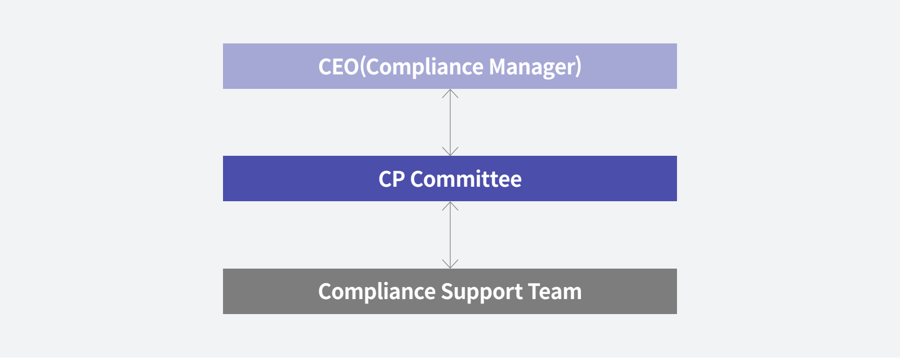
Strengthening Compliance and Ethical Management

Kolmar Korea is committed to building a robust compliance culture by continuously implementing proactive monitoring and preventive activities to minimize future uncertainties and create a predictable business environment. To this end, the Company operates a Compliance Program (CP) to systematically identify and manage potential compliance risks. Going forward, Kolmar Korea will continue to strengthen the commitment of its employees and other stakeholders to compliance while fostering a culture of ethical management, thereby maintaining transparent and trusted corporate governance.

Compliance and Ethical Management Operation System

Since 2021, Kolmar Korea has operated a Compliance Program (CP) to ensure compliance with fair trade laws and regulations. The Company has also been recognized for two consecutive years as an Outstanding Compliance Program Company by the Korea Fair Trade Commission. The CP Committee serves as the Company's highest decision-making body for compliance management. Chaired by the CEO, the committee convenes semiannually and consists of the Compliance Officer appointed by the Board of Directors and executives from departments responsible for fair trade compliance. The CEO has overall responsibility for the implementation and operation of the CP, while the Compliance Officer independently oversees the program by establishing implementation plans, directing responsible departments, monitoring compliance activities, and providing employee training. In 2025, the CP Committee convened twice to approve revisions to compliance-related regulations and review key matters, including the results of the CP effectiveness assessment, compliance monitoring activities, and employee training performance.

Strengthening Compliance and Ethical Management Organizational Structure



Selected as an Excellent Company for Compliance Program(CP) by Korea Fair Trade Commission in 2025

Kolmar

CP Committee Operation Status

Category	Date	Key Contents
5th CP Committee	2025.06.20	Resolutions • Revision of the Compliance Program (CP) Operational Regulations Reports • Major CP Activities for the First Half of the Year - Results of the CP Effectiveness Assessment - Results of Compliance Day Activities - Results of Compliance Monitoring (Protection of Critical Information) - Compliance Officer Meeting
6th CP Committee	2025. 12.18.	Reports • 2025 Major CP Activities - Progress of the CP Rating Evaluation - Results of the CP Effectiveness Assessment Survey - Results of Compliance Monitoring (Security Management for Departing Employees) - Compliance Training


The 5th CP Committee


The 6th CP Committee

Compliance Program Activities

Fair Trade Compliance Program Training for the CEO and Executives

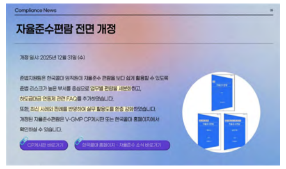
Kolmar Korea provides annual Fair Trade Compliance Program (CP) training for the CEO and all executives, focusing on management's legal responsibilities and compliance risks in decision-making. On March 18, 2025, the Company invited an external compliance expert to conduct the executive training session.

Compliance Day and Company-wide Compliance Pledge

To mark Compliance Day on May 14, the CEO delivered a message emphasizing that, in line with the Company's management philosophy, Woo-Bo-Cheon-Li, Kolmar Korea must always choose the right path to earn the trust of all stakeholders. The Compliance Officer also read the compliance pledge on behalf of all employees.

Recognition of Outstanding Compliance Contributors

To encourage active participation in the Fair Trade Compliance Program, Kolmar Korea presented CEO awards to outstanding compliance contributors during the 2025 Compliance Day ceremony held on May 14.

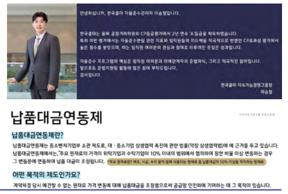


Fair Trade Compliance Handbook

Kolmar Korea revises and distributes its Fair Trade Compliance Handbook semiannually to reflect changes in fair trade laws and internal policies. The handbook includes key legal requirements, case studies, Q&A, practical dos and don'ts, compliance checklists, and guidelines to support employees in their day-to-day compliance activities.

Publication of the Compliance Letter

Kolmar Korea publishes a Compliance Letter on a quarterly basis to communicate updates on newly enacted or revised laws and regulations, as well as key CP-related news. The newsletter is distributed to all employees and posted on the Company's intranet.



Strengthening Compliance and Ethical Management

Kolmar Korea operates an integrated Anti-Bribery and Compliance Management System to systematically manage compliance and ethics risks, supported by detailed operational manuals to ensure effective implementation. In 2022, the Company obtained integrated certification to ISO 37001 (Anti-Bribery Management Systems) and ISO 37301 (Compliance Management Systems), and its management system is verified annually through audits conducted by an independent certification body. In addition, Kolmar Korea has established a compliance risk management process to identify potential risks at an early stage and continuously enhance its proactive risk management framework.

Anti-Corruption and Compliance Policy

Under its corporate philosophy of contributing to healthier, more beautiful lives, Kolmar Korea has established and publicly disclosed its Anti-Bribery and Compliance Policy on its website. Guided by its core management principles of People Management, Technology Management, Value Management, and Responsible Management, the Company is committed to fostering a strong culture of integrity and compliance throughout its business operations.

Anti-Bribery and Compliance Policy Details

First	The company and its employees must comply with all applicable compliance obligations and internal regulations, including domestic and international Anti-Bribery laws, and must not engage in acts that violate or may be suspected of violating them.
Second	Employees must not give or receive any money, entertainment, or bribes to or from stakeholders in the course of their duties, nor do they engage in any acts of corruption or unlawful conduct.
Third	The company must establish, continuously manage, and improve an Anti-Bribery and Compliance Management System to achieve the objectives of Anti-Bribery and Compliance Management.
Fourth	The compliance officer has the authority and independence to operate the Anti-Bribery and Compliance Management System and has a direct and regular reporting obligation to the governing body.
Fifth	Employees are responsible for managing compliance issues and reporting them to the compliance officer.
Sixth	The company must establish a system for reporting employees' corrupt acts or non-compliance with compliance obligations, maintain confidentiality of the report contents and the reporter's identity, and protect against any disadvantageous treatment due to reporting.
Seventh	If an employee violates compliance obligations, including corrupt acts, or knowingly fails to take reasonable measures to prevent violations, the company does not take responsibility on behalf of the employee and may take disciplinary action according to company regulations.

Operation of the Anti-Bribery and Compliance Management System

Kolmar Korea manages compliance risks through a structured Plan-Do-Check-Act (PDCA) framework. In the Plan phase, the Company establishes its compliance policy and communicates it across the organization. During the Do phase, it continuously updates compliance manuals and procedures while delivering a range of training programs to strengthen compliance awareness. In the Check phase, department-specific compliance obligations are identified, and related risks are assessed and monitored. Finally, in the Act phase, Kolmar Korea promptly implements corrective and improvement measures in accordance with the requirements of its Compliance Management System, ensuring the continuous enhancement of its compliance framework.

PLAN	**Establishing the Compliance Management System** • Establish and communicate the Compliance Policy • Update newly established or revised compliance obligations in response to changes in the regulatory environment
DO	**Education and Communication** • Deliver training and awareness programs to strengthen compliance management • Develop internal auditors and compliance risk assessors • Obtain compliance pledges from the Board of Directors, CEO, and employees• Communicate the Compliance Policy to partner companies and obtain their compliance pledges • Identify and manage department-specific compliance obligations and risks
CHECK	**Identification of Compliance Obligations and Risk Assessment** • Assess the impact of newly established or revised compliance obligations • Monitor compliance controls • Conduct department-level compliance monitoring • Perform internal audits • Reflect internal audit results in management reviews and implement improvements
ACT	**Improvement and Corrective Actions** • Identify nonconformities and implement corrective actions in accordance with the requirements of the Compliance Management System

Anti-Bribery and Compliance Management System Manual

Kolmar Korea established a comprehensive set of manuals and procedures to support the implementation of its Anti-Bribery and Compliance Management System when it was introduced in 2022. Since their initial adoption, these documents have been continuously updated to enhance the effectiveness of the management system, with three revisions completed in 2025 alone. The manuals serve as the primary operational standard for key compliance management activities, including department-level compliance risk assessments, monitoring, and internal audits.

Anti-Bribery and Compliance Management System Manual and Procedure Composition

Category	Details
Manual	Anti-Bribery and Compliance Management System Manual
Procedure	· Compliance Obligations and Risk Assessment Procedure · Education/Training Procedure · Policy and Objective Management Procedure · Document and Information Management Procedure · Communication Procedure · Monitoring Procedure · Internal Audit Procedure · Management Review Procedure · Nonconformity, Noncompliance, and Corrective Action Procedure · Compliance Reporting and Investigation Procedure · Outsourcing and Third-Party Process Procedure · Compliance Performance Feedback and Evaluation Procedure · Gifts, Entertainment, and Donation Handling Procedure

Strengthening Compliance and Ethical Management

Kolmar Korea systematically operates regular and ad hoc compliance training, annual compliance risk assessments for all departments, and semiannual compliance monitoring activities. Since obtaining integrated certification to ISO 37001 and ISO 37301 in 2022, the Company has undergone annual audits by an independent certification body to verify the effectiveness of its management system. Going forward, Kolmar Korea will continue to enhance its compliance risk management framework and further strengthen a trusted culture of compliance.

Compliance Training

Kolmar Korea designs tailored compliance training programs by taking into account employees' positions, job responsibilities, department-specific risk profiles, and the latest regulatory developments. By combining regular and ad hoc training, the Company systematically strengthens compliance capabilities across the organization.

Compliance Training Details

Training Topics	Date	Eligible Participants	Participants	Remarks
Fair Trade CP Training for Executives	March 2025	25	13	
Trade Secret Protection Training	April & August 2025	43	40	
Compliance Risk Assessor Training	April 2025	39	39	
Compliance Training	January, June & December 2025	68	68	Experienced Employee: 41, New Employees: 27
Internal Transactions Training	March 2025	51	47	
Fair Trade Act Training	September 2025	1,316	1,254	
Subcontracting Act	December 2025	15	15	
Capital Markets Unfair Trading Prevention Training	October 2025	235	167	

Compliance Monitoring

Kolmar Korea conducts compliance monitoring activities twice a year to ensure alignment with the latest regulatory developments. In 2025, the Company focused on trade secret protection during the first half of the year and security management for departing employees during the second half, proactively identifying and mitigating potential legal and compliance risks.

Compliance Monitoring Process

Data Analysis → Checklist Distribution → Risk Assessment → Interviews → Follow-up Actions

Compliance Risk Assessment

Kolmar Korea conducts an annual compliance risk assessment across all departments (103 teams in 2025), carefully evaluating the level of risk associated with each business activity based on the likelihood of legal violations and the potential impact of non-compliance. In addition, for departments that outsource operations or work closely with partner companies, the Company performs supplementary compliance risk assessments covering those external parties to strengthen compliance management throughout the supply chain.

Category	Assessor	Assessment Target	Follow-up Action	Frequency
Compliance Risk Assessment	Departmental Risk Assessors	Department-specific Operations	Monitoring of Business Activities	Annually
	Compliance Support Team	Outsourced Service Providers and Partner Companies	Monitoring	Annually

Compliance Risk Assessment Process

Identification of Internal and External Issues → Identification of Compliance Obligations → Identification of the Causes and Consequences of Non-Compliance → Risk Assessment → Follow-up Actions

Fair Trade Risk Assessment

Kolmar Korea conducts fair trade risk self-assessments across all departments to proactively identify key fair trade risks and prevent potential legal violations. In 2025, the Company assessed a total of 422 business activities, identifying fair trade-related risks in 59 activities. Based on the assessment results, Kolmar Korea strengthened its risk management framework and implemented corrective measures to prevent recurrence. In 2026, the Company plans to further enhance its fair trade risk assessment framework by developing department-specific fair trade risk maps and risk scenarios through in-depth interviews. In addition, departments classified as high risk based on the assessment results will be subject to enhanced training and focused monitoring to further improve the effectiveness of fair trade risk management.

Fair Trade Risk Assessment Results and Mitigation Measures

Procurement(SCM)	Sales & Marketing	R&D	Production	IT	Planning
19 Cases	18 Cases	11 Cases	5 Cases	3 Cases	3 Cases

Step 1 Planning
- Establish the assessment plan in accordance with the internal risk assessment policy and guidelines

Step 2 Risk Identification
- Identify potential risks through interviews with each business department
- Develop scenario-based fair trade risk categories for potential risk events

Step 3 Risk Analysis
- Assess the likelihood of each identified risk
- Analyze the potential financial and non-financial impacts of each risk
- Evaluate the existence and effectiveness of organizational risk controls

Step 4 Risk Assessment
- Assign quantitative risk scores based on Likelihood × Impact
- Classify risk levels as High, Medium, or Low
- Identify high-risk departments

Step 5 Risk Management
- Develop a risk register
- Link each identified risk to appropriate CP activities, including policy development, training, monitoring, and compliance inspections

Strengthening Compliance and Ethical Management

Kolmar Korea has established a Code of Ethics based on its core values and management principles to promote ethical management. The Company also operates the Better Kolmar reporting system for employees and the Report channel on its corporate website for external stakeholders, providing a transparent whistleblowing system that enables the reporting of legal and ethical violations while ensuring the protection of whistleblowers. Going forward, Kolmar Korea will continue to strengthen its culture of compliance and enhance its ethics management framework to earn the trust of all stakeholders.

Ethical Management System

Kolmar Korea has established a Code of Ethics based on its core values and management principles to provide clear standards of conduct for employees in the performance of their duties. The Code is publicly disclosed to both internal and external stakeholders through the Company's official website and intranet (V-GMP).

Practice Articles in Code of Ethics

Code of Ethics

Customer Trust	· Provision of Reliable Products · Fair Competition and Marketing · Protection of Customer Information
Employee Trust	· Impartial and Fair Job Performance · Mutual Respect between Employees · Gender Equality and Prohibition of Sexual Harassment · Safe and Healthy workplace · Protection of Assets and Intellectual Property Rights · Prevention of Information Leakage
Partner Trust	· Strict Compliance with Fair Trade Act · Pursuit of Fair and Free Competition · Prohibition of Corruption and Improper Request · Legitimate and Fair Information Collection
Shareholder Trust	· Enhancement of Mid-/Long-term Shareholder Value · Prevention of Conflict of Interest · Enhancement of Transparency of Accounting Information · Prohibition of Illegal Use of Internal Information
Social Trust	· Joint Environmental Production · Continuation of Social Contribution Activities · Respect for Human Rights and Cultural Diversity · Maintenance of Political Neutrality

Sending Ethical Management Letters

Kolmar Korea distributes a quarterly Ethics Management Letter to its partner companies to promote compliance and ethical management practices. In 2025, the Company distributed the letter to 635 partner companies associated with its procurement, subcontracting, and finance functions, which have relatively high exposure to fair trade and anti-bribery risks, thereby strengthening awareness of ethical management across its business partners.

2025 Ethical Management Letter

Whistleblowing System

Kolmar Korea operates a whistleblowing system that enables both internal and external stakeholders to freely report legal and ethical violations involving employees. Reports can be submitted through the Better Kolmar reporting system for employees and the Report Misconduct channel on the Company's official website for external stakeholders. The system allows both anonymous and identified reporting, while ensuring the confidentiality of whistleblowers and protecting their rights, thereby guaranteeing independence, impartiality, and anonymity.

