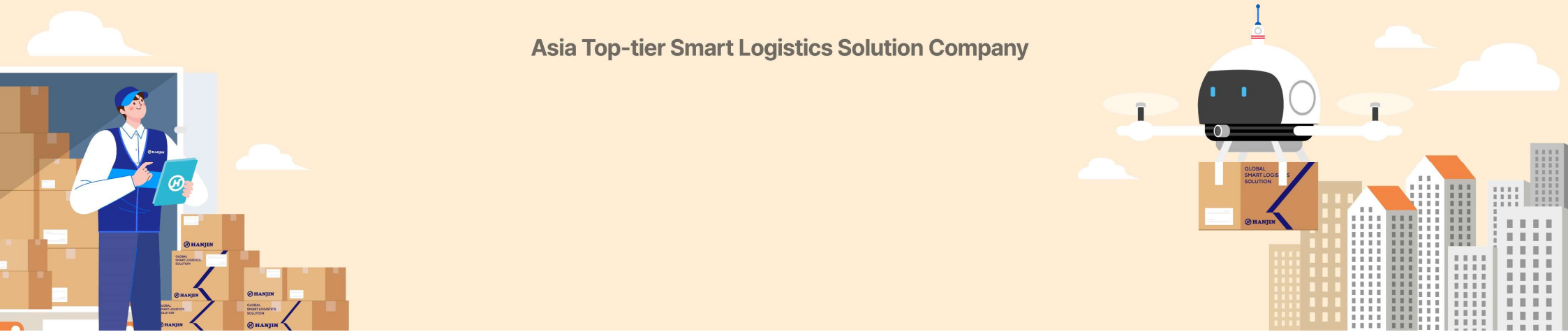


# HANJIN

# 2024 ESG REPORT

Asia Top-tier Smart Logistics Solution Company



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Reporting Principles	GRI Standards 2021 (In accordance with)
Reporting Period	Jan. 1, 2023 ~ Dec.31,2023 (Some Results include the first half of 2024)
Reporting Scope	Hanjin Headquarters and all domestic business sites
Reporting Frequency	Once a Year
Disclosure Principles	Disclosed through Hanjin's website (www.hanjin.com)
Inquiry	ESG@hanjin.com



This report is published as a PDF with the features to jump to related pages within the report and link to related webpages.

# COMPANY OVERVIEW



## CEO Message

### Better Future with Better Logistics

**Hanjin will create a future that develops together with society, based on its founding philosophy of ‘Contributing to the World Community through Transportation.’**



I would like to express my sincere gratitude to all our stakeholders for their support and encouragement to Hanjin.

Based on the founding philosophy of ‘Contributing to the World Community through Transportation,’ Hanjin has been growing for the past 79 years, centered on ‘customers and society.’ Despite the turbulent business environment, such as the economic downturn and ongoing geopolitical risks, Hanjin strives to create a better future with better logistics through constant challenges and the creation of new business opportunities.

#### **We will actively respond to climate change through green logistics.**

We will establish a roadmap for Net Zero by 2050 and continue to promote green logistics, including conversion to eco-friendly vehicles and equipment, solar energy production using logistics centers, and electric vehicle charging business.

#### **We will grow with society through the creation of shared value by utilizing Hanjin’s logistics capabilities.**

We will expand shared value through services such as ‘Hanjin One Click Service’, ‘SWOOP’, and ‘Hanjin Digital Easy Order’ that can coexist with various social classes. We will enhance our sustainable competitiveness by growing together with all stakeholders in our supply chain.

#### **All management and employees will do their best to create a safe workplace and ethical management.**

Hanjin has obtained ISO 45001 and ISO 37301, international certifications for safety/health and legal compliance. We will create a safe workplace where both customers and employees can feel secure by establishing flawless on-site safety management and continue to develop our compliance management system to enhance our transparency and credibility.

#### **Dear Stakeholders that I admire most,**

Hanjin will continue to expand its communication with stakeholders through various channels. I want your support and interest in Hanjin’s efforts to grow into Asia’s leading logistics solution company.

**Hanjin Logistics Corporation**  
CEO

**Sam-Sug Noh**

A handwritten signature in black ink, appearing to read 'Sam-Sug Noh', written in a cursive style.

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## Company Status



Since its founding in 1945, Hanjin has been constantly pioneering new logistics with the management philosophy of ‘Contributing to the World Community through Transportation.’



### Foundation

November 1, 1945

### Location

63, Namdaemun-ro,  
Jung-gu, Seoul

### Company Size

Assets KRW 4,201 billion  
Sales KRW 2,808 billion

\* Consolidated as of 2023

### Personnel Status

1,614 (as of year-end 2023)

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## Key Index

### Consolidated Revenue (Unit : KRW 100 million)



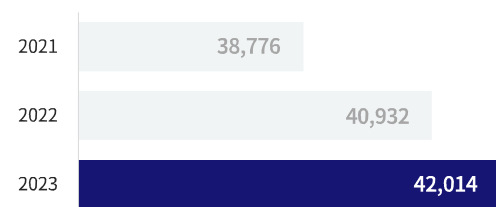
### Consolidated Operating Income (Unit : KRW 100 million)



### Consolidated Total Capital (Unit : KRW 100 million)



### Consolidated Total Assets (Unit : KRW 100 million)



### Investment (Unit : KRW 100 million)



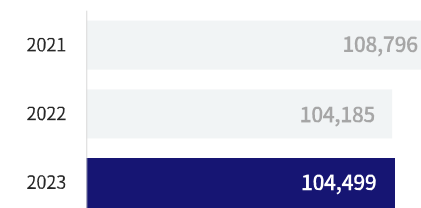
### Number of Employees (Unit : Person)



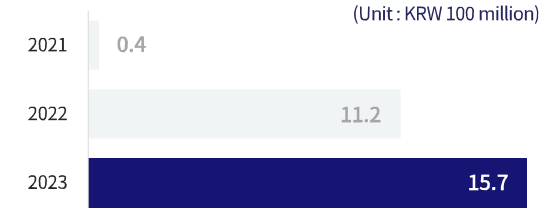
### Percentage of Female Managers (Unit : %)



### Greenhouse Gas Emissions (Unit : t CO<sub>2</sub>eq)



### Purchases of Environmentally-friendly products (Unit : KRW 100 million)



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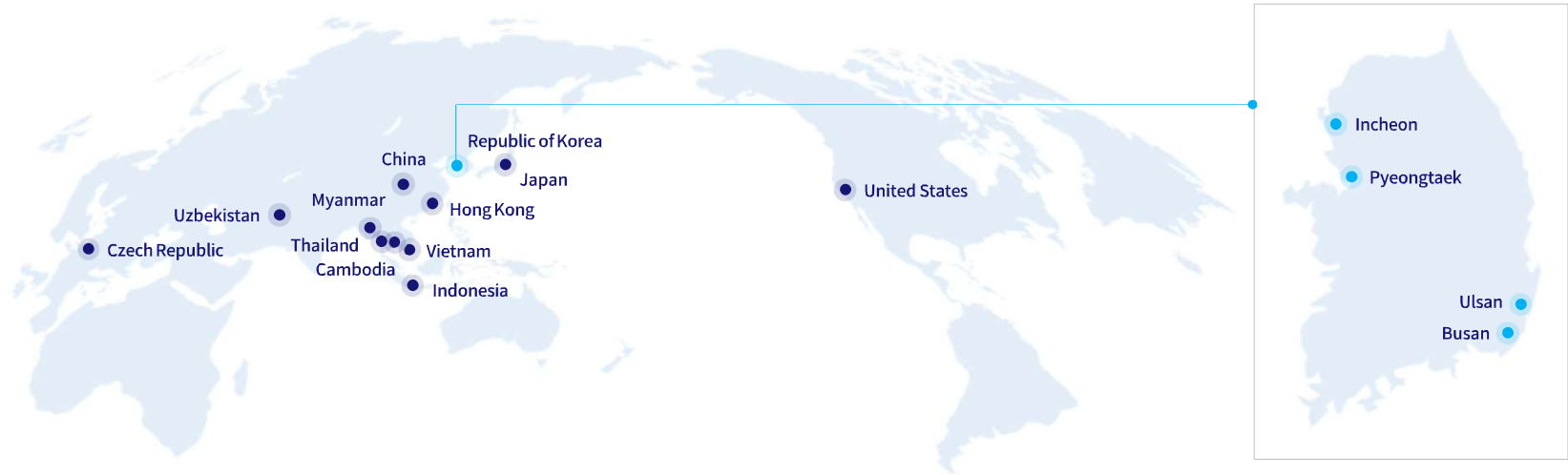
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# Global Network



Country / Region		Corporation Name	Major Business
United States	LA	Hanjin International America	Global Express, Forwarding, etc.
Czech	Prague	Hanjin Global Logistics Europe s.r.o	Forwarding, Inland transportation, etc.
Uzbekistan	Tashkent	Eurasia Logistics Service	Inland Transportation, etc.
China	Hong Kong	Hanjin Global Logistics Hongkong	Forwarding, Global Express, etc.
	Dalian	Hanjin Global Logistics Dalian	Forwarding, Global Express, etc.
	Qingdao	Qingdao Hanjin Luhai International Logistics	Forwarding, Global Express, etc.
	Shanghai	Hanjin Global Logistics Shanghai	Forwarding, Global Express, etc.
	Shenzhen	Hanjin Global Logistics Shenzhen	Forwarding, Global Express, etc.
Vietnam	Ho Chi Minh	Hanjin Global Logistics Vietnam	Forwarding, Global Express, etc.
Japan	Tokyo	Hanjin Global Logistics Japan	Forwarding, Global Express, etc.

Country / Region		Corporation Name	Major Business
Indonesia	Jakarta	PT Hanjin Global Logistics Indonesia	Forwarding, Inland Transportation, etc.
Cambodia	Phnom Penh	Hanjin Global Logistics Cambodia	Forwarding, Inland Transportation, etc.
Myanmar	Yangon	Hanjin Global Logistics Myanmar	Forwarding, Inland Transportation, etc.
Thailand	Bangkok	Hanjin Global Logistics Thailand	Forwarding, Global Express, etc.
Republic of Korea	Busan	Hanjin Busan Newport	Stevedoring
		Busan Global Distribution Center	Warehousing, transport-related service
		Orient Star Hanjin Logix Center	Warehousing, transport-related service
Incheon		Hanjin Incheon Container Terminal	Stevedoring
		Incheon Global Distribution Center	Warehousing, transport-related service
Pyeongtaek		Pyeongtaek Container Terminal	Stevedoring
Ulsan		Hanjin Ulsan Newport Operation	Stevedoring

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## Business Portfolio



### Inland Transportation

Hanjin provides optimized transportation services to national industries and customers, from raw materials and various industrial goods such as container, steel, building materials, heavy cargo, oil, military, fresh food to consumer goods, by combining the know-how accumulated over the years since Hanjin's founding in 1945 with advanced logistics IT systems.