Channel	Access Method	Reporting Scope	Responsible Department
Better Kolmar	Company Intranet	Workplace Harassment / Sexual Harassment	HR Team
		Violation of the Code of Ethics	Management Diagnosis Team
Report Misconduct	Corporate Website	- Bribery involving partner companies or equity investments - Misuse of company assets - Falsification of documents or records - Workplace violence or inappropriate demands between employees - Other violations of the Code of Ethics	Management Diagnosis Team

Whistleblowing Reception and Handling Process

Reception	· Kolmar Korea Official Website (https://www.kolmar.co.kr/esg/report.php) · Intranet
Investigation Launch Report	· Report content, whistleblower · Investigation scope/period, subjects, etc.
Investigation	· Collect and analyze related information/data · Interview with related persons · Direct investigation of suspected corruption, etc.
Investigation Result Report	· Determine whether fraudulent activity occurred · Action plan for perpetrators/companies involved in corruption
Action	· Request to convene the Personnel Committee · Request to suspend business transaction
Closure	· Finalize personnel actions · Notify the results to the whistleblower · Monitor to prevent recurrence

Integrated Risk Management

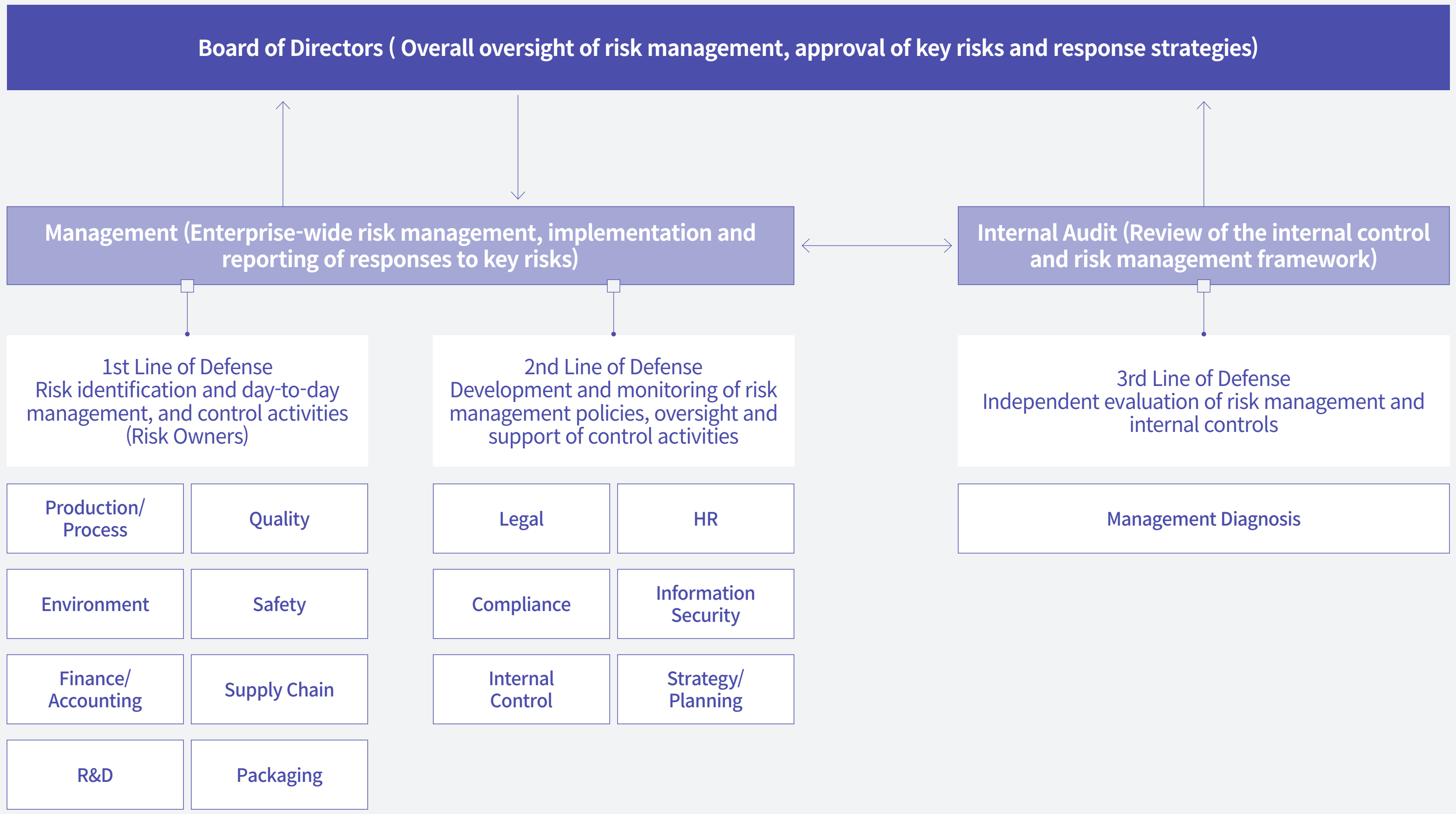
Kolmar Korea actively involves senior management in risk management across all business divisions. This enables management to maintain a comprehensive understanding of risks that may arise throughout the Company's operations, identify potential factors that could materially affect business performance at an early stage, and respond proactively. The Company has also established an integrated reporting system to ensure that risks identified within each business division are promptly reflected in management decision-making and business strategy. Through this risk management framework, Kolmar Korea seeks to maintain stable business operations amid an increasingly uncertain business environment while reinforcing the foundation for sustainable growth.

Risk Management System

Kolmar Korea has established a structured enterprise risk management (ERM) process consisting of risk objective setting, risk identification and analysis, risk mitigation, and evaluation and improvement to minimize enterprise-wide risks and maintain a stable business foundation. Rather than relying solely on corrective actions, the framework is designed to proactively identify and address potential risks before they materialize, and it will continue to evolve in response to changes in the business environment.

To support integrated enterprise risk management, Kolmar Korea has adopted a governance framework based on the Three Lines of Defense model. The first line, comprising operational departments such as Production/Process, Quality, Environment, Safety, Finance & Accounting, Supply Chain, R&D, and Packaging, is responsible for identifying and managing risks arising from day-to-day operations. The second line, including Legal, HR, Compliance, Information Security, Internal Control, and Strategy & Planning, supports and oversees the risk management activities of the first line. Management consolidates the risk management status of the first and second lines, regularly reports it to the Board of Directors, and ensures that the Board's direction and decisions are reflected in business operations through a two-way communication process. The third line, represented by Internal Audit and the Management Diagnosis Team, independently evaluates the effectiveness of the control activities performed by the first and second lines and reports the results directly to the Board, thereby ensuring the objectivity and reliability of the internal control system.

Within the enterprise risk management framework, sustainability-related issues are managed through a dedicated identification and assessment process. The Company regularly reviews environmental, social, and governance (ESG) risks, develops appropriate response strategies, and monitors implementation progress to enhance the effectiveness of risk management. Significant non-financial issues and their management status are reported to the Board of Directors at least annually, enabling systematic oversight and strategic decision-making at the management level. Going forward, Kolmar Korea will continue to enhance its enterprise risk management framework and strengthen its risk response capabilities to proactively address an evolving business environment.



Integrated Risk Management

Kolmar Korea has established systematic risk assessment processes for each risk management area, developing tailored management strategies and response frameworks based on the characteristics of individual risk categories. The Company continuously monitors implementation through regular reviews, enabling the proactive prevention of risks before they materialize. In addition, Kolmar Korea operates a variety of regular risk management training programs, including risk-specific response training, case-based learning, and department-tailored education, to embed a strong risk management culture throughout the organization. By encouraging every employee to actively participate as a risk owner, the Company continues to strengthen its enterprise-wide risk management capabilities.

Risk Management

Risk Management Process

Kolmar Korea closely monitors changes in the external environment, including regulatory, market, and policy developments, while systematically identifying potential risks across its business operations. Identified risks are evaluated based on both their potential impact and likelihood of occurrence, and their significance is determined accordingly. Based on the nature and characteristics of each risk, the Company establishes tailored management strategies and response frameworks aligned with its business strategy, enabling proactive risk prevention rather than relying solely on corrective actions. The implementation of these risk management strategies is continuously monitored through regular reviews, while risks arising during business operations are reported to the relevant functions and management on a regular or ad hoc basis. In particular, monitoring is maintained until each identified risk has been fully addressed, ensuring effective management of both financial and non-financial risks. Going forward, Kolmar Korea will continue to refine its risk management processes and strengthen its enterprise-wide risk response capabilities to proactively address an evolving business environment.

Risk Management Areas

Category	Key Risk Types
Strategic/Business Risks	• Domestic and international client management, business strategy development, technological changes, competitors
Financial Risks	• Macroeconomic conditions, creditworthiness, financial losses, liquidity • Prevention of financial statement misstatements (operation of the Internal Control over Financial Reporting (ICFR) system)
Operational Risks	• Instability in the supply of raw and packaging materials, production workforce turnover, delivery delays • Changes in local laws and regulations affecting global operations
Compliance Risks	• Ethical management, compliance management, unfair competition, corruption and bribery • Non-compliance with domestic and international laws and regulations • Trade secret leakage, unfair trade practices, non-compliance with the Fair Transactions in Subcontracting Act
ESG Risks	• Climate change response, natural disasters, domestic and international regulations • Occupational health and safety, human rights, information security, product quality, supply chain, R&D

Risk Assessment Process

Risk Identification	• Analysis of the external environment, including regulatory, market, and policy developments • Identification of potential risks across Kolmar Korea's business operations
Risk Analysis	• Assessment of risk significance based on the severity and likelihood of identified risks
Preventive Measures and Response	• Review of mitigation strategies and response frameworks for identified high-risk issues • Periodic monitoring of medium-risk issues
Reporting	• Reporting to relevant functions and management • Ongoing monitoring until identified risks are resolved

Risk Management Training

Kolmar Korea is committed to enhancing the effectiveness of its risk management framework by strengthening employees' ability to recognize and respond to potential risks within their respective functions. To this end, the Company provides regular risk management training designed to help employees identify and address risks associated with their own areas of responsibility. In parallel, Kolmar Korea maintains a continuous monitoring system to detect early signs of risk and enable timely preventive action. This preventive framework, supported by both training and ongoing monitoring, is applied consistently across the organization rather than being limited to specific departments, thereby reinforcing enterprise-wide risk management capabilities. By fostering a culture in which every employee actively participates as a risk owner, the Company seeks to prevent individual risks from escalating into enterprise-wide issues and to maintain a stable and sustainable business foundation.

Key Risk Management Training Programs

Training Program	Participants
Environmental Training (Climate Change, Water, Air, Waste)	Climate Change/Waste: All Employees Water/Air/Chemicals: Relevant Job Functions
Regular Occupational Safety and Health Training	All Employees
Special Safety Training	Relevant Job Functions
Sexual Harassment Prevention Training	All Employees
Disability Awareness Training	All Employees
Quality Training	Manufacturing Sites and Quality-related Personnel
Information Security Training	All Employees
2025 Executive Fair Trade CP Training	Executives
Trade Secret Protection Training	Technology, R&D, Production Personnel
Risk Assessor Training	Newly Appointed Risk Assessors
Compliance Training	New Hires and Experienced Employees

Training Participants 7,273
*Participant count includes duplicate attendance

Integrated Risk Management

Kolmar Korea systematically identifies both financial and non-financial risks that may affect its business operations and continuously monitors the status of risk management activities to implement timely mitigation measures before risks materialize. The Company transparently discloses its mitigation measures and related outcomes to stakeholders while expanding its risk management approach beyond financial and non-financial perspectives to identify potential enterprise-wide risks and establish proactive response measures.

Risk Management

Key Risks Identified and Mitigation Activities

Category	Type	Key Risks Identified	Mitigation Measures
Financial Risk	Economic	· Reduced profitability in KRW due to exchange rate fluctuations	· Optimize local currency-based cost structures at overseas operations
	Accounting	· Potential misstatement of financial statements	· Operate the Internal Control over Financial Reporting (ICFR) system
Operational Risk	Quality	· Failure to meet client requirements and deterioration of brand reputation due to gaps in quality management standards among partner companies	· Update Standard Operating Procedures (SOPs) in line with client and regulatory requirements · Address quality issues through a structured process of root cause analysis, corrective action, and effectiveness verification based on impact, severity, and scope
Compliance Risk	Fair Trade	· Administrative penalties and reputational damage resulting from violations of fair trade laws	· Enhance the fair trade risk assessment framework across all business divisions · Strengthen compliance training for high-risk departments
ESG Risk	Environmental	· Reduced client trust and weakened competitiveness in winning new business due to ecosystem degradation	· Establish a natural capital risk assessment framework based on the TNFD framework
	Human Rights	· Deterioration of organizational culture and employee turnover resulting from human rights violations	· Introduce a human rights impact assessment framework · Establish human rights training programs for employees
	Safety	· Loss of life and significant environmental damage caused by hazardous chemical leaks or explosions in manufacturing processes	· Strengthen regular risk assessments and on-site safety inspections · Conduct regular chemical emergency response drills and enhance emergency response capabilities

Emerging Risk Identification and Response

Emerging Risk	Strengthened ESG Risk Management Requirements Across the Supply Chain	Product Transition Driven by Tightening Environmental Regulations	Accelerating Competition in AI-powered Cosmetics Development
Category	· Social Issue	· Environmental Issue	· Technological Issue
Risk Definition & Description	· Global ESG disclosure regulations, including the EU Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD), are driving global beauty brands to apply more rigorous ESG risk management standards across their supply chains and require partner companies to disclose ESG information and comply with equivalent standards. · Beyond product quality and price competitiveness, non-financial factors such as carbon emissions, human rights, and environmental impacts are becoming key criteria for partner selection.	· Strengthening global plastics regulations, including the EU Packaging and Packaging Waste Regulation (PPWR) and Single-Use Plastics Directive (SUP). · Increasing requirements to ensure all packaging is recyclable by 2030 and to gradually increase the use of recycled materials. · Emerging as a critical risk requiring changes across the entire product development process, from product design to packaging material selection.	· Rapid advances in AI and big data technologies for personalized cosmetics are fundamentally reshaping the competitive landscape of the cosmetics ODM industry. · Technologies such as AI-based skin analysis and automated personalized formulation are reaching commercialization. · As technological innovation accelerates, conventional formulation development based primarily on experience and expertise is becoming less sustainable as a source of competitive advantage.
Risk Impact	· **Financial Impact** → Increased costs associated with ESG due diligence and supply chain verification, and potential loss of business opportunities with global clients if ESG requirements are not met. · **Non-financial Impact** → Reduced trust from global clients and investors due to unreliable ESG disclosures, and reputational damage arising from ESG risks within the supply chain. · **Mid- to Long-term Strategic Impact** → Enterprise-wide ESG management capabilities across the supply chain are becoming a key determinant of maintaining existing partnerships and securing new business.	· **Financial Impact** → Higher material costs resulting from the adoption of sustainable packaging and increased cost burdens associated with mandatory recycled content requirements. · **Non-financial Impact** → Reduced competitiveness in securing new business due to increasingly stringent sustainable packaging requirements. · **Mid- to Long-term Strategic Impact** → Capabilities in developing and applying sustainable packaging are becoming a core competitive differentiator.	· **Financial Impact** → Significant investment required to build AI and digital technology infrastructure, with potential revenue losses if the Company falls behind in technological competitiveness. · **Non-financial Impact** → Reduced technological differentiation compared with competitors offering AI-based personalized solutions, alongside changing client preferences toward technology-driven partners. · **Mid- to Long-term Strategic Impact** → The integration of AI and big data capabilities is becoming a critical factor shaping future market competitiveness.
Risk Response Activities	· Continuously monitor global ESG disclosure regulations. · Expand ESG training and consulting programs for partner companies. · Proactively identify and respond to ESG requirements from global clients	· Continuously monitor major plastics-related regulations, including the EU PPWR and Korea's Extended Producer Responsibility (EPR) system. · Manage quantitative product environmental performance through Life Cycle Assessment (LCA).	· Enhance AI-based skin analysis and personalized formulation platforms (e.g., CAIOME). · Strengthen digital transformation capabilities by recruiting AI and big data specialists.

Facts & Figures

Economy

✣ All decimal data in the FACTS & FIGURES has been rounded at the second decimal place, and this process has resulted in some differences from the data in the 2023 and 2024 Sustainability Reports. For some ESG indicator data calculated through calculations between ESG indicator data, the result values calculated from the raw values of related ESG indicator data have been rounded to the second decimal place. Accordingly, there may be differences from the calculated values between related ESG indicator data within the report that have already been rounded to the second decimal place.

Key Financial Performance

Category	Unit	2023	2024	2025
Revenue (standalone)	KRW million	856,755.5	1,059,669.0	1,192,752.4
Revenue (consolidated)	KRW million	2,155,675.9	2,452,064.0	2,722,419.2
Operating Profit (standalone)	KRW million	79,651.8	122,336.4	149,532.8
Operating Profit (consolidated)	KRW million	136,143.3	193,850.4	239,594.7
Equity (standalone)	KRW million	603,683.5	759,526.9	852,945.9
Equity (consolidated)	KRW million	1,418,590.1	1,505,732.0	1,667,349.4
Liabilities (standalone)	KRW million	625,688.9	651,205.3	676,056.6
Liabilities (consolidated)	KRW million	1,590,839.2	1,620,961.1	1,790,419.1

Distribution of Economic Value

Category		Unit	2023	2024	2025
Operating expense (standalone)		KRW million	777,103.7	937,332.6	1,043,219.6
Operating expense (consolidated)		KRW million	2,019,532.6	2,258,213.6	2,482,824.4
Employees	Wage (standalone)	KRW million	69,858.0	82,618.0	98,327.0
	Wage (consolidated)	KRW million	132,553.0	147,858.0	156,565.0
	Welfare benefits (standalone)	KRW million	11,330.0	13,619.0	17,754.0
	Training cost (standalone)	KRW million	307.9	364.5	440.1
Shareholders and creditors	Dividends (standalone)	KRW million	13,729.0	16,996.0	20,394.8
Government	Corporate tax (standalone)	KRW million	14,196.4	14,190.7	31,401.2
Local communities	Donations (standalone)	KRW million	862.1	516.0	1,241.1

Financial Support by Government

Category	Unit	2023	2024	2025
Total amount of financial support by government	KRW million	2,239.0[1]	3,609.0[1]	2,385.6
Tax relief and deduction	KRW million	1,484.0	2,681.0	1,681.6
Subsidies	KRW million	755.0	928.0	704.0

1) Figures have been revised due to changes in the calculation methodology.

Wages (Domestic)

Category		Unit	2023	2024	2025
Minimum wage[1]		KRW million	2.0	2.1	2.1
Starting wage for male employees[1]		KRW million	3.8	3.9	4.3
Starting wage for female employees[1]		KRW million	3.8	3.9	4.3
Wage compared to minimum wage[2]	Male	%	188.7	189.6	202.7
	Female	%	188.7	189.6	202.7
Local senior management (domestic)[3]	Total number of senior managements	Persons	35	33	36
	Senior management in Korea	Persons	26	22	24

1) Calculated on a monthly basis
2) Annual salary based on new college graduate (Grade 4, office worker), excluding incentives
3) Senior management: 2 levels below CEO (excluding CEO)

Share Ownership of Government

Category	Unit	2023	2024	2025
Shares owned by government[1]	Shares	3,021,102	2,793,828	2,092,952
Total number of shares[2]	Shares	22,881,180	23,605,077	23,605,077
Ratio of shares owned by government	%	13.2	11.8	8.9

1) Shares owned by government agencies such as NPS, Korea Post, Ministry of Land, Infrastructure and Transport, and Ministry of Strategy and Finance based on year-end shareholder list
2) Based on the number of outstanding shares (total number of issued shares - number of treasury shares)

Environmental

❖ Environmental data has been changed and increased from previously disclosed data due to reasons such as organizational boundary changes and inclusion of overseas business site data.

Greenhouse Gas Management-Scope 1, 2

Category			Unit	2023	2024	2025
Total GHG emissions (Scope 1, 2)			tCO$_2$eq	17,459.5	18,973.5	20,844.5
Total GHG emissions (domestic/Scope 1, 2)			tCO$_2$eq	7,983.4	8,733.2	9,345.7
Total GHG emissions (Overseas/Scope 1, 2)			tCO$_2$eq	9,476.0	10,240.3	11,498.8
GHG emission intensity[1)]			tCO$_2$eq/ KRW billion	15.9	14.3	14.3
Scope 1	Total emissions		tCO$_2$eq	3,578.0	3,618.8	4,014.5
	Total emissions(domestic)		tCO$_2$eq	2,320.6	2,442.8	2,486.4
	Domestic	Sejong Site	tCO$_2$eq	1,615.0	1,726.0	1,778.9
		Jeonui Site	tCO$_2$eq	275.6	231.9	248.0
		Jeondong Site	tCO$_2$eq	79.9	89.9	70.3
		Bucheon Site	tCO$_2$eq	144.5	182.9	150.1
		R&D Complex	tCO$_2$eq	205.7	212.2	239.0
	Total emissions (overseas)		tCO$_2$eq	1,257.4	1,176.0	1,528.2
	Overseas	China (Wuxi)	tCO$_2$eq	73.8	63.0	74.7
		USA	tCO$_2$eq	237.5	216.1	435.4
		Canada	tCO$_2$eq	946.2	896.8	1,018.1
Scope 2	Total emissions		tCO$_2$eq	13,881.5	15,354.8	16,830.0
	Total emissions (domestic)		tCO$_2$eq	5,662.8	6,290.4	6,859.3
	Domestic	Sejong Site	tCO$_2$eq	2,730.2	2,831.2	3,429.2
		Jeonui Site	tCO$_2$eq	163.8	284.3	309.9
		Jeondong Site	tCO$_2$eq	0	291.3	308.6
		Bucheon Site	tCO$_2$eq	1,336.0	1,386.2	1,158.3
		R&D Complex	tCO$_2$eq	1,432.8	1,497.6	1,653.4
	Total emissions (overseas)		tCO$_2$eq	8,218.7	9,064.3	9,970.6
	Overseas	China (Wuxi)	tCO$_2$eq	7,721.2	8,582.6	9,035.1
		USA	tCO$_2$eq	397.5	394.8	823.3
		Canada	tCO$_2$eq	99.9	87.0	112.2

1) Intensity has been calculated based on total sales (billion KRW) for the reporting year (consolidated basis)

Greenhouse Gas Management-Scope 3

Category		Unit	2023	2024	2025
Total GHG emissions (Scope 3)		tCO$_2$eq	93,541.7	120,351.8	143,973.6
Scope 3[1)] (Upstream)	Total emissions	tCO$_2$eq	93,541.7	87,907.4	110,758.7
	Category 1 (purchased goods and services)	tCO$_2$eq	90,334.7	81,502.5	101,647.2
	Category 2 (capital goods)	tCO$_2$eq	245.8	367.8	341.7
	Category 3 (fuel- and energy-related activities)	tCO$_2$eq	645.4	1,191.5	3,942.1
	Category 4[2)] (upstream transportation and distribution)	tCO$_2$eq	-	2,286.7	2,124.5
	Category 5 (waste generated in operations)	tCO$_2$eq	461.5	536.1	518.0
	Category 6 (business travel)	tCO$_2$eq	428.3	308.3	373.3
	Category 7 (employee commuting)	tCO$_2$eq	1,426.1	1,416.4	1,514.8
	Category 8[2)] (upstream leased assets)	tCO$_2$eq	-	298.1	297.1
Scope 3[1)] (Downstream)	Total emissions	tCO$_2$eq	-	32,444.3	33,214.9
	Category 13[2)] (downstream leased assets)	tCO$_2$eq	-	226.1	1,151.2
	Category 15[2)] (Investments)	tCO$_2$eq	-	32,218.2	32,063.7

1) Calculation and disclosure on Scope 3 emissions are based on Kolmar Korea's domestic business sites (excluding certain subsidiaries)2)
2) From 2024, included Scope 3 Category 4 (transportation and distribution), Category 8 (upstream leased assets), Category 13 (downstream leased assets), and Category 15 (investments) in emission calculations

Environmental

Energy Management

Category			Unit	2023	2024	2025
Total energy consumption			TJ	309.9	334.8	368.9
Total energy consumption (domestic)			TJ	161.6	177.3	190.1
Total energy consumption (overseas)			TJ	148.3	157.5	178.8
Energy intensity[1]			TJ/ KRW billion	0.28	0.25	0.25
Primary energy	Total primary energy consumption		TJ	66.4	67.5	74.9
	Total primary energy consumption (domestic)		TJ	42.1	44.8	45.4
	Total primary energy consumption (overseas)		TJ	24.2	22.7	29.5
	Fuel	Total fuel consumption	TJ	10.6	9.6	10.2
		Gasoline	TJ	1.6	1.4	1.8
		Diesel	TJ	3.9	3.8	4.0
		Kerosene	TJ	0.9	0.6	0.3
		HI-SENE	TJ	4.2	3.9	4.2
	LNG		TJ	54.0	55.5	62.0
	LPG		TJ	1.8	2.3	2.7
Secondary energy	Total secondary energy consumption		TJ	242.4	266.3	292.6
	Total secondary energy consumption (domestic)		TJ	118.3	131.4	143.3
	Total secondary energy consumption (overseas)		TJ	124.1	134.8	149.3
	Electricity		TJ	225.2	248.3	273.9
	Steam		TJ	17.2	18.0	18.7
Renewable energy	Self-generation	Solar power[2]	TJ	1.1	1.1	1.4
Renewable energy consumption rate[3]			%	0.7	0.6	0.7

1) Intensity has been calculated based on total sales (billion KRW) for the reporting year (consolidated basis)
2) Solar power generation within Sejong site monitoring system
3) 2023–2024 figures have been revised due to changes in the renewable energy consumption calculation methodology.

Waste Management

Category			Unit	2023	2024	2025
Total waste generated[1]			ton	1,503.7	1,892.4	2,225.3
Total waste treatment			ton	1,498.6	1,872.5	2,204.0
Total waste storage			ton	5.1	19.9	21.3
Waste intensity[2]			ton/ KRW billion	1.8	1.8	1.9
General waste	Total treatment		ton	1,470.9	1,841.5	2,164.8
	Incineration[3]		ton	199.2	228.1	268.4
	Landfill		ton	24.0	10.1	19.1
	Recycling		ton	1,247.8	1,603.3	1,877.4
	Storage		ton	4.7	19.6	21.3
Designated waste	Total treatment		ton	27.7	30.9	39.2
	Incineration[3]		ton	18.0	18.0	24.7
	Recycling		ton	0	1.9	0
	Medical waste	Total treatment	ton	9.7	11.1	14.5
		Incineration[3]	ton	9.7	11.1	14.5
	Storage		ton	0.4	0.3	0
Total waste recycling			ton	1,247.8	1,605.2	1,877.4
Total waste recycling rate[4]			%	83.0	84.8	84.4

1) Waste generated = Waste treated + Waste in storage. The 2023–2024 figures have been revised following the recalculation of certain data.
2) Intensity has been calculated based on total sales (billion KRW) for the reporting year (standalone basis)
3) All wastes are treated by third-party contractors
4) Total waste recycling rate = (total waste recycling/total waste generated) * 100

Waste Management – by Business Sites

Category			Unit	2023	2024	2025
Sejong Site	Total waste generated		ton	986.2	1,397.9	1,706.9
	Total waste treatment		ton	986.2	1,381.4	1,693.4
	Total waste storage		ton	0	16.5	13.5
	General waste	Total treatment	ton	978.7	1,373.4	1,681.9
		Incineration	ton	122.7	159.0	166.6
		Landfill	ton	20.8	8.1	15.1
		Recycling	ton	835.2	1,206.3	1,500.2
		Storage	ton	0	16.5	13.5
	Designated waste	Total treatment	ton	7.5	8.0	11.4
		Incineration	ton	7.5	7.3	11.4
		Recycling	ton	0	0.7	0
		Storage	ton	0	0	0

Environmental

Category				Unit	2023	2024	2025
Jeonui Site	Total waste generated			ton	117.2	98.9	114.6
	Total waste treatment			ton	117.2	98.9	111.6
	Total waste storage			ton	0	0	3.0
	General waste	Total treatment		ton	117.2	98.9	111.6
		Incineration		ton	2.6	12.8	12.7
		Landfill		ton	1.3	1.0	2.7
		Recycling		ton	113.2	85.1	96.2
		Storage		ton	0	0	3.0
	Designated waste	Total treatment		ton	0	0	0
		Incineration		ton	0	0	0
		Recycling		ton	0	0	0
		Storage		ton	0	0	0
Jeondong Site	Total waste generated			ton	59.9	71.4	92.8
	Total waste treatment			ton	59.9	71.4	91.4
	Total waste storage			ton	0	0	1.4
	General waste	Total treatment		ton	59.9	71.4	91.4
		Incineration		ton	0	0	15.6
		Landfill		ton	1.9	1.0	1.2
		Recycling		ton	58.0	70.4	74.5
		Storage		ton	0	0	1.4
	Designated waste	Total treatment		ton	0	0	0
		Incineration		ton	0	0	0
		Recycling		ton	0	0	0
		Storage		ton	0	0	0
Bucheon Site	Total waste generated			ton	244.6	223.5	189.0
	Total waste treatment			ton	242.6	221.6	188.6
	Total waste storage			ton	2.0	1.9	0.4
	General waste	Total treatment		ton	238.5	216.6	183.3
		Incineration		ton	42.8	23.3	31.2
		Landfill		ton	0	0	0
		Recycling		ton	195.6	193.3	152.1
		Storage		ton	2.0	1.9	0.4
	Designated waste	Total treatment		ton	4.1	5.0	5.3
		Incineration		ton	4.1	3.8	5.3
		Recycling		ton	0	1.2	0
		Storage		ton	0	0	0
R&D Complex	Total waste generated			ton	95.8	100.5	122.1
	Total waste treatment			ton	92.7	99.1	119.1
	Total waste storage			ton	3.1	1.4	3.0
	General waste	Total treatment		ton	76.7	81.2	96.7
		Incineration		ton	31.0	33.0	42.3
		Landfill		ton	0	0	0
		Recycling		ton	45.7	48.2	54.4
		Storage		ton	2.7	1.1	3.0
	Designated waste	Total treatment		ton	16.0	17.9	22.5
		Incineration		ton	6.4	6.9	8.0
		Recycling		ton	0	0	0
		Medical waste	Total treatment	ton	9.7	11.1	14.5
			Incineration	ton	9.7	11.1	14.5
		Storage		ton	0.4	0.3	0

Water Resource Management

Category				Unit	2023	2024	2025
Total water withdrawal				ton	275,455.9	291,057.7	307,099.9
Total water withdrawal (domestic)				ton	131,109.5	149,091.0	161,675.0
Total water withdrawal (overseas)				ton	144,346.4	141,966.7	145,424.9
Water withdrawal intensity[1]				ton/ KRW billion	247.1	219.8	211.0
Water withdrawal	Municipal water	Domestic	Sejong Site	ton	95,793.0	109,029.0	122,950.0
			Jeonui Site	ton	9,280.0	8,880.0	8,109.0
			Jeondong Site[4]	ton	0 [4]	4,868.0	3,675.0
			Bucheon Site	ton	11,541.5	10,831.0	9,634.0
			R&D Complex	ton	14,495.0	15,483.0	17,307.0
		Overseas	China (Wuxi)	ton	90,855.0	97,737.0	98,974.0
			USA	ton	12,496.4	9,333.7	15,768.9
			Canada	ton	40,995.0	34,896.0	30,682.0
	Surface water			ton	-	-	-
	Groundwater			ton	-	-	-
	Seawater			ton	-	-	-
Total water consumption[2]				ton	304,285.9	309,151.7	340,951.9
Water consumption intensity[1]				ton/ KRW billion	273.0	233.4	234.3
Water recycling	Total			ton	28,830.0	18,094.0	33,852.0
	RO concentrated water	Sejong Site		ton	5,035.0	3,704.0	8,512.0
	Reclaimed water	China (Wuxi)		ton	23,795.0	14,390.0	25,340.0
Water recycling rate				%	9.5	5.9	9.9
Total wastewater discharge				ton	81,682.9	88,967.8	95,015.0
Wastewater discharge intensity[3]				ton/ KRW billion	95.3	84.0	79.7
Wastewater discharge	Sejong Site			ton	69,594.0	77,719.0	83,909.0
	Jeonui Site			ton	7,297.0	7,107.0	6,141.0
	Jeondong Site			ton	-	-	-
	Bucheon Site			ton	2,130.8	1,152.8	1,584.8
	R&D Complex			ton	2,661.1	2,989.0	3,380.2

1) Intensity has been calculated based on total sales (billion KRW) for the reporting year (consolidated basis)
2) Total water consumption = total water withdrawal + total water recycling
3) Intensity has been calculated based on total sales (billion KRW) for the reporting year (standalone basis)
4) Data has been calculated according to cost payment entity (tenant cost payment in 2023)

Environmental

Water in Water Stress Area

Category	Unit	2023	2024	2025
Water withdrawal from 'High' water stress areas out of total water withdrawal	ton	114,650.0	112,127.0	124,314.0
Ratio of water withdrawal from 'High' water stress areas out of total water withdrawal	%	41.6	38.5	40.5

* High water stress areas correspond to the China (Wuxi) business site

Hazardous Chemical Management

Category	Unit	2023	2024	2025
Total hazardous chemical usage	ton	5.2	5.9	5.9
Hazardous chemical intensity[1]	ton/ KRW billion	0.0061	0.0055	0.0049
Total hazardous chemical reduction	ton	0.2↓	0.7↑	0.02↑

1) Intensity calculated based on total sales (KRW billion) for the reporting year (standalone basis)

Pollutant Management

Category		Unit	2023	2024	2025
Water pollutants	Total discharge	ton	4.986	5.168	7.003
	BOD	ton	0.798	1.074	1.694
	TOC	ton	2.883	2.733	4.233
	SS	ton	1.115	1.135	0.861
	T-N	ton	0.186	0.189	0.199
	T-P	ton	0.004	0.039	0.017
Water pollutant intensity[1]		ton/ KRW billion	0.006	0.005	0.006
Air pollutants	Total discharge	ton	1.335	1.316	1.114
	NOx	ton	1.119	1.127	0.893
	SOx	ton	0	0	0
	PM	ton	0.215	0.190	0.221
	VOCs	ton	-	-	-
	ODS	ton	-	-	-
Air pollutant intensity[1]		ton/ KRW billion	0.002	0.001	0.001