### Port Stevedoring

Hanjin is the largest and best container terminal operator in Korea with the most advanced IT system. Hanjin provides one-stop services ranging from port stevedoring, transportation and storage by utilizing inland logistics bases and transportation networks based on major ports nationwide for industrial goods, automobiles, steel products, heavy cargo, grain, coal, etc.

### 3PL · Warehousing

Hanjin provides 3PL Total Solution that includes warehouse optimization consulting, customized logistics center (BTS, Built To Suit) development, and a warehouse operation agency. It is based on state-of-the-art WMS (Warehouse Management System) and integrated logistics warehousing facilities located in major locations nationwide.

### Marine Transportation

In 1983, Hanjin started coastal marine transportation business for the first time in Korea and was the first in the industry to obtain ISM CODE certification, a ship safety management system. In addition, we are developing into a worldwide carrier that operates around the world, focusing on specialty ships such as heavy cargo and radioactive waste transportation.

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## Business Areas



### Courier

Hanjin, which launched the first courier service in Korea in 1992, has more than 120 courier terminals, 810 delivery points, and 10,000 delivery vehicles nationwide. In January 2024, Hanjin opened the Daejeon Mega-Hub Terminal, which is equipped with the most advanced smart technology and automation facilities, and can handle 2.88 million boxes per day. In addition, Hanjin has built a next-generation operating system and customer apps that incorporate various IT technologies to enhance customer-centered services.

### Forwarding

Hanjin provides one-stop service for customs clearance, bonded transportation, and sea & air combined transportation to the destination, leveraging its extensive partnerships with leading airlines and overseas forwarders worldwide based on its global network.

### Global Express

Hanjin transports global e-commerce cargo from around the world quickly and accurately through its global network and the Global Distribution Center (GDC) located in the Incheon International Airport Free Trade Zone. In particular, the GDC is a complex logistics center that sorts and packages cargo received in large quantities from overseas according to e-commerce orders and ships them to domestic and foreign consignees. It provides the entire transportation process from cargo storage and sorting to transshipment and export, and one-stop e-commerce logistics services through collaboration with excellent logistics and solution companies in overseas locations.

### Digital Platform

Hanjin provides digital platform services to help small sellers grow not only in the domestic market but also to expand overseas, and to connect small business and consumers in Korea and overseas, creating new value and driving mutual growth.

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## Innovation of HANJIN

### Daejeon SMART Mega-Hub

In January 2024, Hanjin opened the Daejeon SMART Mega-Hub, equipped with advanced AI technology and facilities, to stably handle the growing volume of courier deliveries and strengthen service competitiveness. With a total floor area of 148,230m<sup>2</sup> and 4 floors, the Daejeon Mega-Hub can handle 1.2 million boxes daily and has established a system that can stably handle up to 2.88 million boxes nationwide. Hanjin will strengthen the nationwide Hub & Spoke system centered on the Daejeon SMART Mega-Hub to provide customers with faster and more efficient services and enhance its competitiveness by attracting new global e-commerce volumes, including overseas direct shipments from China and reducing costs.



### Global Bases and Business Expansion

In 2023, Hanjin secured new bases in 6 countries, including Mongolia, Singapore, Malaysia and Norway. Through a network of 34 regions in 18 countries worldwide, Hanjin is expanding global transportation services such as forwarding and global e-commerce logistics, local border transportation, and air sales agents.

In 2024, Hanjin plans to enter eight additional regions, including Thailand, Morocco, and Hungary, to establish a thorough logistics network in Asia and Europe and focus on strengthening its overseas business. It will also enhance its global logistics competitiveness and create new opportunities by partnering with leading local companies overseas.



### Digital Platform Business

Based on the solid offline logistics competitiveness, Hanjin provides comprehensive logistics solutions for the growth of small sellers such as small business and one-person startups, through digital platforms, supporting the establishment of one-stop SCM from domestic to overseas logistics. Hanjin is sharing growth with various social classes through One-Click Service, which provides affordable home delivery and global express services for e-commerce sellers. HOOT TOWN, global C2C cross border trade platform; Digital Easy Order, a one-stop order management platform for small businesses nationwide; Slow Recipe, a platform for overseas sales of excellent domestic vegan and sustainable products; and SWOOP, a solution for K-fashion brands to enter overseas markets, etc.



## ESG Highlights

### Achieved 'A' grade in all categories of the KCGS ESG Assessment

Hanjin received 'A' grade in all categories in the 2023 ESG assessment of the KCGS (Korea Institute of Corporate Governance and Sustainability). The result was a one-step improvement from B+ in 2022 in the environment and governance categories through continuous improvement efforts by employees. Hanjin will continue to expand communication with stakeholders and strive for sustainable development that grows with society.



### 'Green Waffle' won local and global packaging awards

'Green Waffle', launched by Hanjin in November 2022, is a honeycomb-shaped shock-absorbing packaging material made of paper and has been recognized for its eco-friendliness and functionality. In April 2023, it was honored with the Prime Minister's Award at the 17th Korea Packaging Exhibition hosted by the Ministry of Trade, Industry and Energy (organized by the KOPACK of KITECH). In November of the same year, it also won an award in the Eco Package category at the Asia Star Awards 2023 organized by the APF (Asia Packaging Federation).



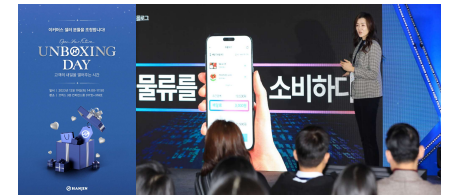
### 'We are all Hanjin, Everyone is HAN Team!', HAN Team Campaign

To achieve sustainable growth amid rapidly changing business environment, Hanjin launched 'HAN Team' campaign to unite all employees, domestic and overseas customers, and suppliers to share the goal of customer-centered growth. Hanjin will lay the foundation for shared growth and sustainable development by expanding communication with all stakeholders, including employees, customers, and suppliers.



### Hosting 'UNBOXING DAY'

In December 2023, Hanjin held 'UNBOXING DAY', a conference to provide business trends and insights for e-commerce sellers who are Hanjin's customers. The conference consisted of awards ceremonies to express Hanjin's gratitude to its customers, and lectures from experts of various fields. About 200 customers and stakeholders attended the conference to seek mutual cooperation.



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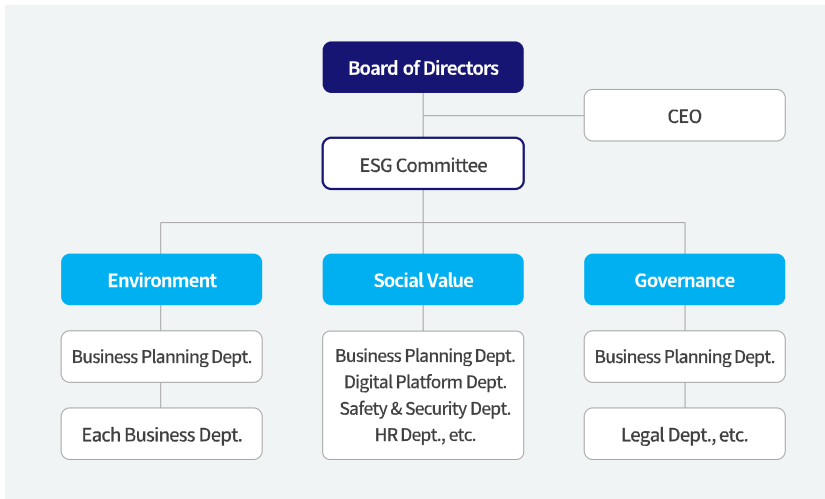


## ESG Core Values

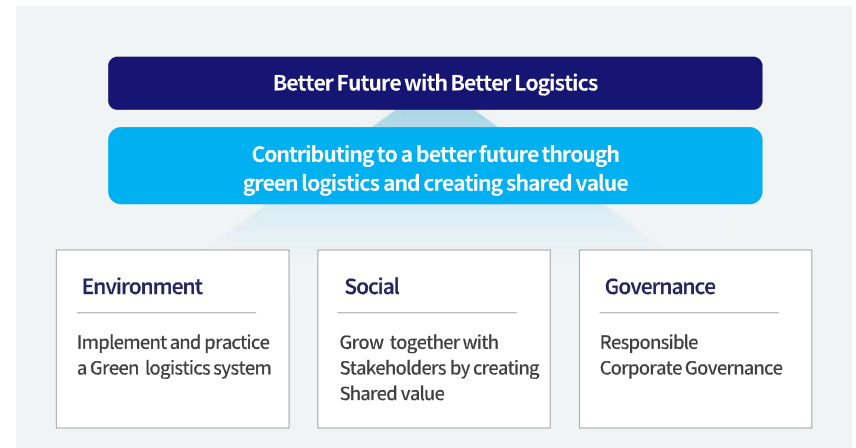
Hanjin is striving to become a logistics company that contributes to the creation of a better future society by establishing an eco-friendly logistics system based on a transparent and creative organizational culture and practicing ESG management that grows together with stakeholders through the creation of various social values.

### ESG Governance

Hanjin is committed to proactive and responsible decision-making. As part of a board-of-directors-centered ESG management system, Hanjin has established an ESG Committee under the Board of Directors. This committee, which was expanded and reorganized from the Governance Committee in March 2021, is instrumental in Hanjin's efforts to enhance shareholders' value and ensure sound corporate growth. It reviews and discusses various ESG-related issues, reflecting Hanjin's commitment to the ESG.



### ESG Core Values



### ESG Implementation Process



## Stakeholder Engagement

To identify stakeholders who significantly impact on Hanjin's management activities and to respond appropriately to each stakeholder, Hanjin categorized stakeholders into core stakeholders and strategic stakeholders based on legal, financial, and responsibilities and level of influence, the classification criteria provided by ISO 26000 (the international standard for social responsibility). Hanjin classifies customers, shareholders, investors, employees, suppliers as core stakeholders and local communities, government, related organizations as strategic stakeholders. Hanjin listens to the voice of stakeholders through various communication channels to promote sustainable growth with them.