1) Intensity has been calculated based on total sales (KRW billion) for the reporting year (standalone basis)

Pollutant Management – by Business Sites

Category		Unit	2023	2024	2025
Sejong Site	BOD	ton	0.599	1.006	1.611
	TOC	ton	2.648	2.561	4.032
	SS	ton	0.873	0.835	0.562
	T-N	ton	0.101	0.144	0.103
	T-P	ton	0.003	0.037	0.006
	NOx	ton	0.883	0.865	0.668
	PM	ton	0.033	0.083	0.092
Jeonui Site	BOD	ton	0.128	0.038	0.068
	TOC	ton	0.138	0.135	0.179
	SS	ton	0.158	0.108	0.275
	T-N	ton	0.079	0.029	0.083
	T-P	ton	0.001	0.002	0.011
	NOx	ton	0.095	0.082	0.057
	PM	ton	0.001	0.005	0.004
Jeondong Site[1]	NOx	ton	0.046	0.067	0.044
	PM	ton	0.024	0.023	0.033
Bucheon Site	BOD	ton	0.054	0.001	0.011
	TOC	ton	0.078	0.003	0.018
	SS	ton	0.041	0.005	0.021
	T-N	ton	0.003	0.003	0.003
	T-P	ton	0.000	0.000	0.000
	NOx	ton	0.075	0.083	0.091
	PM	ton	0.156	0.071	0.088
R&D Complex	BOD	ton	0.018	0.029	0.004
	TOC	ton	0.020	0.034	0.004
	SS	ton	0.042	0.185	0.003
	T-N	ton	0.003	0.013	0.009
	T-P	ton	0.000	0.000	0.000
	NOx	ton	0.021	0.029	0.033
	PM	ton	0.001	0.008	0.003

1) Jeondong Site has zero wastewater discharge

Environmental

Environmental Management System (ISO14001)

Category		Unit	2023	2024	2025
Environmental Management System (ISO 14001) certification	Number of business sites subject to acquisition	Sites	5	5	5
	Number of business sites that acquired the certification	Sites	3	3	3
	Ratio of business sites that acquired the certification	%	60	60	60

Violation of Environmental Regulations

Category	Unit	2023	2024	2025
Total violation of environmental regulations1)	Cases	0	0	0
Fines due to violation of environmental regulations	KRW million	0	0	0
Non-monetary sanctions due to violation of environmental regulations	Cases	0	0	0

1) Number of detections during inspections by public offices

Environmental Investment

Category	Unit	2023	2024	2025
Total amount of environmental investment	KRW 100 million	0.8	1.0	0.7
Environmental operation cost	KRW 100 million	6.6	8.6	9.1

Environmentally-Friendly Sales

Category	Unit	2023	2024	2025
Environmentally-friendly product sales	KRW million	159.8	204.2	175.8

Environmental Training

Category	Unit	2023	2024	2025
Total environmental training hours	Hours	3,298.0	3,345.0	2,732.5
Number of employees participated in the environmental training	Persons	972	1,156	3,857

Environmental Risk Management

Category		Unit	2023	2024	2025
Environmental risk assessment	Number of business sites subject to conduct environmental risk assessment	Sites	5	5	5
	Number of business sites that conducted environmental risk assessment	Sites	3	3	3
	Ratio of business sites that conducted environmental risk assessment	%	60	60	60

Social

Domestic Employee Status

Category			Unit	2023	2024	2025
Total number of employees[1]			Persons	1,110	1,304	1,384
By employment type	Full-time (regular)	Total	Persons	1,105	1,219	1,346
		Male	Persons	640	695	759
		Female	Persons	465	524	587
	Part-time (non-regular)	Total	Persons	5	85	38
		Male	Persons	3	29	17
		Female	Persons	2	56	21
	Full-time employee at the end of the year	Male	Persons	646	703	754
		Female	Persons	449	516	579
	Part-time employee at the end of year	Male	Persons	3	4	6
		Female	Persons	2	1	4
By gender	Male		Persons	643	724	776
	Ratio of male		%	57.9	55.5	56.1
	Female		Persons	467	580	608
	Ratio of female		%	42.1	44.5	43.9
By age	Under 30		Persons	402	515	508
	Ratio of under 30		%	36.2	39.5	36.7
	30 ~ 50		Persons	679	751	830
	Ratio of 30 ~ 50		%	61.2	57.6	60.0
	Over 50		Persons	29	38	46
	Ratio of over 50		%	2.6	2.9	3.3
By position	Executive[2]	Total	Persons	35	33	36
		Male	Persons	33	30	30
		Female	Persons	2	3	6
	Directors	Total	Persons	42	61	54
		Male	Persons	34	50	40
		Female	Persons	8	11	14

1) The number of domestic employees includes expatriate employees assigned to overseas operations.
2) As of the end of the reporting year, all executives were Korean nationals. There were no executives of foreign nationality.

Category			Unit	2023	2024	2025
By position	Assistant directors/ Managers	Total	Persons	305	323	386
		Male	Persons	208	212	249
		Female	Persons	97	111	137
	Assistant manager/Staff	Total	Persons	728	887	908
		Male	Persons	369	432	457
		Female	Persons	359	455	451
By title	Team leader	Total	Persons	83	96	103
		Male	Persons	59	66	67
		Female	Persons	24	30	36
Average tenure[1]	Total		Years	5.5	5.9	6.3
	Male		Years	6.7	7.1	7.3
	Female		Years	4.3	4.4	4.9

1) Including registered executives and considering transfers between corporate company

Workers who are not Employees

Category		Unit	2023	2024	2025
By gender	Male	Persons	0	0	0
	Female	Persons	0	0	0

1) Based on the Annual Report

Social

New Hires

Category		Unit	2023	2024	2025
Total number of new hires		Persons	230	336	281
Total new hire rate		%	20.7	25.8	20.3
By gender	Male	Persons	115	163	139
	Ratio of male	%	50.0	48.5	49.5
	Female	Persons	115	173	142
	Ratio of female	%	50.0	51.5	50.5
By age	Under 30	Persons	161	279	215
	Ratio of under 30	%	70.0	83.0	76.5
	30 ~ 50	Persons	67	52	63
	Ratio of 30 ~ 50	%	29.1	15.5	22.4
	Over 50	Persons	2	5	3
	Ratio of over 50	%	0.9	1.5	1.1

Turnover and Retirement

Category			Unit	2023	2024	2025
Turnover[1]	Total number of turnovers		Persons	119	135	138
	Total turnover rate		%	10.7	10.4	10.0
	By gender	Male	Persons	68	77	63
		Ratio of male	%	57.1	57.0	45.7
		Female	Persons	51	58	75
		Ratio of female	%	42.9	43.0	54.3
	By age	Under 30	Persons	68	76	106
		Ratio of under 30	%	57.1	56.3	76.8
		30 ~ 50	Persons	48	54	29
		Ratio of 30 ~ 50	%	40.3	40.0	21.0
		Over 50	Persons	3	5	3
		Ratio of over 50	%	2.5	3.7	2.2

Category			Unit	2023	2024	2025
Voluntary turnover[2]	Total number of voluntary turnovers		Persons	111	113	118
	Total voluntary turnover rate among total retirees		%	93.3	83.7	85.5
	Total voluntary turnover rate among total employees		%	10.0	8.7	8.5
	By gender	Male	Persons	62	68	60
		Ratio of male	%	55.9	60.2	50.8
		Female	Persons	49	45	58
		Ratio of female	%	44.1	39.8	49.2
	By age	Under 30	Persons	65	61	87
		Ratio of under 30	%	58.6	54.0	73.7
		30 ~ 50	Persons	43	48	29
		Ratio of 30 ~ 50	%	38.7	42.5	24.6
		Over 50	Persons	3	4	2
		Ratio of over 50	%	2.7	3.5	1.7

1) Includes all employee separations, excluding interns who left after conversion to regular employment.
2) Excludes expirations, intercompany transfers, and deaths.

Diversity and Inclusion

Category			Unit	2023	2024	2025
Female leadership	Ratio of female executives among total executives		%	5.7	9.1	16.7
	Ratio of female executives among female employees		%	0.4	0.5	1.0
	Ratio of female among management positions1)		%	28.9	31.3	35.0
Gender pay gap	By gender	Male	KRWmillion	5.6	6.4	6.8
		Female	KRWmillion	4.3	5.0	5.5
	Gender pay gap	Male-to-Female pay difference	KRWmillion	1.3	1.4	1.4
Employees with disabilities[2]	Number of employees with disabilities		Persons	17	16	26
	Ratio of employees with disabilities		%	1.5	1.2	1.9
National Veterans	Number of national veterans		Persons	3	3	3
	Ratio of national veterans		%	0.3	0.2	0.2

1) Ratio of female among team leaders
2) The 2023 and 2024 figures have been revised based on the number of employees with disabilities reported in the Employment Levy Report, which reflects the severity of disabilities.

Social

Parental Leave and Maternity Leave

Category		Unit	2023	2024	2025
Number of employees entitled to parental leave	Total	Persons	32	45	53
	Male	Persons	18	24	41
	Female	Persons	14	21	12
Number of employees on parental leave[1]	Total	Persons	10	26	34
	Ratio of total	%	31.3	57.8	64.2
	Male	Persons	0	11	27
	Ratio of male	%	0.0	45.8	65.9
	Female	Persons	10	15	7
	Ratio of female	%	71.4	71.4	58.3
Number of employees who have worked for at least 12 months after parental leave	Total	Persons	9	17	28
	Male	Persons	0	1	12
	Female	Persons	9	16	16
Maternity leave	Number of employees who reduce working hours during a childcare period	Persons	1	1	3
	Number of employees on paternity leave	Persons	19	23	43

1) Number of employees who took parental leave during the reporting year

Retirement Pension System

Category		Unit	2023	2024	2025
Defined Benefit Pension Plan	Number of participants	Persons	1,119	1,310	1,386
	Assets under management	KRW million	53,328	66,099	80,706
	Present value of defined benefit obligations	KRW million	46,898	57,228	69,736
	Fair value of externally managed assets	KRW million	53,397	66,160	80,745

Employee Performance Evaluation and Career Development Assessment

Category		Unit	2023	2024	2025
Total number of employees subject to performance evaluation and career development assessment		Persons	1,110	1,304	1,384
Total number of employees applied with performance evaluation and career development assessment[1]		Persons	1,054	1,137	1,314
Ratio of employees applied with performance evaluation and career development assessment		%	95.0	87.2	94.9
By gender	Male	Persons	611	660	730
	Ratio of male	%	58.0	58.0	55.6
	Female	Persons	443	477	584
	Ratio of female	%	42.0	42.0	44.4
By position	Executives	Persons	32	32	36
	Ratio of Executives[2]	%	91.4	97.0	100.0
	Directors	Persons	42	58	53
	Ratio of Directors[2]	%	100.0	95.1	98.1
	Assistant directors/Managers	Persons	305	323	384
	Ratio of Assistant directors/Managers[2]	%	100.0	100.0	99.5
	Assistant managers/Staff	Persons	675	724	839
	Ratio of Assistant managers/Staff[2]	%	92.7	81.6	92.4

1) All employees are subject to PMS evaluation excluding those with less than 3 months of employment and interns
2) The 2023 and 2024 figures have been revised due to changes in the calculation methodology

Employee Wages

Category		Unit	2023	2024	2025
Average salary[1]		KRW million	3.9	4.1	4.1
By gender[2]	Male	KRW million	4.2	4.3	4.3
	Female	KRW million	3.6	3.7	3.8
	Ratio of female average salary among male average salary	%	85.4	85.5	88.1
Minimum wage[2]	Male wages compared to minimum wage	%	188.7	189.6	202.7
	Female wages compared to minimum wage	%	188.7	189.6	202.7
Annual total compensation ratio	Amount of the highest compensation	KRW million	1,420.8	2,006.6	2,384.5
	Annual total amount of compensation (median) for all employees	KRW million	55.7	68.3	73.6
	Ratio of total annual compensation of all employees to the highest compensation (median)	Folds	25.5	29.4	32.4

1) 2023 Average Salary: Calculated based on the average base salary of all employee groups, excluding executives and interns.
2024–2025 Average Salary: Calculated by dividing the total actual annual compensation paid to individual employees by the number of employees, including base salary, competency-based pay, and performance-based pay adjustments.
2) Calculated on a monthly basis.

Social

Employee Education and Training

Category			Unit	2023	2024	2025
Total education and training hours			Hours	32,453	40,791	41,526
Total education and training hours per employee			Hours/Persons	29.2	31.3	30.0
Education and training hours per employee	By gender	Male	Hours/Persons	28.3	26.2	23.3
		Female	Hours/Persons	31.1	37.3	38.4
	By position	Executive	Hours/Persons	80.2	25.3	30.5
		Director	Hours/Persons	34.6	30.1	52.0
		Assistant director/ Manager	Hours/Persons	30.6	32.2	25.1
		Assistant manager/ Staff	Hours/Persons	25.9	31.3	30.3
Total training costs			KRW million	307.9	364.5	440.2
Total training cost per employee			KRW million/Persons	0.3	0.3	0.3
Training cost per employee	By gender	Male	KRW million/Persons	23.3	23.8	41.4
		Female	KRW million/Persons	34.4	32.9	42.4
	By position	Executive	KRW million/Persons	89.6	82.5	54.9
		Director	KRW million/Persons	40.2	41.5	111.9
		Assistant director/ Manager	KRW million/Persons	23.9	26.0	29.2
		Assistant manager/ Staff	KRW million/Persons	25.4	26.4	26.5
Human rights (diversity) education[1]	Total education hours		Hours	3,330	3,885	4,083
	Total number of employees subject to human rights education		Persons	1,110	1,295	1,361
	Total number of employees who completed human rights education		Persons	1,110	1,295	1,361
	Completion rate on human rights education		%	100.0	100.0	100.0
	Total number of security personnel[2] who completed human rights policies and procedures		Persons	15	16	16
	Ratio of security personnel[2] who completed human rights policies and procedures		%	100.0	100.0	100.0

Category		Unit	2023	2024	2025
Occupational health and safety education	Total education hours	Hours	20,388	22,620	24,616
	Total education hours per employee	Hours/ Persons	19.1	18.1	18.1
	Total number of employees subject to occupational health and safety education[3]	Persons	1,066	1,249	1,358
	Total number of employees who completed occupational health and safety education	Persons	1,066	1,249	1,358
	Completion rate on occupational health and safety education	%	100.0	100.0	100.0
Technical Training	Total number of employees subject to technical training	Persons	272	347	474
	Total number of employees who completed technical training	Persons	72	103	129
	Completion rate on technical training	%	26.5	29.7	27.2

1) Workplace Disability Awareness Improvement Education, Sexual Harassment Prevention Education, Workplace Bullying Education
2) Security company employees at each business site (Sejong Site, Bucheon Site, and R&D Complex), with confirmation of mandatory human rights education when selecting security companies for each business site.
3) Includes participants in regular health and safety education, management supervisor training, and occupational safety and health training for new employees.

Occupational Health and Safety Management System

Category		Unit	2023	2024	2025
Occupational health and safety system[1]	Total number of employees applied with occupational health and safety system	Persons	1,066	1,249	1,384
	Ratio of employees applied with occupational health and safety system	%	100.0	100.0	100.0
Occupational health and safety management system (ISO 45001)[2]	Number of business sites subject to acquisition	Sites	5	5	5
	Number of business sites that acquired the certification	Sites	3	3	3
	Ratio of business sites that acquired the certification	%	60.0	60.0	60.0
Safety risk assessment	Number of business sites subject to conduct safety risk assessment	Sites	3	3	3
	Number of business sites that conducted safety risk assessment	Sites	3	3	3
	Ratio of business sites that conducted safety risk assessment	%	100.0	100.0	100.0

1) Ratio of employees subject to domestic laws such as the Occupational Safety and Health Act and the Serious Accident Punishment Act
2) Employees/partner companies at business sites without Occupational Health and Safety Management System (ISO 45001) certification are applied and managed under an internal audit-based occupational health and safety management system

Social

Employee Occupational Accident/Incident

Category		Unit	2023	2024	2025
Total accidents/incidents	Total number of accidents/incidents	Cases	3	1	6
	Total number of casualties	Persons	3	1	6
	Number of fatalities	Persons	0	0	0
	Fatality rate	%	0.0	0.0	0.0
	Number of injuries	Persons	3	1	6
	Injury rate	%	0.3	0.1	0.4
Occupational accidents	Number of occupational accidents	Persons	3	1	6
	Occupational accident rate[1]	%	0.3	0.1	0.4
	Occupational injury frequency rate	Cases per 1 million working hours	1.4	0.4	2.2
Serious accidents	Number of serious accidents	Cases	0	0	0
	Serious accident rate	%	0.0	0.0	0.0
Lost Time Injury Frequency Rate (LTIFR)	Number of lost time injuries	Cases	3	1	6
	Lost Time Injury Frequency Rate (LTIFR)	Cases per 1 million working hours	1.2	0.3	2.2
Occupational Illness Frequency Rate (OIFR)	Number of occupational Illness	Cases	0	0	0
	Occupational Illness Frequency Rate (OIFR)	Cases per 1 million working hours	0.0	0.0	0.0
Total Recordable Injury Frequency Rate (TRIFR)	Number of total recordable injuries	Cases	3	1	6
	Total Recordable Injury Frequency Rate (TRIFR)	Cases per 1 million working hours	1.2	0.3	2.2
Near misses	Number of near misses	Cases	0	0	0
	Near miss Frequency Rate (NMFR)	Cases per 1 million working hours	0.0	0.0	0.0

1) Occupational accident rate: (Number of occupational accidents/total number of employees) * 100

Human Rights Management

Category	Unit	2023	2024	2025
Number of sites assessed for human rights impacts or risks	Sites	0	0	1
Number of child labor or forced labor incidents	Cases	0	0	0

Social Contribution Activities

Category		Unit	2023	2024	2025
Total number of beneficiaries of social contribution activities		Persons	1,676	1,556	1,515
Total amount of donations		KRW 100 million	8.6	5.2	12.4
Local community participation	Number of business sites participating in local communities	Sites	3	3	3
	Ratio of business sites participating in local communities	%	60.0	60.0	60.0
Employee volunteer activities	Total hours of voluntary activities	Hours	1,222.0	1,458.0	1,032.5
	Total hours of voluntary activities per employee	Hours	1.1	1.1	0.7

Quality and Safety Management System

Category		Unit	2023	2024	2025
Product/Service Safety Regulatory Compliance	Total number of voluntary regulation violations	Cases	0	0	0
	Total number of regulatory violations	Cases	0	0	0
	Number of fines or penalties	Cases	0	0	0
	Number of warnings	Cases	0	0	0

Client Privacy Protection

Category	Unit	2023	2024	2025
Number of client privacy violations	Cases	0	0	0
Total amount of fines due to client privacy violations	KRW million	0	0	0
Number of complaints with proven client privacy violations (regulatory authorities)	Cases	0	0	0
Number of complaints with proven client privacy violations (external parties)	Cases	0	0	0
Number of client privacy complaints handled	Cases	0	0	0
Number of information security incidents	Cases	0	0	0

* Client privacy: Clients' raw material mixing technology (recipe) data, etc.

Social

Partner Companies

Category		Unit	2023	2024	2025
Number of partner companies	Total number of partner companies[2]	Companies	976	960	1,115
	Raw materials	Companies	328	320	338
	Packaging materials	Companies	648	640	704
Number of new partner companies		Companies	-[4]	115	129
Procurement costs	Total procurement costs	KRW 100 million	5,924.0	5,727.0	6,499.4
	Raw materials	KRW 100 million	2,853.0	2,768.0	3,049.3
	Packaging materials	KRW 100 million	3,071.0	2,959.0	3,450.1
RSPO certification	Total number of palm oil products	Products	503	529	492
	Number of RSPO-certified products	Products	261	266	332
	Ratio of RSPO-certified products[3]	%	51.9	50.3	67.5
Total supplier procurement costs		KRW 100 million	5,924.0	5,727.0	6,499.4
Fair Trade Agreement	Number of partner companies that have signed Fair Trade Agreement	Companies	10	10	13
	Ratio of partner companies that have signed Fair Trade Agreement	%	1.0	1.0	1.2
Code of Conduct Compliance Pledge[1]	Number of partner companies subject to sign the Code of Conduct Compliance Pledge	Companies	976	960	1,115
	Number of partner companies that have signed the Code of Conduct Compliance Pledge	Companies	849	863	1,056
	Ratio of partner companies that have signed the Code of Conduct Compliance Pledge	%	87.0	89.9	94.7
Partner company ESG evaluation	Number of partner companies subject to partner company ESG evaluation	Companies	976	960	1,115
	Number of partner companies that conducted partner company ESG evaluation	Companies	812	830	898
	Ratio of partner companies that conducted partner company ESG evaluation	%	83.2	86.5	80.5
	Number of partner companies that conducted partner company on-site audit	Companies	0	15	6
	Ratio of partner companies that conducted partner company on-site audit	%	0.0	1.6	0.5
Social impact assessment	Number of new partner companies that conducted social impact assessment	Companies	812	830	898

1) Since the digital transformation of the partner company management system in 2023, a Code of Conduct Compliance Pledge has been mandatory for all new and renewed partner company contracts.
2) Companies supplying both raw materials and packaging materials are counted only once.
3) The 2023 and 2024 figures have been revised due to changes in the calculation methodology for the RSPO-certified palm oil procurement rate.
4) Following the implementation of the new SAP ERP and SRM systems and the restructuring of the data management framework in 2023, the relevant quantitative performance indicators have been collected and disclosed from 2024 onward.

Supporting Partner Companies

Category		Unit	2023	2024	2025
Total amount of educational support		KRW 10,000	3,000	3,000	2,000
ESG education	Number of partner companies that conducted ESG education	Companies	30	29	105
	Ratio of partner companies that conducted ESG education	%	3.1	3.0	9.4
Financial support	Number of partner companies that received support	Companies	10	10	13
	Total amount of financial support	KRW 10,000	-[1]	5,338.0	3,297.0

1) Following the implementation of the new SAP ERP and SRM systems and the restructuring of the data management framework in 2023, the relevant quantitative performance indicators have been collected and disclosed from 2024 onward.

Sustainable Procurement of Partner Companies

Category	Unit	2023	2024	2025
Ratio of procurement personnel who received sustainable procurement-related training	%	2.7	2.7	23.2
Ratio of partner companies with contracts based on clauses regarding environmental, labor, human rights and ethics requirements	%	87.0	89.9	94.7

Occupational Health and Safety System of Partner Companies

Category	Unit	2023	2024	2025
Number of partner companies applied with occupational health and safety system	Companies	9	12	12
Ratio of partner companies applied with occupational health and safety system	%	100.0	100.0	100.0

* In-house partner companies at Sejong/Bucheon Site

Health and Safety Education of Partner Companies

Category	Unit	2023	2024	2025
Number of employees subject to partner company health and safety education	Persons	697	854	1,120
Number of employees who participated in partner company health and safety education	Persons	697	854	1,120
Ratio of employees who participated in partner company health and safety education	%	100.0	100.0	100.0

* In-house partner companies at Sejong/Bucheon Site

Occupational Accidents/Incidents of Partner Companies

Category		Unit	2023	2024	2025
Fatal accidents	Number of accidents	Cases	0	0	0
	Number of fatalities	Persons	0	0	0
	Fatality rate	%	0.0	0.0	0.0
Occupational accidents[1]	Number of occupational accidents	Persons	4	4	17
	Occupational accident rate	%	0.5	0.5	1.5
Serious accidents	Number of serious accidents	Cases	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	Number of lost time injuries	Cases	4	4	17
	Lost Time Injury Frequency Rate (LTIFR)	Cases per 1 million working hours	2.6	2.3	7.5

* In-house partner companies at Sejong/Bucheon Site
1) Occupational accident rate: (Number of occupational accidents/total number of employees) * 100

Governance

Board Compositions

Category		Unit	2023	2024	2025
Total number of directors		Persons	7	7	7
By type	Number of inside directors	Persons	4	4	4
	Ratio of inside directors	%	57.1	57.1	57.1
	Number of independent directors	Persons	3	3	3
	Ratio of independent directors	%	42.9	42.9	42.9
	Number of independent directors appointed by shareholder recommendation	Persons	0	0	0
	Number of non-executive directors	Persons	0	0	0
	Ratio of non-executive directors	%	0.0	0.0	0.0
By gender	Male	Persons	6	6	6
	Ratio of male	%	85.7	85.7	85.7
	Female	Persons	1	1	1
	Ratio of female	%	14.3	14.3	14.3
By age	Under 30	Persons	0	0	0
	Ratio of under 30	%	0.0	0.0	0.0
	30 ~ 50	Persons	4	2	1
	Ratio of 30 ~ 50	%	57.1	28.6	14.3
	Over 50	Persons	3	5	6
	Ratio of over 50	%	42.9	71.4	85.7
Board efficiency	Average number of concurrent positions of directors	Positions	1.4	1.4	1.6
	Number of the BoD evaluations conducted	Times	1	2	1
Board expertise	Number of directors with industry expertise	Persons	4	4	4
	Ratio of directors with industry expertise	%	57.1	57.1	57.1
	Number of independent director trainings conducted	Times	2	2	3

Board Operations

Category		Unit	2023	2024	2025
Average tenure of directors		Months	45	57	65
Number of the Board meetings held		Times	9	9	7
Attendance rate of directors	Total average attendance rate	%	95.0	98.4	98.1
	Inside directors	%	100.0	100.0	100
	Independent directors	%	87.0	96.3	95.8
	Non-executive directors	%	0	0	0

Category			Unit	2023	2024	2025
Board agendas	Total number of agendas		Cases	34	35	26
	Number of deliberations	Total	Cases	29	29	18
		Approved	Cases	29	29	18
		Rejected	Cases	0	0	0
		Tabled	Cases	0	0	0
	Number of reports		Cases	5	6	8
	Total number of agendas with dissenting opinions presented by independent directors		Cases	0	0	0
	ESG agendas	Number of deliberations on ESG agendas	Cases	0	0	0
		Number of reports on ESG agendas	Cases	2	2	1
		Number of reports on climate change-related agendas	Cases	1	1	0
		Number of reports on health and safety agendas	Cases	1	1	1

Independent Director Nomination Committee

Category	Unit	2023	2024	2025
Number of members in Independent Director Nomination Committee	Persons	3	3	3
Number of independent directors in Independent Director Nomination Committee	Persons	2	2	2
Ratio of independent directors in Independent Director Nomination Committee	%	66.7	66.7	66.7
Attendance rate of independent directors in Independent Director Nomination Committee	%	100.0	100.0	100.0
Number of female directors in Independent Director Nomination Committee	Persons	0	0	0
Ratio of female directors in Independent Director Nomination Committee	%	0.0	0.0	0.0
Number of Independent Director Nomination Committee meetings held	Times	2	1	1

ESG Committee

Category	Unit	2023	2024	2025
Number of members in ESG Committee	Persons	3	3	3
Number of independent directors in ESG Committee	Persons	2	2	2
Ratio of independent directors in ESG Committee	%	66.7	66.7	66.7
Attendance rate of independent directors in ESG Committee	%	100.0	100.0	100.0
Number of female directors in ESG Committee	Persons	1	1	1
Ratio of female directors in ESG Committee	%	33.3	33.3	33.3
Number of ESG Committee meetings held	Times	2	1	4

Governance

Board Compensation

Category	Unit	2023	2024	2025
Total compensations	KRW million	2,619	3,313	3,806
Fixed wage[1]	KRW million	27	39	40
Variable wage[2]	KRW million	291	467	669
Retirement benefits[3]	KRW million	681	861	941

1) Average wage of inside and independent directors (including fixed bonuses)
2) Including incentives, stock-based compensation, bonuses, restricted stock or vested stock
3) Converted by reflecting the executive payment ratio of retirement allowance reserve amount for inside directors excluding independent directors

Internal Ethical Management

Category		Unit	2023	2024	2025
Number of internal ethics and compliance inspections		Cases	2	2	2
Number of ethics reports received[1]	Total	Cases	2	11	8
	Corruptions[2]	Cases	0	0	0
	Discriminations[3]	Cases	1	6	4
	Others	Cases	1	5	4
Number of ethics reports handled	Total	Cases	1	9	8
	Dismissal	Cases	0	0	2
	Disciplinary	Cases	1	9	5
	Others	Cases	0	0	1
	Ratio of ethics reports handled	%	50.0	81.8	100.0
Ethics Pledge[4]	Number of employees subjected to sign ethics pledge	Persons	1,011	1,168	1,276
	Number of employees who signed ethics pledge	Persons	911	861	1,002
	Ratio of employee who signed ethics pledge	%	90.1	73.7	78.5
Fair trade education	Total education hours	Hours	106	814	1,254

1) Number of cases received through reception channels: website and Better Kolmar
2) Corruption: Receiving money and gifts from partner companies, illegal use of company assets, document/data manipulation, etc.
3) Discrimination: Sexual harassment, workplace harassment, etc.
4) Ethics pledge is conducted through electronic surveys and targets employees who use Kolmar Korea's intranet (V-GMP)

Anti-Bribery Assessment (ISO 37001 Certification)

Category		Unit	2023	2024	2025
Anti Bribery Management System	Number of business sites subject to assessment	Sites	5	5	5
	Number of business sites that acquired the certification	Sites	3	3	3
	Ratio of business sites that acquired the certification	%	60.0	60.0	60.0
	Number of confirmed bribery cases	Cases	0	0	0

Notification of Compliance Policies and Procedures

Category	Unit	2023	2024	2025
Total number of employees notified	Persons	1,110	1,304	1,384
Ratio of employees notified	%	100.0	100.0	100.0
Total number of directors notified	Persons	7	7	7
Ratio of directors notified	%	100.0	100.0	100

Violations of Laws and Regulations

Category	Unit	2023	2024	2025
Total number of violations of laws and regulations	Cases	0	0	0
Number of fines issued	Cases	0	0	0
Total number of fines	KRW million	0	0	0
Number of violations of law and regulations resulting in non-monetary sanctions	Cases	0	0	0

* Disclosed based on Section 3. Materials related to sanctions, etc. in the current year's Business Report

Information Security Incidents

Category	Unit	2023	2024	2025
Number of information security incidents	Cases	0	0	0
Number of information security incident responses	Cases	0	0	0

Kolmar Korea_Subsidiary Consolidated ESG Data (Environmental)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.
❖ Kolmar Korea's environmental data has been changed and increased from previously disclosed data due to reasons such as organizational boundary changes and inclusion of overseas business site data.

Greenhouse Gas Management

Category		Unit	Kolmar Korea			HK inno.N[4]			Yonwoo[4]		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Total GHG emissions (Scope 1, 2)		tCO_2eq	17,459.5	18,973.5	20,844.5	35,387.0	36,535.0	40,912.0	16,499.0	15,960.0	13,693.0
GHG emissions intensity[1]		tCO_2eq/ KRW billion	15.9	14.3	14.3	42.7	40.7	38.5	72.4	61.0	57.1
Scope 1	Total emissions	tCO_2eq	3,578.0	3,618.8	4,014.5	11,637.0	12,386.0	12,810.0	507.6	463.1	405.8
Scope 2	Total emissions (location-based)[2]	tCO_2eq	13,881.5	15,354.8	16,830.0	23,750.0	24,149.0[3]	28,102.0	15,992.9	15,500.2	13,288.2

1) For Kolmar Korea, the figures are calculated based on revenue including overseas operations.
2) For HK inno.N, the figures are calculated using the market-based method.
3) The data have been revised to reflect HK inno.N's latest publicly disclosed information.
4) For HK inno.N and Yonwoo, totals may not equal the sum of individual categories due to rounding.

Energy Management

Category			Unit	Kolmar Korea			HK inno.N[3]			Yonwoo[3]		
				2023	2024	2025	2023	2024	2025	2023	2024	2025
Total energy consumption			TJ	309.9	334.8	368.9	720.7	746.1	849.5	339.0	328.0	283.0
Energy intensity[1]			TJ/ KRW billion	0.3	0.3	0.3	0.9	0.8	0.8	1.5	1.3	1.2
Primary energy	Fuel	Total	TJ	10.6	9.6	10.2	26.0	24.0	21.0	6.3	5.6	4.8
		Gasoline	TJ	1.6	1.4	1.8	0	0	0	1.9	2.1	2.0
		Diesel	TJ	3.9	3.8	4.0	0	0	0	4.4	3.5	2.8
		Kerosene	TJ	0.9	0.6	0.3	26.3	24.4	21.0	-	0.008	0
		HI-SENE	TJ	4.2	3.9	4.2	0	0	0	0	0	0
	LNG		TJ	54.0	55.5	62.0	194.2	211.6	210.6	1.1	1.2	1.2
	LPG		TJ	1.8	2.3	2.7	0	0.4	10.3	0.3	0.3	0.2
Secondary energy	Electricity		TJ	225.2	248.3	273.9	498.0	506.6	584.9	334.2	323.9	277.7
	Steam		TJ	17.2	18.0	18.7	0	0	13.0	0	0	0
Renewable energy[2]	Self-generation	Solar power	TJ	1.1	1.1	1.4	2.2	3.1	9.8	0	0	0

1) For Kolmar Korea, the figures are calculated based on revenue including overseas operations.
2) For HK inno.N, renewable energy consumption = self-generated renewable energy + purchased renewable energy.
3) For HK inno.N and Yonwoo, totals may not equal the sum of individual categories due to rounding.

Kolmar Korea_Subsidiary Consolidated ESG Data (Environmental)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.
❖ Kolmar Korea's environmental data has been changed and increased from previously disclosed data due to reasons such as organizational boundary changes and inclusion of overseas business site data.