Classification	Stakeholders	Main Interests	Communication Channels	Major Activities
Core Stakeholders	Customers	<ul style="list-style-type: none"> <li>- Service Quality</li> <li>- New Services</li> <li>- Accurate and timely information</li> <li>- Prompt Response</li> </ul>	<ul style="list-style-type: none"> <li>- Hanjin official Website and Social media</li> <li>- Customer Service Center</li> <li>- Voice Of Customer (VOC)</li> <li>- Jini (Chatbot)</li> </ul>	<ul style="list-style-type: none"> <li>- Active communication with customers through various channels</li> <li>- Developing new customer-friendly services (HOOT Town, etc.)</li> <li>- Response to customer complaints, inquiries, Service Improvement</li> <li>- UNBOXING DAY held, HAN Team campaign</li> </ul>
	Shareholders / Investors	<ul style="list-style-type: none"> <li>- Financial Performance and Business Outlook</li> <li>- Risk Management</li> <li>- Governance</li> <li>- Corporate, Shareholder value Enhancement</li> </ul>	<ul style="list-style-type: none"> <li>- Annual meeting of Shareholders (Once in 2023)</li> <li>- IR Meetings (31 NDRs in 2023)</li> <li>- Website</li> <li>- DART (Data Analysis, Retrieval and Transfer system)</li> </ul>	<ul style="list-style-type: none"> <li>- Stable earning generation and growth drive</li> <li>- Maintaining sound financial structure</li> <li>- Enhancing shareholder/investor communication</li> <li>- Corporate information disclosure (Website, DART)</li> </ul>
	Employees	<ul style="list-style-type: none"> <li>- Fair Evaluation and Compensation</li> <li>- Career &amp; Competency Development</li> <li>- Workplace Safety and Health</li> <li>- Work-life Harmony</li> <li>- Welfare Benefits</li> </ul>	<ul style="list-style-type: none"> <li>- On-site inspections by management (Once a week), Town Hall Meeting (HOOT Meeting, Management Meetings)</li> <li>- * 3 HOOT Meetings in 2023 and Management Meetings held frequently</li> <li>- Intranet (Daily Newsletter, Communication Board, etc.)</li> <li>- Labor-management council meetings (once a quarter by branch)</li> <li>- Grievance Counseling Center, Hanjin official SNS channels</li> </ul>	<ul style="list-style-type: none"> <li>- Improving HR system, Customized training by position and job</li> <li>- Townhall meetings and anonymous communication board</li> <li>- Improving welfare benefits and education systems</li> <li>- Improving workplace safety management</li> <li>- HAN Team Campaign</li> </ul>
	Partners	<ul style="list-style-type: none"> <li>- Shared Growth</li> <li>- Fair Trade</li> <li>- Information Sharing and Communication</li> <li>- Win-win Support</li> </ul>	<ul style="list-style-type: none"> <li>- Partner Relationship Management system (PRM)</li> <li>- Meetings with partners</li> <li>- Eco-friendly platform (Green On Hanjin)</li> </ul>	<ul style="list-style-type: none"> <li>- Dedicated organization for win-win cooperation with couriers</li> <li>- Welfare mall for partners</li> <li>- Full cash payment of purchase price</li> <li>- Improving the working environment of courier drivers and creating a courier coexistence fund</li> <li>- Enacting Partners' Code of Conduct and running HAN Team campaign</li> </ul>
Strategic Stakeholders	Government / Related Organization	<ul style="list-style-type: none"> <li>- Climate Change Response</li> <li>- Safe Business Environment</li> <li>- Employment</li> <li>- Information Security</li> </ul>	<ul style="list-style-type: none"> <li>- Meetings with relevant ministries (ongoing)</li> <li>- Attendance at meetings of associations</li> </ul>	<ul style="list-style-type: none"> <li>- Adopting high-efficiency engine oil, lightweight loading bins</li> <li>- ISO14001, ISO45001)</li> <li>- Local recruitment, rehiring of retired employees</li> <li>- Appointing CISO, acquisition of ISMS</li> </ul>
	Local Communities	<ul style="list-style-type: none"> <li>- Communication with Communities</li> <li>- Win-win Management</li> <li>- Social Contribution Activities</li> </ul>	<ul style="list-style-type: none"> <li>- Website</li> <li>- Hanjin official SNS Channels</li> </ul>	<ul style="list-style-type: none"> <li>- Digital Easy Order, a platform service to support local markets' vendors and small business owners to boost their sales</li> <li>- Volunteering to help local farms, sharing briquettes with communities</li> </ul>

# Materiality Assessment

Hanjin conducted a materiality assessment based on the GRI guidelines to identify ESG material issues. Hanjin identified various ESG issues through research on its internal and external environment and selected material issues by collecting stakeholders' opinions. Hanjin also evaluated the impact of the material issues on Hanjin and its stakeholders through the Analytic Hierarchy Process (AHP).

## Materiality Assessment Process

Classification	Process
ESG Issues Research	① <b>Analysis of global ESG standards</b> - Identification and classification of issues suggested by domestic and global ESG standards
	② <b>Review of internal status</b> - Issue classification after analyzing activities across corporate management and ESG management
	③ <b>Benchmarking</b> - Selecting benchmarking targets in the same industry, analyzing reporting format and content
	④ <b>Media research</b> - Research of Hanjin ESG-related issues exposed in the media (2023)
	42 potential issues identified
Establishment of Sustainability Issue Pool	⑤ <b>Establishment of sustainability issue pool</b> - Evaluation of issues derived from each research item, applying their frequencies and weights
	42 potential issues → 18 possible issues identified
Materiality Assessment	⑥ <b>Stakeholders' opinion survey and materiality assessment</b> - Collecting opinions from stakeholders through surveys - Select survey targets → Survey → Collect and analyze (2024.2.29 – 2024.3.8, for 9 days)
	⑦ <b>Final selection of core issues</b> - AHP based on the results of stakeholders' opinion analysis - Evaluation of the impact of the sustainability aspect/ stakeholder aspect based on the possible issue pool
	18 possible issues → Derived 9 Hanjin ESG material issues

ESG Areas	Hanjin ESG Material Issues
Social	Workplace safety and employee health management
Environment	Efforts of climate change response
Social	Efforts to create sustainable economic value
Social	Enhancement of customer information security
Governance	Transparency and professionalism enhancement in governance
Social	Enhancement of customer satisfaction management
Governance	Enhancement of ethic/anti-corruption and compliance
Social	Work-life balance, communicative and mutually beneficial labor management culture
Social	Increasing community engagement and economic impact

Classification	Percentage of material issues	
Environment	1 Material issues	11 %
Social	6 Material issues	67 %
Governance	2 Material issues	22 %

## Core Issues and Impacts

Hanjin has selected 9 core issues for its sustainable management through materiality assessment.



※ Financial/non-financial impact : 15-point scale, L (Low) for below 5 points / M (Medium) for 5 ~ 10 points / H (High) for 10 points or above

※ Stakeholder impact : For 9 core issues, L (Low) for bottom 33%, M (Medium) for middle 33% / H (High) for top 33%

# Management of Material Issues

## Our Approach

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### Workplace Safety and Employee Health

We ensure the safety of all employees based on our responsibility as a leading logistics company and the leadership of our management. We conduct regular risk assessments and safety inspections, continuously improve safety infrastructure, and invest human and material resources in safety and health management at all worksites. We continuously improve safety levels by streamlining and standardizing safety and health work by establishing a safety portal system.

- Expanding the safety and health organization
- Establishing mid-to long-term strategy goals
- Regular on-site safety inspection by management
- Enhancing risk assessment (Once a year → semi-annually)
- Establishment of Safety Portal System (HSMS)

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### Climate Change Response Efforts

To minimize environmental impacts across our business, we have established an environmental management system by the ISO14001 global standard to drive continuous improvement. We also strive to reduce environmental impacts by identifying and evaluating climate-related opportunities and risks and taking active responses while promoting sustainable green growth by switching to low-emission vehicles, expanding electric vehicle charging stations and solar power generation facilities

- Establishing and managing environmental KPIs
- Conversion to eco-friendly vehicles
- Expanding EV charging stations
- Expanding solar power generation facilities
- Eco-friendly platform business

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### Efforts to create sustainable economic value

We are expanding delivery terminals and automated facilities nationwide, including Daejeon Mega-Hub, to stably handle the increasing volume of parcel delivery and enhance service competitiveness. We are expanding our logistics territory overseas through continuous development of overseas bases and business, discovering new opportunities through the construction of customer-specific logistics centers and partnerships. In addition, we are providing new value to customers through the Digital platform businesses.

- Launch of Daejeon Mega-Hub
- Expansion of overseas business (28 bases in 12 countries in 2022 → 34 bases in 18 countries in 2023)
- Vitalization of Digital Platform business

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### Enhancement of Customer Satisfaction Management

We conduct customer satisfaction management through customer-centered and value-creating activities from the customer's perspective, ranging from planning, development, implementation. Our customer value innovation strategy is built on trust and aimed at enhancing customer convenience. We achieve this through differentiated services, customer experience indicators, a service quality assurance program, and a commitment to continuous improvement.

- Customer eXperience Index (CXI) Development and management
- Service Quality Assurance Program
- Expanding communication channels with customers

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### Enhancement of Customer Information Security

We have established a system for information security and personal information protection, and are continuously improving it. We have established information security solutions to preemptively block hacking and personal information leakage, and conduct preventive activities through mock drills regularly. We also provide information protection training on partner companies such as entrusted with our business.

- Personal Information Leakage : zero
- ISMS Certification
- Appointment of a C-level CISO/CPO
- Information Security education and campaigns
- Disclosure of an easy-to-understand privacy policy on official website

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## Our Approach

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### Enhancement of Ethic/anti-Corruption and Compliance

We promote ethical management by reflecting ethical standards shaped by social norms, compliance with corporate legal responsibilities expected by each stakeholder in decision-making, and principles of behaviors throughout management activities. Based on the Ethic Charter, all employees are required to comply with the Code of Conduct, which sets the standard for specific practices and judgement in resolving ethical issues. Given this, all employees are making efforts to reinforce compliance management through the operation of the Far-Trade Compliance Program and the introduction of ISO 37301.

- Operation of Compliance Program
- Operation of Digital Monitoring
- Publishment of Ethics Management messages twice a year
- Ethics and Compliance Training at least twice a year
- Monthly Announcement of Anti-collusion Messages
- Acquisition of ISO37301 Certification

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### Transparency and Professionalism Enhancement in Governance

We are establishing and developing a transparent and professional governance structure to enhance corporate value and shareholder interests through sustainable development. We resolve important management matters stipulated by relevant laws through the general meeting of shareholders and the BOD, and we disclose relevant contents in a timely manner to provide prompt management information to stakeholders. We comprise the majority of the BOD with outside directors with expertise in various fields such as accounting, finance, law, and fair trade. To strengthen the independency of decision-making, all of the BOD committees consist of outside directors.

- Separation of the BOD Chairman and CEO
- Appointment of an Outside Director as the BOD Chairman
- Appointing a majority of Directors as an Outside Directors
- All Committees consist of Outside Directors
- Evaluating Operations of BOD/Committees
- Disclosure of the Board Skills Matrix

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### Work-life balance, Communicative and Mutually beneficial labor management culture

We operate various welfare benefits systems for employees happy lives and create a family-friendly work environment by introducing a time-shift commuting system, refreshment leave, and a quarter-day leave to balance work and family. We're also creating an organizational culture of communication through various channels, such as regular on-site visits by executives, communication meetings among employees, and anonymous bulletin boards, while also expanding opportunities to build empathy through volunteer activities and family day events in which employees participate.

- Time-shift Commuting System
- Long-term Vacation for Refreshment
- Quarter-Day leave system
- Certified as a Family-friendly Company
- Town Hall Meeting with executives and employees (HOOT Meeting)
- Volunteer works with Employees
- Operation of an anonymous 'Communication Board' on Intranet

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### Increasing Community Engagement and Economic Impact

In order to become a leading sustainable CSV business model, we strive to create social shared value based on the principles of authenticity, sustainability, and business linkage. We work to create a virtuous cycle by expanding platform businesses that can create shared value with society by utilizing Hanjin's capabilities and resources and returning a portion of the economic benefits to society. We also try to enhance the competitiveness of the entire Hanjin supply chain, including supporting activities for shared growth with partners and establishing norms to improve partners' social responsibility capabilities.

- Launch of 'One Click PRO', a Platform for growing e-commerce sellers
- 'SWOOP', a specialized fashion logistics service that supports K-fashion brands to expand overseas
- Love Connect Campaign
- Inducted into the CSV Porter Award Hall of Fame
- Establishing the Code of Conduct for Hanjin's Partners

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**ESG Performance**

Other Information



# ESG PERFORMANCE

## Environmental Management

Hanjin has established an environmental management system based on ISO14001, which aligns with global standards, to minimize environmental impacts that may occur throughout its business, and is continuously improving it. In addition, Hanjin identifies and evaluates climate-related opportunities and risks to respond to climate change, and promotes sustainable green growth by establishing and implementing response plans.

### Environmental Management Governance

Hanjin recognizes climate change response and environmental impact reductions as core elements of its management activities, and the ESG Committee of the Board of Directors reviews environmental management-related policies and performance. In addition, Hanjin establishes a company-wide environmental management plan through the Green Environment Management Group, an organization dedicated to environmental management, and supports the implementation of practical environmental management activities at each business site.



### Environmental Management Policy

Hanjin established an Environmental Management Policy to preserve the environment and transition to a low-carbon society.

**Hanjin shall practice the following to minimize the environmental impact of the company's logistics activities through the practice and spread of eco-friendly logistics, fulfill its social responsibility to preserve the environment for future generations and strive for sustainable green growth.**

- Reduce greenhouse gas emissions and fine dust, and minimize climate impacts through green logistics practices such as expanding the use of green energy, introducing zero-emission vehicles, and optimizing bases and routes.
- Internalize environmental management based on ISO14001 and comply with domestic, global environmental laws and regulations.
- Contribute to the realization of Net-zero of the country by continuously developing and promoting environmentally friendly logistics business.
- All Employees recognize the importance of the environment, and promote continuous environmental improvement through resource/energy conservation and efficient management
- Actively communicate with stakeholders to practice eco-friendly logistics and cooperate to each other to ensure that environmental management is practiced throughout the company's activities.
- Transparently disclose all results of our efforts to promote and improve eco-friendly activities.

## Establishment of an Eco-friendly transition plan

Hanjin established a roadmap for realizing Net-Zero. As a first step, Hanjin is implementing an eco-friendly conversion plan for the vehicle and equipment sector, which has the majority portion of greenhouse gas emissions in Hanjin's business. Hanjin strives to practice green logistics by reflecting eco-friendly vehicle and equipment conversion in its annual business plan and managing performance.

## Establishment and Monitoring of Environmental KPIs

Hanjin set the Greenhouse Gas (GHG) emission target of 106,069 tCO<sub>2</sub>eq in 2023, reflecting its commitment and plans to reduce GHG emissions. Through active reduction efforts, Hanjin emitted 104,499 tCO<sub>2</sub>eq, a reduction of about 1.5% from the target. Energy use was 1,651 TJ, a reduction of 8 TJ against the target, and waste was 1,792 tons, a reduction of about 9% against the target of 2,083 tons. Despite ongoing efforts to reduce GHG emissions, Hanjin has set a goal for 2024 of 107,450 tCO<sub>2</sub>eq of GHG emissions and 1,698 TJ of energy use, taking into account the increase in emissions due to increased business volume and investment in new equipment and facilities. Hanjin has set a goal of 1,794 tons of waste generation, and plans to manage its performance in terms of kg of emissions per million KRW of sales to accommodate business growth. Hanjin also manages 7 environmental KPIs, including GHG emissions and waste generation. Hanjin checks the KPI's performance quarterly, makes improvements to items that fall short of the goal by establishing improvement plans, and regularly reports the results to the ESG Committee.

KPIs	GHG Emissions	Number of employees trained on environmental issues	Purchases of environmentally friendly products	Waste generated	Water Consumption	Number of environmental violations	Amount of eco-friendly investments
	Achieved	Achieved	Achieved	Achieved	Not Achieved	Not Achieved	Not Achieved

## Environmental Impact Review for New Investments

At the investment review stage, Hanjin examines environmental risks arising from new investments, such as purchasing vehicles, equipment and constructing/expanding buildings/facilities. Hanjin assesses environmental impacts on water, soil, air, biodiversity, waste, noise, and vibration, as well as climate change-related risks and opportunities, including whether GHG emissions will increase/decrease, and reflect them in its investment decisions.

## Environmental Compliance

Hanjin identifies environmental laws and regulations applicable to various businesses such as courier service, inland transportation, and port stevedoring, and manages environmental law and regulation register and updates the revisions regularly. In addition, Hanjin monitors all organizations for violations of environmental laws/regulations on a daily basis, and shares cases and preventive measures with all organizations to prevent the recurrence of violations.

## Green Certifications

In 2019, Hanjin acquired ISO14001, which is applied to all domestic sites, to set an environmental management system that meets global standards, and it maintains the certification through annual follow-up and renewal audits. Furthermore, Hanjin has been certified as an Excellent Green Logistics Practice Company by the Ministry of Land, Infrastructure and Transport in 2015, awarded to logistics and shipping firms with excellent energy and GHG reduction performance.

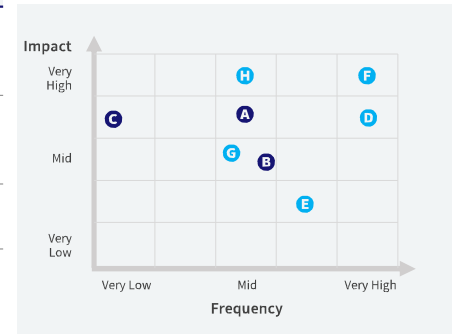


## Environmental Risk & Opportunity Assessment

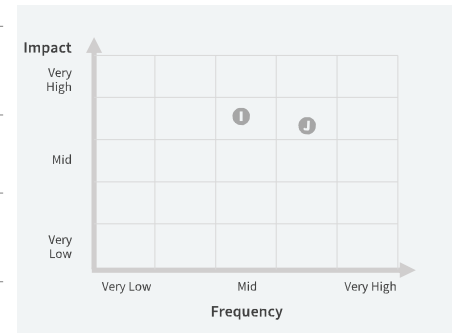
Climate change risks are divided into physical risks, arising from environmental changes such as natural disasters and extreme weather events, and transition risks arising from environmental regulations and introducing low-carbon technologies to transition to a low-carbon economy. Hanjin, with its thorough identification and analysis, actively responds to climate change by identifying risks and opportunities arising from natural disasters, energy use, GHG emissions, etc. and setting response strategies by analyzing their impact on business operations.

Key Issues (Risks / Opportunities)		Climate change impacts	Response activities and planning
Physical Risks	Natural Disasters	<b>A</b> Operational disruption due to damage to facilities and vehicles	- Mock drills in line with disaster safety response & accident handling guidelines - Risk Assessment & operational management enhancement
	Rising average temperatures and sea levels	<b>B</b> Deteriorating labor productivity and increasing operating costs such as air conditioning and heating equipment  <b>C</b> Risk of flooding of warehouses, port facilities, etc. on lower grounds	- Operation and management of worker health promotion programs  - Review of relocation of assets in vulnerable areas
	Transition Risks	<b>D</b> Reduced corporate quotas and volatile carbon credit prices	- Setting eco-friendly transition plans and checking implementation - Monitoring GHG emissions and policies/regulations
Transition Risks	Environmental Regulation and Policy Enhancement	<b>E</b> Increased procurement costs due to limited GHG reductions in the power sector and unstable renewable energy supply and demand	- Expansion of self-generation facilities at business sites
	Slowdown in Renewable energy deployment	<b>F</b> Increased costs due to investments in green vehicles, equipment, and facilities	- Low-interest financing options such as government's financing and green bonds
	Transition to low-carbon vehicles and equipment	<b>G</b> Potential for customers to terminate transactions if Hanjin fails to meet their ESG requirements  <b>H</b> Investor/consumer withdrawal and decline in corporate reputation in case of inaction on climate change	- Implementation of GHG reduction plans and management of Scope 3 emissions to build eco-friendly supply chains  - Transparent disclosure of environmental information through ESG assessments, publication of ESG reports, and disclosure of environmental information
	Increasing demand for climate change response from stakeholders	<b>I</b> Reduction of GHG emissions and carbon costs through low-carbon conversion of logistics equipment and vehicles  <b>J</b> Expansion of eco-friendly business utilizing domestic and overseas logistics bases	- Expansion of low-carbon vehicle and equipment conversion  - Expansion of EV charging facilities and eco-friendly platforms (Slow Recipe, Green On Hanjin)
Opportunities	Conversion to eco-friendly vehicles and equipment, and expansion of eco-friendly business		

### Risk Assessment



### Opportunity Assessment



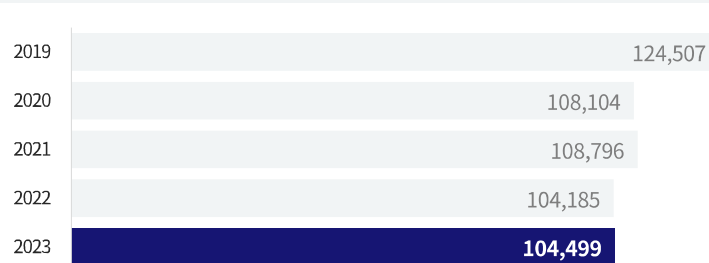
## Climate Change Response

### Mid-to long-term Climate Change Response Goals

Hanjin recognizes the risks and opportunities of climate change and has established a GHG reduction roadmap to respond to domestic/global carbon regulations and fulfill Net-Zero. Hanjin will continue to expand the transition to eco-friendly transportation to reduce GHG emissions in the vehicle sector and promote of renewable energy in the building sector. Hanjin will also continue its efforts to achieve Net-Zero by discovering new means to reduce GHG and actively introducing new technologies to reduce GHG that will be developed in the future.

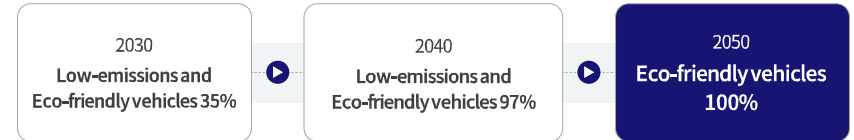


GHG emissions over the last 5 years (Unit : tCO<sub>2</sub>eq)



### Eco-friendly Vehicle Transition Plan

To prioritize eco-friendly transition in the vehicle sector, which accounts for the largest share of Hanjin's GHG emissions, Hanjin has established a phased transition plan for its vehicles, including delivery vehicles at courier bases. As of the end of 2023, Hanjin has operated 332 electric freight vehicles, and it is implementing a year-by-year plan to convert to 100% electric and hydrogen vehicles by 2050.



### Expansion of EV(Electric Vehicle) Charging Stations

In 2023, Hanjin installed 9 EV fast chargers at its distribution center sites nationwide in preparation for the accelerated transition to EV. In 2024, Hanjin will convert its gas stations into EV charging stations and continue to expand charging facilities at its business sites through partnerships with related expert companies.