Water Resource Management

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Water withdrawal	Total water withdrawal	ton	275,455.9	291,057.7	307,099.9	567,274.0	543,842.0	540,349.0	61,368.0	83,393.0	63,619.0
	Municipal water	ton	275,455.9	291,057.7	307,099.9	531,120.0	506,204.0	482,591.0	61,368.0	83,393.0	63,619.0
	Surface water	ton	0	0	0	0	0	0	0	0	0
	Underground water	ton	0	0	0	36,154.0	37,638.0	28,829.0	0	0	0
	Seawater	ton	0	0	0	0	0	0	0	0	0
	Others (Industrial Water)	ton	0	0	0	0	0	28,929.0	0	0	0
Water withdrawal intensity[1]		ton/KRW billion	247.1	219.8	211.0	684.4	606.2	508.3	269.3	318.8	265.1
Total water consumption[2]		ton	304,285.9	309,151.7	340,951.9	182,572.0	178,424.0	244,524.0	61,368.0	83,393.0	63,619.0
Water consumption intensity[1]		ton/KRW billion	273.0	233.4	234.3	220.3	198.9	230.0	269.3	318.8	265.1
Total water recycling		ton	28,830.0	18,094.0	33,852.0	33,327.0	51,733.0	45,210.0	0	0	0
Water recycling rate[3]		%	9.5	5.9	9.9	5.5	8.7	7.7	0.0	0.0	0.0

1) For Kolmar Korea, the figures are calculated based on revenue including overseas operations.
2) For HK inno.N, total water consumption is calculated as total water withdrawal minus wastewater discharge.
3) For HK inno.N, the water reuse rate is calculated as: Water Reuse Rate = Water Reuse / (Water Withdrawal + Water Reuse) × 100.

Waste Management

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Total waste generated		ton	1,503.7	1,892.4	2,225.3	1,416.1	1,258.7	1,343.0	839.0	867.2	660.8
Total waste treatment		ton	1,498.6	1,872.5	2,204.0	1,416.1	1,258.7	1,343.0	839.0	867.2	660.8
Total waste storage		ton	5.1	19.9	21.3	0	0	0	0	0	0
Waste intensity[1]		ton/KRW billion	1.8	1.8	1.9	1.7	1.4	1.3	3.7	3.3	2.8
General waste	Total treatment	ton	1,470.9	1,841.5	2,164.8	699.9	783.8	826.6	580.0	564.7	440.1
	Incineration	ton	199.2	228.1	268.4	203.2	213.6	291.1	0	0	0
	Landfill	ton	24.0	10.1	19.1	0	0	0.2	0	0	0
	Recycling	ton	1,247.8	1,603.3	1,877.4	491.0	566.2	535.3	580.0	564.7	440.1
	Others	ton	0	0	0	5.8	4.0	0	0	0	0
	Storage	ton	4.7	19.6	21.3	0	0	0	0	0	0
Designated waste	Total treatment	ton	27.7	30.9	39.2	716.2	475.0	516.4	259.0	302.6	220.6
	Incineration	ton	18.0	18.0	24.7	61.7	63.5	56.5	104.0	274.8	220.6
	Landfill	ton	0	0	0	0	0	0.2	0	0	0
	Recycling	ton	0	1.9	0	654.5	411.5	458.1	155.0	27.7	0
	Others	ton	0	0	0	0	0	1.7	0	0	0
	Storage	ton	0.4	0.3	0	0	0	0	0	0	0
Total waste recycling		ton	1,247.8	1,605.2	1,877.4	1,145.4	977.7	993.4	735.0	592.4	440.1
Total waste recycling rate		%	83.0	84.8	84.4	80.9	77.7	74.0	87.6	68.3	66.6

1) Calculated based on standalone revenue

Kolmar Korea_Subsidiary Consolidated ESG Data (Environmental)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.
❖ Kolmar Korea's environmental data has been changed and increased from previously disclosed data due to reasons such as organizational boundary changes and inclusion of overseas business site data.

Environmental Management System

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Number of business sites subject to acquire the Environmental Management System (ISO 14001) certification	Sites	5	5	5	4	4	3	3	2	2
Number of business sites that acquired the Environmental Management System (ISO 14001) certification	Sites	3	3	3	3	3	3	2	2	2
Ratio of business sites that acquired the Environmental Management System (ISO 14001) certification	%	60.0	60.0	60.0	75.0	75.0	100.0	66.7	100.0	100.0

Environmental Training

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Total environmental training hours	Hours	3,298	3,345	2,732.5	9,997.0	7,927	8,031.0	-	56.0	18.0
Number of employees participated in the environmental training	Persons	972	1,156	3,857	1,709	1,721	750	1	1	1

Violation of Environmental Regulations

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Total violation of environmental regulations	Cases	0	0	0	0	0	0	0	0	0
Fines due to violation of environmental regulations	KRW million	0	0	0	0	0	0	0	0	0
Non-monetary sanctions due to violation of environmental regulations	Cases	0	0	0	0	0	0	0	0	0

Kolmar Korea_Subsidiary Consolidated ESG Data (Social)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.

Domestic Employee Composition

Category			Unit	Kolmar Korea			HK inno.N			Yonwoo		
				2023	2024	2025	2023	2024	2025	2023	2024	2025
Total number of employees			Persons	1,110	1,304	1,384	1,709	1,721	1,723	1,319	1,295	1,185
By employment type	Full-time (regular)	Total	Persons	1,105	1,219	1,346	1,669	1,694	1,693	1,261	1,244	1,156
		Male	Persons	640	695	759	1,227	1,251	1,263	485	489	465
		Female	Persons	465	524	587	442	443	430	776	755	691
	Part-time (non-regular)	Total	Persons	5	85	38	40	27	30	58	51	29
		Male	Persons	3	29	17	10	10	11	25	21	12
		Female	Persons	2	56	21	30	17	19	33	30	17
By gender	Male		Persons	643	724	776	1,237	1,261	1,274	510	510	477
	Ratio of male		%	57.9	55.5	56.1	72.4	73.3	73.9	38.7	39.4	40.3
	Female		Persons	467	580	608	472	460	449	809	785	708
	Ratio of female		%	42.1	44.5	43.9	27.6	26.7	26.1	61.3	60.6	60.0
By age	Under 30		Persons	402	515	508	494	437	364	111	123	113
	Ratio of under 30		%	36.2	39.5	36.7	28.9	25.4	21.1	8.4	9.5	9.5
	30 ~ 50[1)]		Persons	679	751	830	1,079	1,128	1,180	773	724	638
	Ratio of 30 ~ 50		%	61.2	57.6	60.0	63.1	65.5	68.5	58.6	55.9	54.0
	Over 50		Persons	29	38	46	136	156	179	435	448	434
	Ratio of over 50		%	2.6	2.9	3.3	8.0	9.1	10.4	33.0	34.6	36.6
By position	Executive	Total	Persons	35	33	36	19	18	20	6	9	7
		Male	Persons	33	30	30	17	16	18	6	9	7
		Female	Persons	2	3	6	2	2	2	0	0	0
	Directors	Total	Persons	42	61	54	54	54	59	8	12	16
		Male	Persons	34	50	40	37	38	42	8	12	16
		Female	Persons	8	11	14	17	16	17	0	0	0
	Assistant directors/Managers	Total	Persons	305	323	386	442	471	491	161	166	168
		Male	Persons	208	212	249	359	385	397	145	147	146
		Female	Persons	97	111	137	83	86	94	16	19	22
	Assistant manager/Staff	Total	Persons	728	887	908	1,194	1,178	1,153	1,144	1,108	994
		Male	Persons	369	432	457	824	822	817	351	342	308
		Female	Persons	359	455	451	370	356	336	793	766	686
Average tenure	Total		Years	5.5	5.9	7.3	8.3	8.6	9.0	7.4	7.6	8.9
	Male		Years	6.7	7.1	5.0	8.9	9.2[2)]	9.5	6.3	6.4	7.4
	Female		Years	4.3	4.4	6.3	6.7	7.1	7.7	8.5	8.8	9.9

1) For HK inno.N, the age group is defined as employees aged 30 or older and under 50.
2) The data have been revised to reflect HK inno.N's latest publicly disclosed information.

Kolmar Korea_Subsidiary Consolidated ESG Data (Social)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.

New Hires

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Total number of new hires		Persons	230	336	281	235	209	188	338	243	63
Total new hire rate		%	20.7	25.8	20.3	13.8	12.1	10.9	25.6	18.8	5.0
By gender	Male	Persons	115	163	139	168	151	136	188	123	40
	Ratio of male	%	50.0	48.5	49.5	71.5	72.2	72.3	55.6	50.6	63
	Female	Persons	115	173	142	67	58	52	150	120	23
	Ratio of female	%	50.0	51.5	50.5	28.5	27.8	27.7	44.4	49.4	36.5
By age	Under 30	Persons	161	279	215	149	133	113	86	79	28
	Ratio of under 30	%	70.0	83.0	76.5	63.4	63.6	60.1	25.4	32.5	44.4
	30 ~ 50[1)]	Persons	67	52	63	78	75	73	236	153	34
	Ratio of 30 ~ 50	%	29.1	15.5	22.4	33.2	35.9	38.8	69.8	63.0	54.0
	Over 50	Persons	2	5	3	8	1	2	16	11	1
	Ratio of over 50	%	0.9	1.5	1.1	3.4	0.5	1.1	4.7	4.5	1.6

1) For HK inno.N, data has been calculated for ages 30 and above but under 50

Turnover and Retirement

Category			Unit	Kolmar Korea			HK inno.N			Yonwoo		
				2023	2024	2025	2023	2024	2025	2023	2024	2025
Turnover[1)]	Total number of turnovers		Persons	119	135	138	239	194	186	338	166	165
	Total turnover rate		%	10.7	10.4	10.0	14.0	11.3	10.8	25.6	12.8	13.9
	By gender	Male	Persons	68	77	63	162	125	122	177	55	69
		Ratio of male	%	57.1	57.0	45.7	67.8	64.4	65.6	52.4	33.1	41.8
		Female	Persons	51	58	75	77	69	64	161	111	96
		Ratio of female	%	42.9	43.0	54.3	32.2	35.6	34.4	47.6	66.9	58.2
	By age	Under 30	Persons	68	76	106	99	80	64	46	5	13
		Ratio of under 30	%	57.1	56.3	76.8	41.4	41.2	34.4	13.6	3.0	7.9
		30 ~ 50[1)]	Persons	48	54	29	126	102	107	238	99	92
		Ratio of 30 ~ 50	%	40.3	40.0	21	52.7	52.6	57.5	70.4	59.6	55.8
		Over 50	Persons	3	5	3	14	12	15	54	62	60
		Ratio of over 50	%	2.5	3.7	2.2	5.9	6.2	8.1	16.0	37.3	36.4
Voluntary turnover	Total number of voluntary turnovers		Persons	111	113	118	217	184	169	302	157	121
	Total voluntary turnover rate among total retirees[2)]		%	93.3	83.7	85.5	12.7	10.7	9.8	89.3	94.6	73.3

1) For HK inno.N, data has been calculated for ages 30 and above but under 50
2) For HK inno.N, data has been calculated as the number of voluntary resignations among total employees

Kolmar Korea_Subsidiary Consolidated ESG Data (Social)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.

Parental Leave and Maternity Leave

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Number of employees entitled to parental leave[1]	Total	Persons	32	45	53	43	63	73	22	18	22
	Male	Persons	18	24	41	31	54	49	12	10	13
	Female	Persons	14	21	12	12	9	24	10	8	9
Number of employees on parental leave[2]	Total	Persons	10	26	34	24	61	87	22	18	19
	Male	Persons	0	11	27	7	42	56	12	10	10
	Female	Persons	10	15	7	17	19	31	10	8	9
Ratio of employees on parental leave[3]	Total	%	31.3	57.8	64.2	18.6	68.3	82.2	100.0	100.0	86.4
	Male	%	0.0	45.8	65.9	0.0	66.7	81.6	100.0	100.0	76.9
	Female	%	71.4	71.4	58.3	66.7	77.8	83.3	100.0	100.0	100.0
Number of employees who have worked for at least 12 months after parental leave	Total	Persons	9	17	28	16	16	42	11	25	15
	Male	Persons	0	1	12	7	8	29	3	7	10
	Female	Persons	9	16	16	9	8	13	8	18	5
Number of employees who reduced working hours during a childcare period		Persons	1	1	3	1	5	5	5	4	6
Number of employees on paternity leave		Persons	19	23	43	38	59	56	11	16	16

1) Employees who had a child born during the reporting year
2) For HK inno.N, the figure is based on the number of employees who took parental leave during the reporting period, regardless of whether childbirth occurred during the reporting period
3) Employees who took parental leave within one year after childbirth / Employees with a child under one year of age from the date of birth

Employee Occupational Accident/Incident

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Total accidents/incidents	Number of fatalities	Persons	0	0	0	0	0	0	0	0	0
	Fatality rate	%	0	0	0	0	0	0	0	0	0
Serious accident rate		%	0	0	0	0	0	0	0	0	0

Occupational Health and Safety Management System

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Occupational health and safety system[1]	Ratio of employees applied with occupational health and safety system	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Occupational Health and Safety Management System (ISO 45001)	Number of business sites subject to acquisition	Sites	5	5	5	3	3	3	3	2	2
	Number of business sites that acquired the certification	Sites	3	3	3	3	3	3	2	2	2
	Ratio of business sites that acquired the certification	%	60.0	60.0	60.0	100.0	100.0	100.0	66.7	100.0	100.0

1) Ratio of employees subject to domestic laws such as the Occupational Safety and Health Act and the Serious Accident Punishment Act

Kolmar Korea_Subsidiary Consolidated ESG Data (Social)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.

Employee Diversity

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Female leadership	Ratio of female executives among total executives	%	5.7	9.1	16.7	10.5	11.1	10.0	0.0	0.0	0.0
	Ratio of female executives among female employees	%	0.4	0.5	1.0	0.4	0.4	0.4	0.0	0.0	0.0
	Ratio of female among management positions	%	28.9	31.3	35.0	15.6	12.4	11.3	8.1	8.4	8.7
Number of employees with disabilities[1]		Persons	11	10	26	24	23	29	41	40	38
Ratio of employees with disabilities[2]		%	1.6	1.3	1.9	1.4	1.3	1.7	3.1	3.1	3.2

1) Number of personnel specified in the disability employment levy reflecting the severity of disabilities, not the actual number of disabled employees
2) (Number of disabled employees in the relevant year / Total number of employees) * 100

Social Contribution Activities

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Total amount of donations	KRW 100 million	8.6	5.2	12.4	9.9	7.7	17.4	3.7	0.5	1.5

Product/Service Safety Regulatory Compliance

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Number of voluntary regulation violations	Cases	0	0	0	0	0	0	0	0	0
Total number of regulatory violations	Cases	0	0	0	0	0	0	0	0	0

Client Privacy Protection

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Number of privacy violations	Cases	0	0	0	0	0	0	0	0	0
Number of complaints with proven client privacy violations (regulatory authorities)	Cases	0	0	0	0	0	0	0	0	0
Number of complaints with proven client privacy violations (external parties)	Cases	0	0	0	0	0	0	0	0	0

Kolmar Korea_Subsidiary Consolidated ESG Data (Governance)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.

Board of Directors

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Total number of directors		Persons	7	7	7	6	6	6	5	3	3
By type	Number of inside directors	Persons	4	4	4	2	2	2	2	2	2
	Ratio of inside directors	%	57.1	57.1	57.1	33.3	33.3	33.3	40.0	66.7	66.7
	Number of independent directors	Persons	3	3	3	3	3	3	2	0	0
	Ratio of independent directors	%	42.9	42.9	42.9	50.0	50.0	50.0	40.0	0.0	0.0
	Number of non-executive directors	Persons	0	0	0	1	1	1	1	1	1
	Ratio of non-executive directors	%	0.0	0.0	0.0	16.7	16.7	16.7	20.0	33.3	33.3
By gender	Male	Persons	6	6	6	5	5	5	4	3	3
	Ratio of male	%	85.7	85.7	85.7	83.3	83.3	83.3	80.0	100.0	100.0
	Female	Persons	1	1	1	1	1	1	1	0	0
	Ratio of female	%	14.3	14.3	14.3	16.7	16.7	16.7	20.0	0.0	0.0
By age	Under 30	Persons	0	0	0	0	0	0	0	0	0
	Ratio of under 30	%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	30 ~ 50	Persons	4	2	1	2	2	0	3	1	1
	Ratio of 30 ~ 50	%	57.1	28.6	14.3	33.3	33.3	0.0	60.0	33.3	33.3
	Over 50	Persons	3	5	6	4	4	6	2	2	2
	Ratio of over 50	%	42.9	71.4	85.7	66.7	66.7	100.0	40.0	66.7	66.7
Board expertise	Number of directors with industry expertise	Persons	4	4	4	4	4	4	5	3	3
	Ratio of directors with industry expertise	%	57.1	57.1	57.1	66.7	66.7	66.7	100.0	100.0	100.0
	Number of independent director trainings conducted	Times	2	2	3	1	1	2	3	-	-
Board efficiency	Number of the Board evaluations conducted	Times	1	2	1	1	1	1	-	1	1

Kolmar Korea_Subsidiary Consolidated ESG Data (Governance)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.