Renewable Energy Adoption

Hanjin is promoting the construction of solar power generation facilities by utilizing its logistics infrastructure nationwide. In March and December 2023, Hanjin installed solar power generation facilities on the roofs of Wonju Courier Terminal and Jinju Courier Terminal and used the renewable energy generated by these facilities to reduce GHG emissions by approximately 30 tCO<sub>2</sub>eq in 2023. In addition, Hanjin installed additional solar power generators at Nambusan Courier Terminal in 2024 and plans to expand solar power generation facilities at 8 sites nationwide by 2028.

Solar Power Installations	Installed Capacity	Annual Production Capacity	GHG Reduction Effect
Wonju Courier Terminal	49.84kW	65,490kW	30 tCO <sub>2</sub> eq/year
Jinju Courier Terminal	50.00kW	65,700kW	30 tCO <sub>2</sub> eq/year



▲ Wonju Courier Terminal



▲ Jinju Courier Terminal

Plans for Supply Chain emissions (Scope 3) Management

The need to manage GHG emissions across the supply chain, including suppliers, is increasing due to domestic and global climate information disclosure plans and global customers' demands for GHG management in their supply chains. As a first step in supply chain emission management, Hanjin has begun building a foundation by establishing a plan and improving the system for calculating Scope 3 emissions. Hanjin will continue to calculate, verify, and manage Scope 3 emissions and support its suppliers in securing GHG reduction capabilities to build an eco-friendly supply chain in the long term.

Other Activities

Hanjin is working to reduce GHG emissions in various ways, such as reducing vehicle mileage by expanding the number of courier handling centers, shifting to rail transportation for goods transported by trucks (Modal Shift), and increasing the installation of LED lighting in sites.

Reducing the number of courier handling centers

Modal Shift

Installing LED lighting at workplaces

Green Logistics

Safe Workplace with Vision  
Putting Customers First  
Win-win and Shared Growth  
Healthy Governance

## Environmental Impact Reduction and Internalization

### Adoption of Lightweight Loading Bins for Cargo Vehicles

Hanjin signed a business agreement with SK Geo Centric to promote eco-friendly cooperation projects, and conducted a demonstration test by installing lightweight loading bins made by SK Geo Centric in Hanjin's vehicles. As the test's result proved that the use of lightweight cargo bins improved fuel efficiency by about 4%, Hanjin installed and operated lightweight loading bins on 4 newly purchased electric freight vehicles in 2023.

### Participation in the green logistics conversion project

Since 2012, Hanjin has participated in the green logistics conversion project organized by the Ministry of Land, Infrastructure, and Transport to reduce GHG emissions by installing air spoilers on courier and trucking vehicles, installing air conditioners which work without turning on the engine, and supplying high-efficiency engine oil.

### Eco-drive Campaign

Hanjin conducts Eco-drive campaigns occasionally to realize GHG reduction by improving the fuel efficiency of its courier and transportation vehicles. Hanjin informs vehicle owners of the positive effects of reducing fuel costs and GHG emissions and extending vehicles' life by improving driving habits and management methods, and encourages them to participate actively. According to Korea Transportation Safety Authority, a 10% improvement in fuel efficiency through eco-drive practices which result to reduction of fuel consumption by 1,103ℓ per vehicle and GHG emissions by 2.9 tCO<sub>2</sub>eq. Hanjin will continue to expand its eco-drive campaign and on-site training.



Hanjin strives to minimize environmental impacts in its business operations by reducing energy use and recycling resources, as well as operating eco-friendly platforms such as Slow Recipe and Green On Hanjin. Hanjin is also making efforts to internalize eco-friendly practices by spreading the meaning and necessity of environmental management to employees through various campaigns and training.

### Recycling and Waste Reduction Efforts

#### Uniforms made from recycled materials

Hanjin recycled more than 340,000 plastic bottles of 1.5ℓ to make about 38,000 eco-friendly uniforms for its employees, which saved about 16.4 tons of CO<sub>2</sub> compared to landfill/incineration of plastic bottles.



#### Eco-friendly Waybills

To reduce waste caused by courier waybills, Hanjin reduced the weight of thermal paper and glassine on the label waybills to make the paper thinner, and changed the waybills to ones made of materials certified by the Forest Stewardship Council (FSC).

Green Logistics

Safe Workplace with Vision  
Putting Customers First  
Win-win and Shared Growth  
Healthy Governance



Green office supplies

Hanjin has established and implemented green purchasing guidelines to encourage corporate consumption of green products. Hanjin has also added green-certified products to its office supply purchase website to encourage employees to purchase green products.

Eco-friendly Snow Remover

To prevent accidents in winter, Hanjin purchases snow remover that utilizes marine waste (starfish). Unlike conventional chemicals, these do not cause road corrosion and have an excellent de-icing effect and lasting power.

Purchase of Products Reducing Environmental Impact	Quantity	Amount (KRW million)
Uniforms made from recycled materials	37,579 uniforms	1,033
Recycled Tires	1,056 tires	129
Eco-friendly Snow Remover	2.937 bags	74
Green Office Supplies	-	31
Eco-friendly Waybills	1,676 thousand rolls	30
High Efficiency Engine Oil	400 ℓ	3
Total		1,300

MOU to Promote Circular Economy in Online Retail

In March 2024, the Ministry of Environment, large retailers, and logistic companies signed a business agreement in which they agreed to work together to reduce the waste generated by courier packaging. Through the MOU, the parties, including Hanjin, agreed to cooperate in establishing plans to improve resource circulation. These plans included providing multi-use distribution packaging services, using eco-friendly packaging materials, and checking implementation results.

Pilot Test of Power-saving Equipment

In December 2023, Hanjin installed power-saving equipment at the metropolitan area courier terminals to reduce electricity usage and is piloting it. If the pilot test confirms savings, Hanjin will expand the equipment in the future

Water Reuse Efforts

Hanjin has installed and operates water recycling devices at its gas station car washes to practice a circular economy. The water generated during the car wash process is purified and reused to wash the underside of vehicles, reducing water usage.

Slow Recipe

In line with the global market trend of increasing demand for eco-friendly products, Hanjin opened Slow Recipe, an eco-friendly reverse direct shopping mall, to sell excellent domestic eco-friendly and vegan products overseas. In addition to Hanjin’s own online mall, Slow Recipe is also available on Amazon, the world’s biggest e-commerce platform, and Shopee, the biggest platform in Southeast Asia. In April 2023, Hanjin held a pop-up event in LA, US, to help participating companies expand overseas. Hanjin will continue to expand Slow Recipe’s product lineup and strive for mutual growth with domestic SMEs that produce excellent eco-friendly products in Korea.

Green On Hanjin

Hanjin operates Green On Hanjin, an eco-friendly platform where SMEs and startups can purchase eco-friendly delivery materials and office supplies at reasonable prices. In 2020, Hanjin started selling ‘Wing Box’ that can be assembled without tape and has been expanding its eco-friendly product lineup to include biodegradable bags. In 2022, Hanjin also introduced ‘Green Waffle’, a 100% recyclable, eco-friendly packaging material developed by Hanjin and EcoLife Packaging. The Wing Box is currently available through Green On Hanjin and SSG.COM’s gift program. In 2023, Green Waffle was awarded the Prime Minister’s Award at the 17<sup>th</sup> Korea Packaging Competition in recognition of its eco-friendliness and technology and won the Eco-Package category at the Asia Star Awards 2023 in the same year.

## Environmental Education Programs and Campaigns

Hanjin conducts various environmental education programs and campaigns to build consensus and voluntary participation in environmental management among all employees.

### Lecture by the Secretary General of WWF Korea

Hanjin invited the Secretary General of WWF (World Wide Fund for Nature) Korea to give a lecture on “Why (Transportation) Industry should pay attention to the Climate Crisis” to educate employees on GHG reduction cases and strategies for GHG reduction in the transportation industry.

### ISO14001 Training

Based on ISO14001, Hanjin continuously improves environmental management by establishing environmental goals for each business site and monitoring the implementation. To improve employees’ understanding of the ISO management system and expand its application in actual work, Hanjin provided employees with practical training on the necessity of ISO 14001 certification and how to evaluate each business’s environmental aspects and impacts.

### Environmental Management Campaign

Hanjin has participated in the global eco-friendly campaign ‘Earth Hour’ by WWF since 2023. Also, Hanjin shares environmental trends, issues, and impacts on the company with its employees through intranet by card news.



## Education Programs and Campaigns

Since 2023, Hanjin has made environmental related training mandatory through its in-house online training system, and 1,076 employees have completed 2,163 hours of training. Also, Hanjin runs training programs for new employees that include Hanjin’s ESG system, major performances, and plans, including environmental management. In addition, Hanjin strives to internalize eco-friendliness and strengthen the capabilities of employees through various channels, including external job training to enhance the job expertise of environment related personnel.

Classification	Number of Trainees	Training Hours
Online Training	1,076	2,163
New Employees Training	104	104
External Training related to Environment	10	136

## Safety First, Safety and Health Management Enhancement

### Strategy and Goals of Safety and Health Management

Hanjin has set 4 major initiatives to establish flawless on-site safety management: strengthening safety infrastructure, innovating work systems, raising safety awareness, and responding to safety accidents with the attitude that “Safety is the default value.” and strives to enhance company-wide safety capabilities and expand support for autonomous safety management in the field. Hanjin has planned a safety budget of KRW 47.9 billion in 2024 and continues to invest in improving safety levels by renovating old facilities, replacing equipment, and adding safety devices to equipment. Hanjin is promoting the advancement of its safety and health management system through awareness of safety among all employees, prevention-oriented on-site safety activities, and the HSMS, a safety portal system used by employees to perform safety and health tasks

#### Vision

**Flawless on-site Safety Management Establishment**  
“ Safety is the default value”

#### Strategic Goals

**Enhance Safety Capabilities and Expand Support for Autonomous Safety Management in the Field.**

#### Tasks

##### Strengthen Safety Infrastructure

Flawless facility management and strengthening the operability of the safety and health organization, budget, and regulatory system

##### Innovate the work system

Preemptive control of harmful and dangerous factors by establishing HSMS work processes

##### Raise Safety Awareness

Enhancement of safety awareness of all employees and safety management capabilities

##### Respond to Safety Accidents

Achievement of accident-free workplaces by investigating accidents without exception and implementing measures to prevent recurrence

#### Safety Budget

**KRW 47.9 billion for 2024 Safety Budget**

Hanjin strives to ensure the safety of all employees based on its responsibility as a top player in the logistics industry and the leadership of its management. Hanjin continuously improves its management level by investing human and material resources in safety and health management at all business sites and actively discovering and benchmarking best practices.