Independent Director Nomination Committee

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Number of members in Independent Director Nomination Committee	Persons	3	3	3	3	3	3	3	3	3
Number of independent directors in Independent Director Nomination Committee	Persons	2	2	2	3	3	3	2	0	0
Ratio of independent directors in Independent Director Nomination Committee	%	66.7	66.7	66.7	100.0	100.0	100.0	66.7	0.0	0.0
Number of female directors in Independent Director Nomination Committee	Persons	0	0	0	1	1	1	1	0	0
Ratio of female directors in Independent Director Nomination Committee	%	0.0	0.0	0.0	33.3	33.3	33.3	33.3	0.0	0.0
Number of Independent Director Nomination Committee meetings held	Times	2	1	1	1	1	0	0	0	0

Board Operations

Category		Unit	Kolmar Korea			HK inno.N			Yonwoo		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
Average tenure of directors		Months	45	57	65	38	50	62	16.2[1]	27.0	39.0
Number of the Board meetings held		Times	9	9	7	6	7	6	7	9	9
Attendance rate of directors	Total average attendance rate	%	95.0[2]	98.4	98.1	100.0	100.0	100.0	94.3[2]	100.0	100.0
	Inside directors	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Independent directors	%	87.0	96.3	95.8	100.0	100.0	100.0	85.7	-[3]	-
Board agendas	Total number of agendas	Cases	34	35	26	18	16	13	28	27	34
	Total number of agendas with dissenting opinions presented by independent directors	Cases	0	0	0	0	0	0	0	-[3]	-

1) Data has been corrected due to data calculation errors
2) Data has been changed due to calculation method changes
3) Retirement of independent director upon expiration of term

Kolmar Korea_Subsidiary Consolidated ESG Data (Governance)

❖ Consolidated indicators of major domestic corporations including Kolmar Korea, with target corporations by year being KOLMAR KOREA CO., LTD., HK inno.N Corporation, and Yonwoo Co., Ltd.

Anti-Bribery Assessment

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Number of business sites subject to Anti-Bribery assessment	Sites	5	5	6	24	24	21	3	2	2
Number of business sites that conducted Anti-Bribery assessment	Sites	3	3	3	23	23	21	0	0	0
Ratio of business sites that conducted Anti-Bribery assessment	%	60.0	60.0	50.0	95.8	95.8	100.0	0.0	0.0	0.0

Violations of Law and Regulations

Category	Unit	Kolmar Korea			HK inno.N			Yonwoo		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Total number of violations of laws and regulations[1]	Cases	0	0	0	1	0	0	0	0	0

1) Although no separate internal criteria have been established, the figures are calculated using the same criteria applied in the Business Report.

Appendix

GRI Index

Statement of Use	Kolmar Korea reports sustainability management contents during the period from January 1, 2025 to December 31, 2025 in accordance with GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	As of June 2026, when the report is published, there are no applicable GRI Sector Standards. To determine material issues applicable to Household & Personal Products in accordance with the Global Industry Classification Standard, various data were reviewed, material issues were selected, and related performance was reported.

GRI 2 General Disclosures

Topic	No.	Disclosure	Page	Remark
GRI 2: General Standards				
The organizational and its reporting practices	2-1	Organizational details	6, 8	
	2-2	Entities included in the organization's sustainability reporting	2	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	-	Any information revised compared to the previous year is noted in footnotes
	2-5	External assurance	161 – 164	
Activities and workers	2-6	Activities, value chain and other business relationships	9-12	
	2-7	Employees	134	
	2-8	Workers who are not employees	134	
Governance	2-9	Governance structure and composition	48	
	2-10	Nomination and selection of the highest governance body	50, 51	
	2-11	Chair of the highest governance body	22, 48	
	2-12	Role of the highest governance body in overseeing the management of impacts	22	
	2-13	Delegation of responsibility for managing impacts	22	
	2-14	Role of the highest governance body in sustainability reporting	22	
	2-15	Conflicts of interest	50	
	2-16	Communication of critical concerns	48	Current Business Report, p. 370–371, Matters related to the board of directors
	2-17	Collective knowledge of the highest governance body	50	

Topic	No.	Disclosure	Page	Remark
Governance	2-18	Evaluation of the performance of the highest governance body	50	
	2-19	Remuneration policies	51	
	2-20	Process to determine remuneration	51	
	2-21	Annual total compensation ratio	136	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	20, 21	
	2-24	Embedding policy commitments	22, 42-47, 120-123	
	2-25	Processes to remediate negative impacts	46, 101, 122, 123	
	2-26	Mechanisms for seeking advice and raising concerns	101, 123	
	2-27	Compliance with laws and regulations	141	
	2-28	Membership associations	165	
Stakeholder engagement	2-29	Approach to stakeholder engagement	28	
	2-30	Collective bargaining agreement	92	
GRI 3 : Material Topics				
Material Topics	3-1	Process to determine material topics	29	
	3-2	List of material topics	30	

GRI Index

Material Topics

No.	Disclosure	Page	Remark
(Material Topic 1) Occupational Health and Safety			
3-3	Management of material topics	33-41	
403-1	Occupational health and safety management system	33	
403-2	Hazard identification, risk assessment, and incident investigation	36, 39-40	
403-3	Occupational health services	38	
403-4	Employee participation and communication on occupational health and safety	33, 37	
403-5	Training related to occupational health and safety	36	
403-6	Promotion of worker health	38	
403-7	Mitigation of direct health and safety impacts related to Business	39	
403-8	Scope of application of occupational health and safety system	137, 139	
403-9	Work-related injuries	138	
403-10	Work-related illnesses	138	
(Material Topic 2) Sustainable Supply Chain Management			
3-3	Management of material topics	42-47	
308-1	New suppliers that were screened using environmental criteria	43, 46, 139	
308-2	Negative environmental impacts in the supply chain and actions taken	42-44	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	43	
408-1	Operations and suppliers at significant risk for incidents of child labor	43, 138	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	43, 138	
414-1	New suppliers that were screened using social criteria	43, 46, 139	
414-2	Negative social impacts in the supply chain and actions taken	43, 46, 139	

No.	Disclosure	Page	Remark
(Material Topic 3) Balanced Board of Directors			
3-3	Management of material topics	48-53	
405-1	Diversity of governance bodies and employees	135, 140	
(Material Topic 4) Response to Climate Change Risk			
3-3	Management of material topics	54-70	
201-2	Financial implications and other risks and opportunities due to climate change	56-64	
305-1	Direct (Scope 1) GHG emissions	67, 129	
305-2	Energy indirect (Scope 2) GHG emissions	67, 129	
305-3	Other indirect (Scope 3) GHG emissions	67, 129	
305-4	GHG emissions intensity	67, 129	
305-5	Reduction of GHG emissions	70	

GRI Index

Topic Standards

Topic	No.	Disclosure	Page	Remark
Biodiversity	101-2	Management of biodiversity impacts	85 - 87	
	101-4	Identification of biodiversity impacts	85 - 87	
	101-5	Locations with biodiversity impacts	85 - 87	
	101-6	Direct drivers of biodiversity loss	85 - 87	
	101-8	Ecosystem services	85 - 87	
Economic Performance	201-1	Direct economic value generated and distributed	128	
	201-4	Financial assistance received from government	128	
Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	128	
	202-2	Proportion of senior management hired from the local community	128	
Anti-Corruption	205-1	Operations assessed for risks related to corruption	122, 141	
	205-2	Communication and training about anti-corruption policies and procedures	122, 141	
	205-3	Confirmed incidents of corruption and actions taken	141	
Energy	302-1	Energy consumption within the organization	130	
	302-3	Energy intensity	75, 130	
	302-4	Reduction of energy consumption	75	
Water and Effluents	303-2	Management of water discharge-related impacts	76	
	303-3	Water withdrawal	131	
	303-4	Water discharge	131	
	303-5	Water consumption	131	

Topic	No.	Disclosure	Page	Remark
Emissions	305-7	Nitrogen Oxide (NOx), Sulfur Oxide (SOx), and other significant air emissions	132	
Waste	306-2	Management of significant waste-related impacts	80	
	306-3	Waste generated	130, 131	
	306-4	Waste diverted from disposal	130, 131	
	306-5	Waste directed to disposal	130, 131	
Employment	401-1	New hires and employee turnover	135	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	99, 100	
	401-3	Parental leave	136	
Training and Education	404-1	Average hours of training per year per employee	137	
	404-2	Programs for upgrading employee skills and transition assistance programs	97, 98	
		Percentage of employees receiving regular performance and career development reviews	136	
Diversity and Equal Opportunity	405-2	Ratio of basic salary and remuneration of women to men	136	
Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	141	
Security Practices	410-1	Security personnel trained in human rights policies or procedures	137	
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	115 - 118	
Customer Health and Safety	416-1	Assessment of health and safety impacts of product and service categories	108	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	138	
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	138, 141	

KSSB S2 Index

Korea Sustainability Standards Board S2: Climate-related Disclosures

Topics	Metric	Page
Governance	The governance processes, controls, and procedures the entity uses to monitor, manage, and oversee climate-related risks and opportunities	
	1. The governance body(ies) or individual(s) responsible for oversight of climate-related risks and opportunities	54
	2. Management's role in the governance processes, controls, and procedures used to monitor, manage, and oversee climate-related risks and opportunities	55
Strategy	The entity's strategy for managing climate-related risks and opportunities, and the effects of those risks and opportunities on the entity's business model, value chain, strategy and decision-making, financial position, financial performance, and cash flows over the short, medium, and long term	
	1. Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	57
	2. Current and anticipated effects on the business model and value chain	57
	3. Effects on strategy and decision-making, including transition plans	62, 63
	4. Effects of climate-related risks and opportunities on the entity's financial position, financial performance, and cash flows for the reporting period, and the anticipated financial effects over the short, medium, and long term	59, 60, 62, 63
	5. Climate resilience of the entity's strategy and business model to climate-related changes, developments, and uncertainties	64
Risk Management	The processes the entity uses to identify, assess, prioritise, and monitor climate-related risks and opportunities, and the extent to which those processes are integrated into the entity's overall risk management process	
	1. Processes and related policies used to identify, assess, prioritise, and monitor climate-related risks	56
	2. Processes used to identify, assess, prioritise, and monitor climate-related opportunities	67
	3. The extent to which, and how, the processes for identifying, assessing, prioritising, and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	65, 66
Metrics and Targets	The entity's performance in relation to climate-related risks and opportunities, including progress towards any targets the entity has set and any targets it is required to meet by law or regulation	
	Cross-industry Metrics	
	1. Scope 1, Scope 2, and Scope 3 greenhouse gas emissions and the measurement approach	67
	2. The amount and percentage of assets or business activities vulnerable to climate-related transition risks	68
	3. The amount and percentage of assets or business activities vulnerable to climate-related physical risks	68
	4. The amount and percentage of assets or business activities aligned with climate-related opportunities	68
	5. Capital expenditure, financing, or investment deployed towards climate-related risks and opportunities	68
	6. Whether and how carbon pricing is applied in decision-making, and the price per metric ton of greenhouse gas emissions used to assess the cost of greenhouse gas emissions	69
	7. Whether and how climate-related considerations are incorporated into executive remuneration, including the percentage of remuneration linked to climate-related considerations	68
	Climate Related Targets	
	1. Quantitative and qualitative targets, targets required by law or regulation, and the applicable period and scope	70
	2. The approach to setting and reviewing targets, whether they have been validated by a third party, and the methods and metrics used to monitor progress	70
	3. The type of greenhouse gas emissions target and, for gross emissions targets, or where a net emissions target is set, the planned use of carbon credits	70

TCFD Index

Task Force on Climate-related Financial Disclosures

Topics	Metric	Page
Governance	a) Description of the Board of Directors' oversight in managing and supervising risks and opportunities related to climate change	54
	b) Description of the role of management in assessing and managing risks and opportunities related to climate change	55
Strategy	a) Description of the risks and opportunities related to climate change identified over the short, medium, and long-term	57, 61
	b) Explanation of the impact of risks and opportunities related to climate change on the organization's business, strategy, and financial planning	57, 59, 60, 62, 63
	c) Description of the organization's resilience considering various climate change-related scenarios, including a scenario below 2°C	64
Risk Management	a) Description of the process to identify and assess risks related to climate change	56
	b) Description of the process to manage risks related to climate change	65
	c) Explanation of how the process of identifying, assessing, and managing risks related to climate change is integrated into the organization's overall risk management	66
Metrics and Targets\	a) Disclosure of metrics used to assess risks and opportunities related to climate change in line with the strategy and risk management process	68
	b) Disclosure of Scope 1, Scope 2, and if applicable, Scope 3 greenhouse gas (GHG) emissions and related risks	67
	c) Description of the targets used by the organization to manage climate-related risks and opportunities, and performance against these targets	70

SASB Index

SASB Sustainability Disclosure – Household & Personal Products

Sustainability Disclosure Topics & Accounting Metrics

Topics	Code	Accounting Matrix	Page and Response	Remark
Water Management	CG-HP-140a.1	(1) Total water withdrawn	p.131	
	CG-HP-140a.1	(2) Total water consumed	p.131	
	CG-HP-140a.1	Percentage of each in regions with High or Extremely High Baseline Water Stress	p.132	
	CG-HP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	p.79, Water-related risks and opportunities are identified, and the impacts of each risk and opportunity are assessed, with corresponding response actions implemented.	
Product Environmental, Health, and Safety Performance	CG-HP-250a.1	Revenue from products that contain REACH (EU New Chemical Substances Management System)	Qualitative content is described on p. 74, 76, 106, but sales-related information is difficult to disclose.	Country-specific cosmetic ingredient regulations, as well as the CIR and SCCS guidelines, are reviewed to ensure compliance with chemical substance management requirements in product development and export markets. In addition, the registration status of substances under EU REACH and Australia's AICIS, along with their classification as CMR substances, SVHCs, or substances listed under California Proposition 65, is verified in advance. The hazards and regulatory trends of chemical substances are assessed, and the results are reflected in the selection of safe ingredients and product development.
	CG-HP-250a.2	Revenue from products that contain substances on the California DTSC Candidate Chemicals List		
	CG-HP-250a.3	Discussion of process to identify and manage emerging materials and chemicals of concern		
	CG-HP-250a.4	Revenue from products designed with green chemistry principles	p.88	By utilizing natural and organic ingredients, Kolmar Korea manufactures environmentally friendly and ethically produced cosmetics certified by various organizations, thereby contributing to consumers' pursuit of sustainable and responsible consumption.
Packaging Lifecycle Management	CG-HP-410a.1	Total weight of packaging	Considering the nature of its business, which involves a high proportion of customer-designated and customized packaging materials, Kolmar Korea does not disclose detailed packaging-related data, including revenue, in accordance with its customer information security and confidentiality obligations.	
	CG-HP-410a.1	Percentage made from recycled and/or renewable materials		
	CG-HP-410a.1	Percentage that is recyclable, reusable, and/or compostable		
	CG-HP-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	p.81, 90	
Environmental & Social Impacts on Palm Oil Supply Chain	CG-HP-430a.1	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity Preserved, (b) Segregated, (c) Mass Balance or (d) Book & Claim	p.111	We are managing through research and development support for RSPO support, RSPO promotion through product specifications, etc., and the palm oil procurement volume and ratios according to RSPO certification types are reported and disclosed annually through ACOP (ANNUAL COMMUNICATION OF PROGRESS) on the RSPO Association's official website.
Activity Metrics				
	CG-HP-000.A	Units of products sold, total weight of products sold	36,136ton	
	CG-HP-000.B	Number of manufacturing facilities	1,849	Number of manufacturing, filling, weighing, and packaging facilities

UN SDGs Commitment

Kolmar Korea establishes its sustainable management direction through ESG initiatives and contributes to creating environmental, social, and economic value by undertaking a wide range of activities aligned with the UN Sustainable Development Goals (SDGs). The Company also supports the international community's efforts to address global sustainability challenges, including climate change, resource management, and social issues, while continuously fulfilling its responsibilities toward sustainable development.