### Safety and Health Management System

#### Establishing a Safety and Health Management System

- Establish the Company-wide Safety and Health Organization
- Operate a Safety Budget Management System

#### Establishing a Culture of Safety and Raising Awareness

- Expand Regular Safety Activities to Establish a Safety Culture

#### Preventive Inspections and Compliance with Legal Standards

- Conduct a Safety Inspections
- Strengthen Risk Assessment Activities

#### Investigating Accidents and Preventing Recurrence

- Activate Emergency Response System
- Manage Accidents and Safety Goals

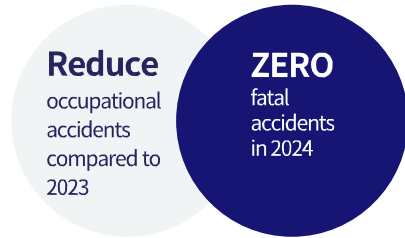
#### Hanjin, where Everyone is Safe

- Provide a Safe Workplace
- Evaluate Supplier's Safety Management Performance
- Conduct Safety Assessments



## Safety & Health KPI Management

In 2024, Hanjin established detailed evaluation indicators and managed performance to reduce occupational accidents and achieve zero fatal accidents compared to 2023.



## Safety & Health Management Organization Evaluation

Hanjin conducts evaluations of each of organization and safety personnel to achieve safety management goals and internalize safety first culture. Hanjin operates a uniform safety evaluation system for personnel and organizations by linking the evaluation of the organization and the safety management officer to prevent major industrial and civil accidents.

Target	Period	Evaluation Items
Safety Staff	Semi-annually	- Breakdown of accident occurrence
Organization	Once a year	- Human accidents, material accidents, traffic accidents

## Mid-to long-term Goals

Hanjin promotes safety and health management by establishing step-by-step goals and action plans for the short, medium, and long term

### Short-term

#### Flawless on-site Safety Management

- Enhancement of management system operability
- Settlement of Safety Portal System (HSMS)
- Preemptive control of site-centered risk factors



### Medium-term

#### Settlement of Safety Culture

- Enhancement of Safety Awareness
- Reinforcement of Safety Communication
- Expansion of On-site Safety Campaigns



### Long-term

#### Enhancement of Autonomous Safety Management System

- Enhancement of on-site safety leadership
- Operation of an IT-based safety control room
- Enhancement of compliance enforcement

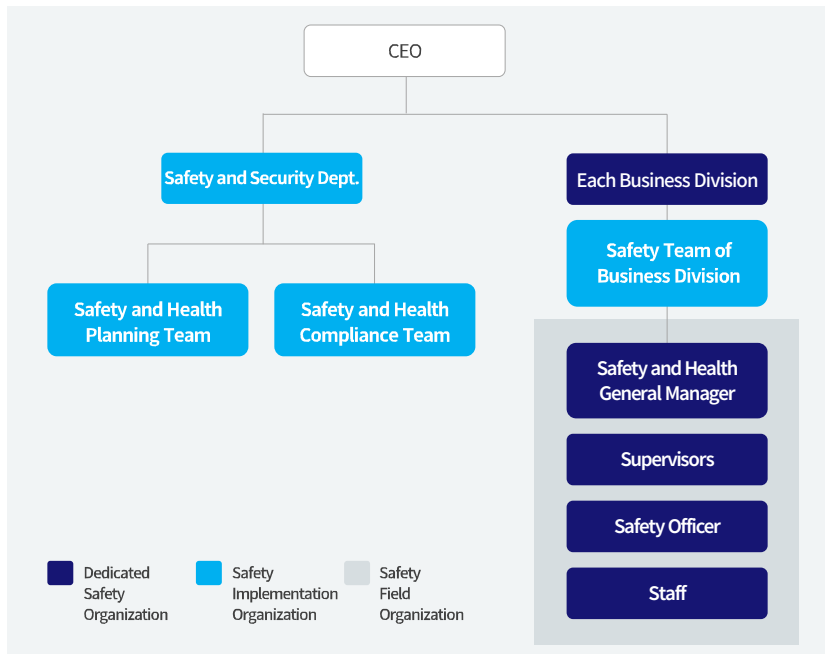
## Safety & Health Management Policy

In 2022, Hanjin revised its safety and health management policy to reflect the company's goals and CEO's commitment to safety and health. The policy reflects Hanjin's commitment to building a "Hanjin Safety First Culture" by raising the safety awareness among employees and workers and implementing practical safety and health activities.



## Safety & Health Management Governance

Hanjin has a dedicated safety organization, safety implementation organization, and safety field organization for efficient on-site safety management.



## Occupational Safety and Health Governance

Hanjin continuously communicates on occupational safety and health issues through regular meetings divided into 4 levels : the Board of Directors (ESG Committee), Safety Strategy Meetings, Joint Meetings of Business Units and Safety Organizations, and HAN Team Meetings of the dedicated safety organization.



▲ Safety Strategy Meeting

## On-site Safety Activities by CEO and Management

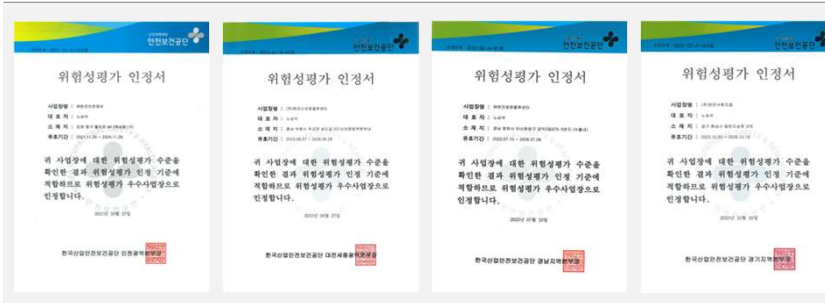
Hanjin's top executives participate in on-site safety activities to emphasize the importance of safety management and encourage employees to engage in on-site safety activities.



## Enhancement of Risk Assessment to Prevent Accidents

Hanjin has set and implemented risk assessment guidelines for continuous management and improvement through identifying and evaluating hazards and risks in the workplace. In 2023, Hanjin reinforced the inspection of risk assessment implementation from once a year to semi-annually. Particularly, Hanjin participated in the Korea Occupational Safety and Health Agency's risk assessment recognition system to improve workplace safety. In addition to the maintenance team at the Gyeong-in Branch, 3 more branches, Sin-Boryeong Logistics Center, Changwon Logistics Center, and Suwon Courier Branch, received the excellent risk assessment certificate. Hanjin will continue to expand the number of excellent risk assessment workplaces.

Procedure	Details
Preparation	Preparation of Screening Rules / Selection of Participants / Collection and Analysis of Accident Cases
Identification of Harmful/Risk Factor	Joint Labor-management Inspection / Analysis of Careless Accidents / Implementation of suggestion system
Risk Determination	Judgment and Determination of Risk Level
Establishment and implementation of Risk Reduction Measures	Development and Implementation of Measures according to Priorities
Sharing and Recording	Sharing and Recording through TBM, Training, etc.



## Investigation and Prevention from Recurrence Processes

Hanjin operates the 'Disaster Safety Response and Accident Handling Guidelines' to minimize human and material damages through rapid response to disasters and accidents. In 2023, Hanjin established and distributed the 'Practical Guide for Emergency Response to Major Disasters' to clearly distinguish the roles and responsibilities of each department and conducts mock drills twice a year to enhance response capabilities. Hanjin also minimizes risks by monitoring its risk recurrence prevention measures. In particular, Hanjin has introduced the following devices to improve the causes of accidents and continues its efforts to secure safety.

### Forklift Safety Alarms



### Vehicle Berthing Dock Safety Handrails



### Signs Prohibiting unauthorized departure



## Workplace Safety and Health Management Activities

### EV Charger Safety Management System

Hanjin has installed EV chargers at major business sites. Considering the risk of high-temperature fires, Hanjin has also set an effective safety management system in line with the expansion of eco-friendly vehicles, such as installing fire detectors, providing large fire extinguishers, posting safety rules, operating an emergency contact network, and conducting periodic response drills.



### Operation of EAPs

Hanjin constantly strives to create a healthy workplace by implementing various Employee Assistance Programs to support employees in resolving physical and mental health issues, such as personal grievances and stress from work performance or daily life.



### HAN TEAM safety campaign at port sites

The heads of the port labor unions in the Gwangyang, Boryeong, and Incheon regions and the CEO of Hanjin conducted the HAN TEAM campaign to prevent safety accidents and establish a close cooperation system with safety management authorities.



### Installation of AED and first aid kits

Hanjin has installed AEDs (Automated External Defibrillators) and first aid kits throughout its workplaces to secure the golden time to save victims' lives in an emergency. Hanjin also participates in CPR and AED usage training organized by the local fire department to enhance the responsiveness of its employees.



### Distribution of Customer Verbal Abuse Response Guide

Hanjin has made and distributed a guide to respond to customer verbal abuse to prevent job stress for employees who come into direct contact with customers, such as delivery drivers and freight drivers. Hanjin will continue to take proactive measures to protect the human rights and stress management of its employees and make further efforts to protect them.



### Establishment of HSMS

Hanjin established the Hanjin Safety Management System (HSMS) to streamline and standardize safety and health work. Hanjin is actively utilizing it to comply with safety laws and regulations by creating a paperless environment on-site and enabling real-time checking of safety activity history and data.



## Organizational Culture With Mutual Respect

Hanjin respects the human rights of all stakeholders, including employees, and strives to practice human rights management to prevent human rights violations in all business activities. In 2021, Hanjin established the human rights management policy, a norm that all Hanjin employees must comply with

### Human Rights Management Policy

No.	Management Policy
1	Hanjin respects all of its employees and supports internationally accepted standards on human rights.
2	Hanjin shall endeavor to prevent acts that constitute human rights violations, such as workplace bullying and sexual harassment from occurring.
3	Hanjin complies with the Labor Union and Labor Relations Adjustment Act and strives to provide sufficient communication opportunities for all employees.
4	Hanjin shall not force anyone to work against their free will by mental or physical restraint.
5	Hanjin prohibits the labor of children under the age stipulated by relevant laws.
6	Hanjin shall not discriminate in employment, work, or working conditions on the basis of gender, race, ethnicity, religion, etc.

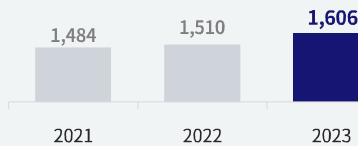
### Trainings for Human Rights Respect

Hanjin organizes programs to improve employee's ethical and human rights awareness and conducts online trainings. The trainings consist of workplace sexual harassment prevention education, improved understanding of those with disabilities at work, and workplace harassment prevention education. Programs are designed to enhance employee's understanding by presenting cases that may occur in company life.

Annual Participation % in  
Human Rights Training **100%**

Number of people who completed all 3 trainings

- ① Workplace Sexual Harassment Prevention Education
- ② Training on Improved Awareness of Those with Disabilities
- ③ Workplace Harassment Prevention Education



### Welfare Benefits

Hanjin strives to create an environment where employees can grow with the company and enjoy a stable life by operating various welfare programs for employee's happiness.

Classification	Details
Bottled Mineral Water	3 Boxes of Bottled Mineral Water (1.5ℓ) Every Month
Personal Pension	Personal Pension Insurance and Premium Support
Welfare Card	Optional Self-development Welfare Programs
Comprehensive Health Checkup	Medical Checkups for Employees and their spouses
In-house Clubs	Support for Various Club Activities
Condo / Resort Center	Full-time Use of Condominiums for Leisure Activities and Summer Vacation Centers
Family Events Support	Support for Family Events, such as Wedding, Funeral of Employees and their Family Members
Life Stabilization Fund	In-house Low-interest Loans for Emergency Funding Needs

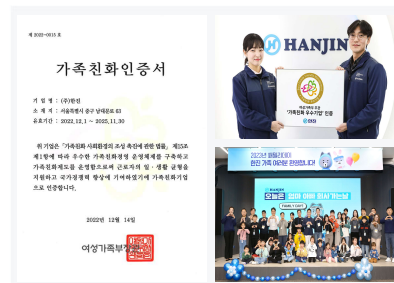
## Family-friendly Policies

Hanjin operates various programs and in-house events to help employees balance work and family. Hanjin will continue its efforts to create a family-friendly workplace culture by expanding programs to support childbirth and child rearing.

Classification	Details
Academic Funding	Tuition assistance to support the education of employee's children
Special Education Expenses	Special education expenses for minor children of employees with disabilities
Child Care Subsidy	Childcare subsidy for employees raising children up to 72 months old
Gifts for Employees' Children Entering Primary School	School gifts for employees' children entering elementary school
Gifts for Expectant Parents	Gifts for pregnant employees or their spouses
Family Month Gifts	Gifts of appreciation for employees' families every May

## Certified as a Family-friendly Company

In December 2022, Hanjin was selected as a family-friendly company by the Ministry of Gender Equality and Family, which grants certification to companies that create a family-friendly culture and operate related system in an exemplary manner. Hanjin will continue to expand various family-friendly programs to support employees' work-life balance, contribute to the happiness of their families and improve national competitiveness.



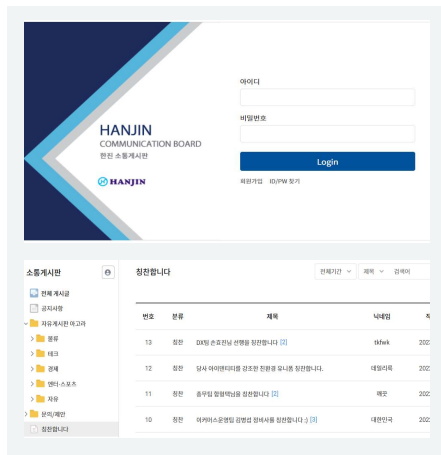
## Flexible Work Programs

Hanjin has introduced and expanded a variety of flexible work programs to help employees achieve work-life balance and an efficient work environment.

Classification	Details	
Staggered Commuting System	A system that sets mandatory working hours for efficient time management and allows employees to commute to and from work at their own discretion	<ul style="list-style-type: none"> <li>- Mandatory Working Hours : 10:00 ~ 16:00</li> <li>- Work-start time : 7:00 ~ 10:00</li> <li>- Work-off time : 16:00 ~ 19:00</li> </ul>
Refresh Leave	A program that grants employees 2 consecutive weeks of extended leave every 5 years after joining Hanjin to promote work-life balance and work productivity	<ul style="list-style-type: none"> <li>- 6 Days of personal annual leave + 4 additional paid leave days</li> </ul>
Quarter Day Leave	A leave system in 2-hour increments to improve the efficiency of annual leave use of employees	<ul style="list-style-type: none"> <li>- Choosing time off in 2-hour increments based on personal needs</li> </ul>

## ‘Communication Board’ on Intranet

Hanjin operates the ‘Communication Board’ on its Intranet where employees can freely and anonymously express their opinions and share their grievances and various improvement ideas they would not typically discuss. The board has formed a mood where everyone participates in improving the organizational culture together, and leading to improved welfare benefits and grievance handling with prompt feedback from responsible organizations.



## Town Hall Meeting with management, ‘HOOT Meeting’

Hanjin regularly conducts various concepts of ‘Hoot Meeting’ such as online meetings and beer parties where employees and management can freely talk and communicate, creating a healthy organizational culture through horizontal communication.

## Volunteer Activities Together

Hanjin conducts various volunteer activities in which executives and employees participate together to fulfill corporate social responsibility. In 2023, Hanjin held two rural village support activities, one with labor union and management and the other with National Agricultural Cooperative Federation. Also, in celebration of Hanjin’s 78<sup>th</sup> anniversary, Hanjin organized the ‘Sharing Briquettes for a Warmer Korean Peninsula’ and the ‘Sharing Briquettes for Love’ volunteer program, donating 7,800 briquettes to the Jeongneung-dong neighborhood in Seoul. Employees who applied in advance conducted the volunteer activities, which allowed executives and employees to build empathy and bonding through joint activities and fulfill Hanjin’s corporate responsibility to the local community in need.

## Junior-oriented Work Improvement T/F (Task Force)

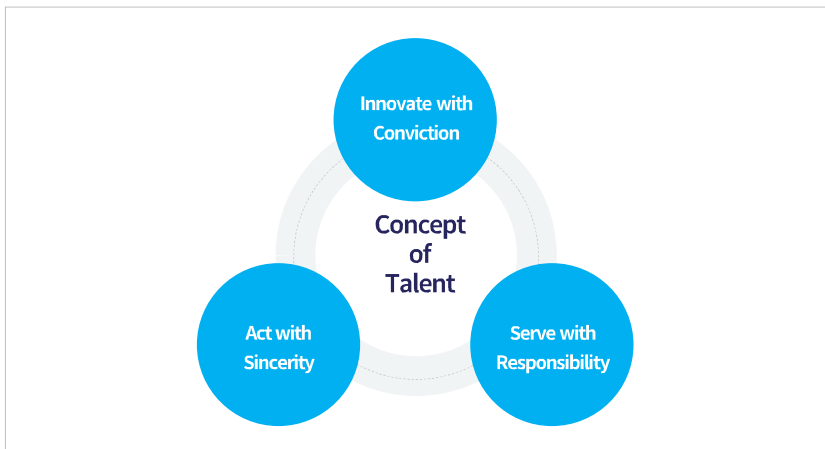
Hanjin established the ‘Better Results for Courier Business Improvement T/F’ and operated it for about 2 months to discover the need to improve the courier business’s work and services through the voluntary and proactive participation of employees. This resulted in various improvement proposals related to the courier business’s work and services being implemented through a bottom-up opinion gathering process. The T/F was composed of juniors below the level of assistant manager and headed by a junior, which allowed for fresher and more objective ideas. Hanjin will continue to strive to freely communicate various opinions and collect developmental ideas to lay the foundation for the company’s development.



## Fair HR Management

For fair and reasonable human resource management, Hanjin has established a concept of talent of Innovation with Conviction, Act with Sincerity, Serve with Responsibility, and fosters talents who will lead the logistics industry through efficient human resource management and a performance reward system based on fair evaluation.

### Concept of Talent



#### Innovate with Conviction

- Enterprising person who will lead in the age of globalization
- Talents who constantly strive for self-development
- Talents who break stereotypes and have a sense of creativity

#### Act with Sincerity

- Talents with Indomitable Will
- Talents that are respectful and always humble
- Talents that are considerate of others and mingles well with the organization

#### Serve with Responsibility

- Doers with autonomous thinking
- Professionals who are committed to excellence in the industry
- Talents who voluntarily contribute to the organization and society

### Goals of Hanjin HR Management

Classification	Details	
Workforce Operations Efficiency	Manpower Arrangement Based on Individual Aptitude	Placing employees in departments considering their aptitudes and wishes
	Self-Reporting System	Collecting self-assessment reports from junior-level employees annually and supporting individuals to develop their own career development plans
Reasonable Talent Development System	Establishing an All-employee Training System	Providing chances to improve work skills and expertise through mandatory training courses for each job and position
	Cultivating Multi-Players	Cultivating employees to become multi-disciplinary professionals by experiencing all areas of Hanjin's Business
Performance-based Compensation System and Fair Evaluation System	Compensation Based on Performance	Providing merit pay based on work performance through objective evaluation
	Objective and Transparent Evaluation	Implementing performance and ability-based evaluations and operating a fair evaluation system with quantified evaluation factors

## Job Posting Program

The Job Posting Program provides employees with open and equal opportunities to perform jobs in their areas of interest, rather than one-way personnel transfers based on company decisions. Hanjin provides employees with the chance to set their career paths by selecting jobs and departments that consider their aptitudes. It also enhances the stability of the organization's operations by assigning personnel with expertise and understanding of major businesses and organizations.

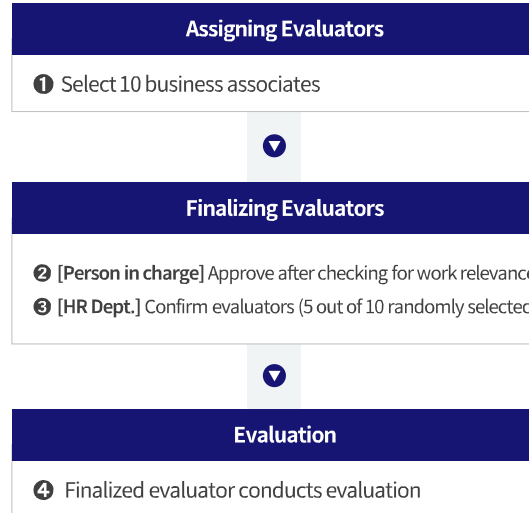
### Job Posting Operating Procedures



## Multi-source Feedback System

Hanjin operates a multi-source feedback (peer-evaluation) system to strengthen collaboration and communication among employees. The system consists of both quantitative and qualitative evaluations, including selective and descriptive questions on employees' work cooperation, information sharing, communication, initiative, and sense of responsibility. It ultimately aims to expand interaction among employees and create a culture of mutual support.

### Multi-source Feedback System Operating Procedures



## Grievance Handling Channel

Hanjin operates a counseling and reporting procedure for employees' grievances and difficulties, workplace harassment, and sexual harassment and strives to ensure the human rights of employees and all stakeholders by taking appropriate measures by the procedure for acts and damage cases that violate the human rights management policy. To this end, Hanjin operates various grievance channels, such as Hanjin's website and an e-mail dedicated to consultation (gochung@hanjin.com) and separately designate the person in charge of sexual harassment and maternity protection. Hanjin takes appropriate measures, such as separating workplaces and referring cases to the Human Resources Committee, based on the principle of strict anonymity for cases received through grievance channels.

### Grievance Handling Process

Report	Reporting by people directly involved or witnesses
Consultation	Consultation with person in charge
Investigation	Interviewing and collecting evidence
Deliberation/Action	Deliberations and disciplinary actions
Monitoring	Ongoing Monitoring of secondary harm, penalties, etc.

## Vision and Strategy for Talent Development

Hanjin has established and operates a detailed implementation plan to build an education system for the mutual growth of the company and its employees to leap forward as an 'Asia Top-tier Smart Logistics Solution Company.'