UN SDGs	Detailed Activities	Page
Gender Equality	• Retention and development of female talent through the operation of family-friendly systems such as flexible work arrangements, half-day leave system, and childcare support systems	99
Clean Water and Sanitation	• Establishment of mid- to long-term goals through regional water stress analysis • Identify water-related risks and opportunities and implement response strategies	78, 79
Affordable and Clean Energy	• Secure annual electricity-saving potential of 95,106 kWh through the installation of a turbo blower at the Sejong site and LED replacement at the Bucheon site • Reduced greenhouse gas emissions through expansion of solar power generation facilities at Sejong site	75
Decent Work and Economic Growth	• Conducting recruitment without discrimination based on gender, age, religion, social status, region of origin, education, pregnancy, or medical history • Creating a culture of voluntary compliance through the introduction of a fair trade compliance program	94, 120
Industry, Innovation and Infrastructure	• R&D investment accounted for 5.58% of revenue in 2025 • Strengthening Go-To-Market and global competitiveness through product innovation via continuous research and development	14, 15
Reduced Inequalities	• Establishing and complying with human rights policies to respect the human rights of all stakeholders including employees • Implementation of workplace sexual harassment prevention education and disability awareness improvement education	93, 96
Sustainable Cities and Communities	• Providing continuous support programs for at-risk youth/youth in need of protection • Operate stakeholder feedback channels for social contribution activities and implement related initiatives	115 - 118
Responsible Consumption and Production	• Minimizing environmental impact through 3R Green Strategy by reducing packaging material usage (REDUCE), using recyclable materials (RECYCLE), and using environmentally friendly raw materials (REPLACE) • Official membership in RSPO and use of palm oil certified by the Roundtable on Sustainable Palm Oil (RSPO) when procuring raw materials	81, 82, 109, 110
Climate Action	• Joined K-RE100 to monitor greenhouse gas emissions and manage climate change risks • Expanded calculation of Scope 1 and 2 emissions including overseas subsidiaries, and calculation and verification of Scope 3 emissions	54 - 70
Life Below Water	• Conduct biodiversity assessments and improvement activities near major business sites based on the TNFD Framework • Operating CITES (The Convention on International Trade in Endangered Species of Wild Fauna and Flora) compliance processes during product development	85 - 87
Life on Land	• Voluntary participation in environmental cleanup activities in areas near business sites • Identification of factors threatening biodiversity and regionally endangered wildlife species in areas where business sites are located (Bucheon, Sejong)	85 - 87
Partnerships for the Goals	• Participation in compliance with the 10 principles in human rights, labor, environment, and anti-corruption areas through UNGC membership • Securing and operating various communication channels with key stakeholders	21, 28, 92

UNGC Commitment

Category			Main Activities of Kolmar Korea	Page
Human rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	Kolmar Korea supports and practices international human rights standard guidelines such as the 'Universal Declaration of Human Rights' and the 'Ten Principles of United Nations Global Compact', and has established and is operating the 'Kolmar Korea Human Rights Policy'.	92, 93
	Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	Kolmar Korea implements a human rights policy that complies with international standards, and is conducting various education programs to prevent human rights violations, such as improving awareness of disabilities and preventing sexual harassment.	93, 96
Labor	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Kolmar Korea operates an open council composed of executives and member representatives once a quarter, striving for continuous communication based on mutual trust between labor and management.	92
	Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	Kolmar Korea aims to prevent child labor that may occur in the mineral extraction process. When purchasing conflict minerals (3TGs), we only purchase from smelters certified by the RMAP. Kolmar Korea strives to eliminate forced labor and child labor that can occur within the value chain.	43, 110
	Principle 5	Businesses should uphold the effective abolition of child labor.		
	Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Kolmar Korea strives to eliminate discrimination that may occur in employment and work through disability awareness improvement education and women's leadership lectures, promoting diversity among employees.	94, 96
Environmental	Principle 7	Businesses should support a precautionary approach to environmental challenges.	Kolmar Korea minimizes the environmental impact of its business activities through ISO 14001 operation and environmental management at each stage of the value chain.	73
	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	Kolmar Korea has established a 3R Green policy to minimize the consumption of resources and energy, and is striving to use materials optimized for the circular economy system.	81
	Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Kolmar Korea has been continuously developing environmentally friendly ingredients and packages to reduce environmental pollution that may occur during the production and use of products.	88, 89
Anti-corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Kolmar Korea strengthens compliance and ethical management by establishing and implementing an ethics code and anti-corruption policy, and has obtained ISO 37001 and ISO 37301 certifications and continues our efforts to prevent corruption.	120 - 123

Independent Assurance Statement

By Royal Charter

bsi.

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the "Kolmar Korea 2025 Sustainability Report" (hereinafter referred to as the "Report"). The Assurer is independent of KOLMAR KOREA 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 KOLMAR KOREA 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 KOLMAR KOREA and the assurance was carried out under the assumption that the information presented and data were complete and accurate.

KOLMAR KOREA 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 KOLMAR KOREA only.

The Assurer is responsible for providing KOLMAR KOREA management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified and providing the information to all stakeholders of KOLMAR KOREA. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than KOLMAR KOREA 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 KOLMAR KOREA includes the following:

- Reporting contents during the period from January 1st to December 31st 2025 included in the report, some data included the first half of 2026.
- 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.
- Reporting contents of "Kolmar Korea_Subsidiary Consolidated ESG Data of Major Subsidiaries" 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 and 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 KOLMAR KOREA.

[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]

101-2, 101-4~6, 101-8, 201-1~2, 201-4, 202-1~2, 205-1~3, 302-1, 302-3~4, 303-2~5, 305-1~5, 305-7, 306-2~5, 308-1~2, 401-1~3, 403-1~10, 404-1~3, 405-1~2, 406-1, 407-1, 408-1, 409-1, 410-1, 413-1, 414-1~2, 416-1~2, 418-1

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 staff 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 document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the KOLMAR KOREA R&D Complex to confirm the data collection processes, record management practices.

Independent Assurance Statement

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 KOLMAR KOREA. 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 KOLMAR KOREA's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated. On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

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

KOLMAR KOREA defined clients, shareholders/investors, local communities, NGO, government agencies, partner companies and employees as Key Stakeholder Groups. To collect opinions by each stakeholder group in the context of sustainability, the stakeholder engagement process operated. KOLMAR KOREA conducted a review of the stakeholder engagement process at the governance level to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. KOLMAR KOREA disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

KOLMAR KOREA implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. KOLMAR KOREA conducted media analysis, benchmarking of similar companies and global sustainability reporting standards/frameworks analysis. KOLMAR KOREA has derived 4 material issues through the relevant process, and disclosed GRI topic standards disclosures related to material issues in the Report.

Responsiveness: Responding to material sustainability topics and related impacts

KOLMAR KOREA operated a management process for material issues in the context of sustainability derived from the materiality assessment. KOLMAR KOREA established mid- to long-term sustainability plans and goals according to the management methodology established to effectively reflect the expectations of key stakeholders. KOLMAR KOREA disclosed key response achievements such as related performances and improvement measures in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

KOLMAR KOREA 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. KOLMAR KOREA established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for top material issues, disclosed mid- to long-term plans and strategic system in the Report.

Independent Assurance Statement

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclourse 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: 101-2, 101-4~6, 101-8, 201-2, 202-1~2, 205-1~3, 302-1, 302-3~4, 303-3~5, 305-1~5, 305-7, 306-3~5, 308-1~2, 401-1, 401-3, 403-1~10, 404-1, 404-3, 405-1~2, 406-1, 407-1, 408-1, 409-1, 413-1, 414-1~2

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;

- KOLMAR KOREA has formalized its value chain identification framework and materiality assessment process tailored to its core business characteristics, disclosing the associated outcomes in its reports. To elevate this system, future reporting should strengthen the integration between this value chain framework and key sustainability procedures, such as stakeholder engagement and materiality assessments.
- Furthermore, detailing the distinct roles and responsibilities within each functional area of the governance structure will help mature the company's overall sustainability management framework.

GRI-reporting

KOLMAR KOREA provided us with their self-declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators. 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 KOLMAR KOREA. The sector standard was not applied.

Issue Date: 24/06/2026

For and on behalf of BSI (British Standards Institution):

BSI representative

Jungwoo Lee, Lead Assurer, LCSAP
Sustainability Framework and KPIs related to Governance and Economy

Yeonwoo Jo, Assurer
Sustainability KPIs related to Environmental and Social/People

Seonghwan Lim
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AA1000
Licensed Report
000-4/V3-FZMDI

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea
Hold Statement Number: SRA 791323

Greenhouse Gas and Energy Verification

The Korea Management Registrar Inc. (hereinafter “KMR”) has conducted the verification on the greenhouse gas(here in after “GHG”) emission(Scope 1,2,3) in 2025 of KOLMAR KOREA CO., LTD

PURPOSE & SCOPE

The purpose of this verification is to present an independent verification opinion on the greenhouse gas emissions inventory and the scope of the verification is as follows.
- Verification of places of business and emissions facilities under the control of KOLMAR KOREA CO., LTD.

STANDARDS

• ISO 14064-3:2019
• ISO 14064-1:2018
• WRI/WBCSD GHG Protocol(2013)
• IPCC Guidelines for National Greenhouse Gas Inventories (2006)
• Guidelines on Emission Reporting and Certification under the Greenhouse Gas Emissions Trading Scheme (Ministry of Environment, 2025-64)
• Guidelines for the Quantification and Reporting of Scope 3 Greenhouse Gas Emissions(National Institute of Environmental Research, NIER, 2024.12)

PROCEDURE

The assurance was conducted by the KMR based on a risk analysis approach and data evaluation.The data and factors applied to the calculation of GHG emissions were determined to be appropriate based on objective evidence.

INDEPENDENT

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

LIMITATION

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

OPINION

• The assurance engagement was performed to satisfy a limited assurance level, and no significant distortions were found in the verification results.
• According to KMR's approach, nothing was found that would lead to a finding that KOLMAR KOREA CO., LTD. failed to disclose data and information that was accurate and reliable in all material respects.
• Criticality: meets the criterion, which is less than 5%

GHG Emissions & Energy Consumption

Direct emissions (Scope 1)		Indirect emissions (Scope 2)		Other indirect Emissions (Scope 3)	Total (tCO_2 eq)	
		Location	Market		Location	Market
2025	4,014.545	16,829.989	16,829.989	143,973.616	164,818	164,818
	Fuel (TJ)	Electricity (TJ)		Steam (TJ)	Total (TJ)	
2025	74.908	273.910		18.732	367.550	

Category	Scope 3	Emissions(tCO_2 eq)
CAT 1	Purchased goods and service	101,647.211
CAT 2	Capital goods	341.705
CAT 3	Fuel and energy-related activities(not included in scope 1 or scope 2)	3,942.069
CAT 4	Upstream transportation and distribution	2,124.471
CAT 5	Waste generated in operations	518.026
CAT 6	Business travel	373.338
CAT 7	Employee commuting	1,514.797
CAT 8	Upstream leased assets	297.100
CAT 9	Downstream transportation and distribution	-
CAT 10	Processing of sold products	-
CAT 11	Use of sold products	-
CAT 12	End-of-life treatment of sold products	-
CAT 13	Downstream leased assets	1,151.164
CAT 14	Franchises	-
CAT 15	Investments	32,063.735
Total		143,973.616

RESULTS

Based on the above assurance criteria, we did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.
As a result, we express “unmodified” opinion.

※ The entity shall be responsible for preparing the verification materials in accordance with relevant laws and standards, and KMR's responsibility shall be limited to the parties to the verification contract under the terms and conditions agreed upon, and shall not be responsible for any other decisions, such as investments based on this verification opinion.

※ The company shall comply with the use of accreditation and logo marks under the agreement agreed with KMR.

Apr, 27, 2026

KMR ISO 14064-1 IAF National Institute of Environmental Research

KMR C E O

Major Awards and Association Memberships

Awards

Awards	Host	Date
Selected as the World's Best Companies in Sustainable Growth 2025 for the second consecutive year	TIME	2025
Eco-friendly Paper Pack, Won Main Prize in Packaging Category at Red Dot Design Award 2025	Red Dot GmbH & Co. KG	2025
Flollagen, Won Silver Prize in Cosmetics/Functional Ingredients Category at the BSB Innovation Awards for Cosmetic Ingredients	BSB-Dr. Riedel	2025
Mololock, Won Bronze Prize in Natural Products/Functional Ingredients Category at the BSB Innovation Awards for Cosmetic Ingredients	BSB-Dr. Riedel	2025
ECO-PULSE™ Centella, Won Grand Prize in Sustainability Category at Cosmopack Awards	Cosmoprof Worldwide Bologna	2025
CAIOME, Won Grand Prize in Innovation Technology Category at Cosmopack Awards	Cosmoprof Worldwide Bologna	2025
Minister of Trade, Industry and Resources Award, Outstanding Company Supporting the Growth of Women Engineers at the 2025 Women Engineers in Industry Conference	Ministry of Trade, Industry and Resources	2025
Award Winner, Administrative and Support Functions Category, 51st National Quality Management Competition	Ministry of Trade, Industry and Resources	2025
Selected as 2024 Excellent Disclosure Corporation in the Securities Market	Korea Exchange (KRX)	2025
Fair Trade Compliance Program (CP) Excellent Company	Fair Trade Commission	2025
Fair Trade Compliance Program (CP) Excellent Company	Fair Trade Commission	2024
Selected as the World's Best Companies in Sustainable Growth 2024	TIME	2024
Won the Association President's Award for Outstanding Company in Supporting Female Engineers' Growth at the '2024 Industrial Field Female Engineers Conference'	Ministry of Trade, Industry and Resources	2024
Paper Stick, Won Gold Prize in Packaging Category at IDEA (International Design Excellence Awards)	Industrial Designers Society of America(IDSA)	2024
Awarded Bronze Prize in Field Improvement Category at 50th National Quality Management Competition	Ministry of Trade, Industry and Resources	2024
Paper Stick, Won Main Prize for the Beauty & Care Category at the iF Design Award 2024	International Forum Design	2024
Won Best Award in the Beauty Category at the 21st Money Today IR Awards	Money Today	2023
Awarded Silver and Bronze Prizes for National Quality Organization	Ministry of Trade, Industry and Resources	2023
Won 2023 'K-Girls' Day Excellent Experience Site' Minister of Trade, Industry and Resources Award	Ministry of Trade, Industry and Resources	2023
Won 2023 Korea ESG Management Awards 'The Best ESG' Mid-sized Enterprise Division Grand Prize	Korea ESG Committee	2023
Won 2023 Korea Sustainable Management Communication	Korea Association for Business Communication	2023

ESG evaluation Ratings (as of 2025)

CDP
Climate Change Score: B
Water Security Score: B

Integrated Grade	Environmental Grade	Social Grade	Governance Grade
A (KCGS 2025)	A	A+	B+

Association Membership

Associations	
Korea World Class Enterprise Association	Korea Cosmetic Association
Korea Industrial Technology Association	Korea Cosmetic Industry Institute
Korea Industrial Safety Association	UN Global Compact Network Korea Association
Korean Association of Occupational Health Nurses	Federation of Middle Market Enterprises of Korea

Major Awards and Association Memberships

Certifications

Category	Certification Institute	Certification Name	Expiration
Manufacturing	Bureau Veritas	ISO9001 Quality Management System	~2028.05.11
	Bureau Veritas	ISO14001 Environmental Management System	~2028.08.16
	Bureau Veritas	ISO45001 Health and Safety Management System	~2029.06.16
	Bureau Veritas	ISO 22716 International Guidelines for Good Manufacturing Practices for Cosmetics	Sejong Site: ~2026.12.24, Bucheon Site: ~2029.04.08
	Ministry of Food and Drug Safety	CGMP Excellent Cosmetics Manufacturing and Quality Control Standards	Sejong Site: Maintained since January 4th, 2016, Bucheon Site: Maintained since August 26th, 2011
	KOREA Compliance Initiative	ISO37301 Compliance Management System	~2028.11.16
	KOREA Compliance Initiative	ISO37001 Anti-Bribery Management System	~2028.11.16
Laboratory Certification	KOLAS	Recognized as ISO 17025 KOLAS accredited testing agency	~2026.04.20
Environmentally Friendly Products	Ministry of Environment	Korea Eco-label Certification (The premium level)	~2026.09.03
Natural / Organic Cosmetics	KTR	COSMOS – Natural organic certification	Certification by product
	Ministry of Food and Drug Safety	Natural cosmetics certification	
Vegan Cosmetics	Vegan Society	Vegan cosmetics certification	
	EVE Vegan	Vegan cosmetics certification	
	Korea Agency of Vegan Certification and Services	Vegan cosmetics certification	
	we vegan	Vegan cosmetics certification	
	V-Label	Vegan cosmetics certification	
	Vegan Standard Certification Institution	Vegan cosmetics certification	
	Biorius	Vegan cosmetics certification	
	Korea Institute of Vegan Assessment & Certification	Vegan cosmetics certification	
Halal Cosmetics	KMF	Halal cosmetics certification (for Malaysia, Singapore, etc.)	
	KHA(Korea Halal Association)	Halal cosmetics certification (for Malaysia and Thailand)	
	BPJPH	Halal cosmetics certification (for Indonesia)	
Organizational Culture	Ministry of Gender Equality and Family	Family-friendly company certification	~2026.11.30

2025 Kolmar Korea Sustainability Report

We extend our gratitude to all those who contributed to the publication of this report.

HK Kolmar