Vision	Asia Top-tier Smart Logistics Solution Company		
Goal	Shared Growth of the company & employees through systematic education		
Key Priorities	<b>Core Talents to drive company growth</b> <ul style="list-style-type: none"> <li>- Cultivating hands-on core talents with leadership skills</li> <li>- Establishing a training system to improve job expertise</li> <li>- Training centered on employee lifecycle and employee experience</li> </ul>	<b>Logistics innovation talents leading change</b> <ul style="list-style-type: none"> <li>- Designing DT training step-by-step</li> <li>- Developing new curriculum to enhance business competitiveness</li> <li>- Improving the required completion system by position through personalized data management</li> </ul>	<b>Communicative talent to improve organizational culture</b> <ul style="list-style-type: none"> <li>- Enhancing communication through the formation of an empathetic organizational culture</li> <li>- Activating a support system for a self-directed learning culture</li> <li>- Strengthening education to raise safety / ethics / ESG awareness</li> </ul>

## 2024 Talent Development Plan and Key Tasks

Hanjin's 2024 talent development initiatives are geared toward building a vibrant organizational culture and nurturing talent that drives business growth and change. Hanjin aims to foster talents with leadership and job expertise, identifies innovative talents who actively respond to environmental changes, and improves organizational culture based on empathy and communication. Hanjin is promoting upskill programs to improve employees' job expertise, designing job training related to the skills needed for digital transformation, training to improve customer service capabilities, on and off boarding management for new hires and those planning to retire, training data utilization experts, operating communication programs among employees to revitalize the culture of organizational communication, activating self-development support systems such as in-house study and certification acquisition support, and on/off-line training to raise ESG and safety awareness.





## Customer Satisfaction Management

Hanjin has established service quality improvement goals and strategies to provide differentiated customer-centered services. To this end, Service Innovation Department at the headquarters, Customer Service Center, and field organizations, the closest point of contact with customers, listen to the voices of customers and strive for continuous improvement activities for better service.

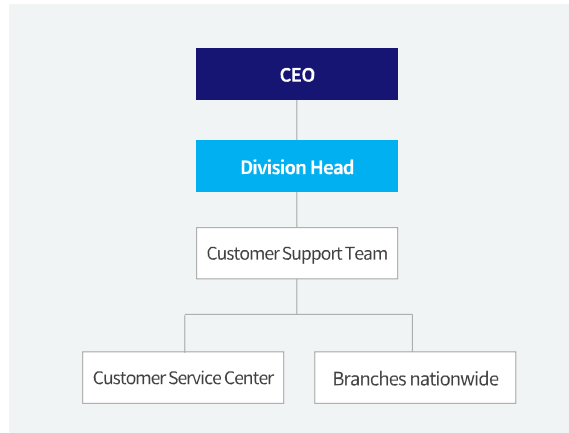
### Customer Satisfaction Management Strategy

Hanjin practices customer satisfaction management in which value creation activities from service planning to provision are centered on customers and conducted from the customer's perspective.

Vision	Asia Top-tier Smart Logistics Solution Company
Service Quality Goals	Maximizing the impression of external (consumers) and internal (employees) customers by improving service quality and reinforcing customer-centered mindset
Service Quality Strategy	Pursuing win-win customer value innovation strategy based on trust, long-term relationship, and mutual benefit with customers

### Customer Satisfaction Management Governance

Customer-centered management is a basic principle applied to all employees. The Customer Support Team under the Service Innovation Department, led by the head of the business division, establishes and manages plans for the continuous implementation of customer satisfaction management. Hanjin will do its best to listen to its customers' opinions through Customer Service Center and branches nationwide and make every effort to be one step closer to them.



### ISO9001

Hanjin is certified ISO9001 (Quality Management System), an global standard for quality management systems established by the International Organization for Standardization. ISO9001 guarantees that the product/service system meets the requirements of global standards and is continuously maintained and managed. It is the basic system for Hanjin's customer satisfaction management. Based on this, Hanjin will continue to reflect the voice of customers in its services and strive to provide better services and satisfying experiences to its customers.

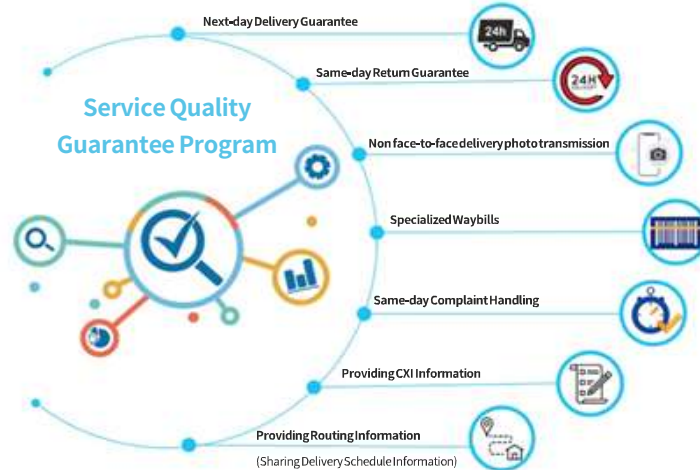


## CXI (Customer eXperience Index)

To provide differentiated experiences to customers, Hanjin has developed CXI, a service index based on customer experience, to manage and improve service quality. Hanjin also strives to provide the best customer experience by constantly monitoring and improving the leading and lagging factors of each index.

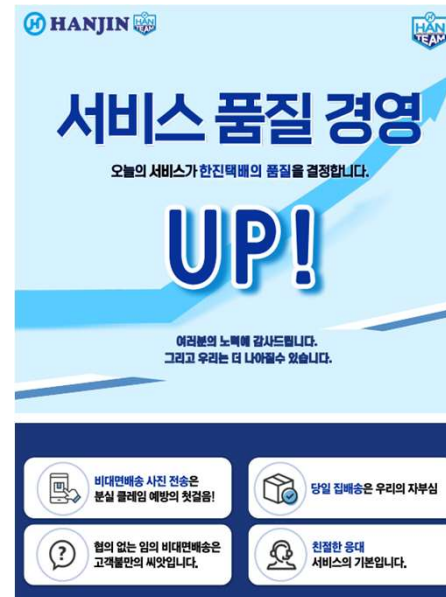
## Service Quality Guarantee Program

Hanjin introduced the Service Quality Guarantee Program to provide customers with differentiated value beyond their trust and confidence in the service. The Service Quality Guarantee Program is Hanjin's specialized service that guarantees the quality of core and differentiated service items such as net-day delivery and same-day return guarantee, non-face-to-face delivery photo transmission, and CXI provision and management. Based on the results of the pilot service, which started in February 2024, Hanjin will expand it to a more upgraded service in response to customer feedback.



## On-site Service Training

Hanjin conducts regular face-to-face and group training to maintain excellent delivery service quality and updates service guidelines when there's any change. Although the core value of customer satisfaction management remains unchanged, customer's specific needs are changing. To provide services suitable for these changes, Hanjin renews service training materials occasionally and share the main points of customer services with delivery drivers through posters and booklets. In this way, Hanjin strives to prevent customer complaints in advance and provide better quality customer service by strengthening service training to the field organization, which is the closest point of contact with customers.



## Service Evaluation of Delivery Drivers

Customer evaluation of delivery service is a valuable asset for realizing customer satisfaction. Hanjin conducts service evaluations of delivery drivers for customers, reviews the feedback, converts it into a quantitative score, and utilizes it to improve service training and operate incentive and penalty systems.



## Communication Channels with Customers

Hanjin operates various channels for customers to communicate with Hanjin quickly and conveniently. Hanjin responds to customers' inquiries through its website, APP for customers, and Customer Service Center, and Hanjin is continuing to expand channels using new technologies such as visibleARS and ChatBot.



## Delivery Information Visibility

Hanjin is introducing new technologies and systems to make it easier for customers to check the entire product delivery process and handle complaints. Hanjin will continue to develop new convenience services from the customer's perspective, such as advance notification of delivery delays, information on the status of incidents, and electronic agreements for claims, to increase customer satisfaction.

### In-advance Notification of Delays

Automatically send texts when a shipment is delayed, explaining the reason for the delay and the estimated date of arrival

### Information on the Status of Incidents

Provide real-time information on the status of courier-related accidents and compensation after receipt, if necessary

### Introduction of Electronic Claims Agreements

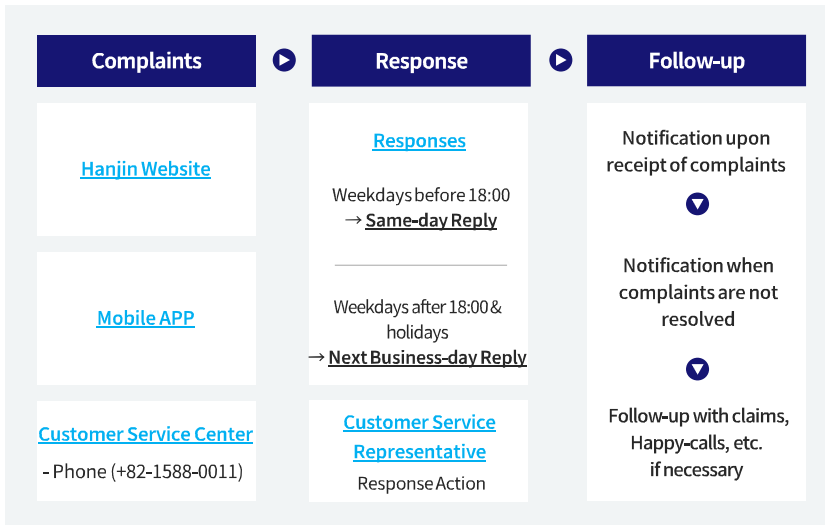
Implement an electronic signature through APP and WEB for customers' compensation processing

### Photo Transmission for Consignment Delivery

Send photos of the storage location when it is difficult to receive the courier in person

## Voice of Customer (VOC) process

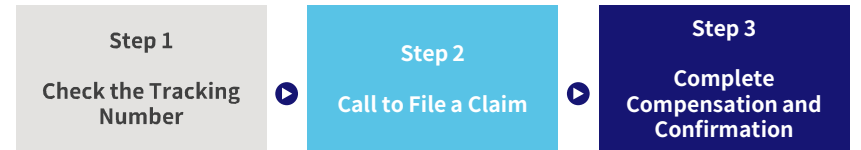
Hanjin listens to the voice of customer (VOC) through its website, APP for customers, and Customer Service Center. Hanjin also handles VOCs at delivery and collection points nationwide through its intranet. VOCs are notified to the related branch immediately, and Hanjin has an immediate response process that aims to respond on the same day.



## Customer Compensation Procedure

Hanjin operates a compensation procedure for customers to receive compensation if there is a problem with the parcel received or if the customer does not receive the parcel. Once the details of the incident and the compensation amount are confirmed, the CS representative will discuss the compensation amount with the customer and deposit it into the customer's account within 7 days on average. The amount of compensation is determined within the limit of the amount stated on the waybill.

**Damage, contamination, spoilage, missing contents, or non-receipt of a package (total loss, long-term non-receipt) within 14 days of receiving a package**



**Compensation Limit :** Limit of the amount written on the waybill (if not written, limit of KRW 500,000), Surcharges and special contracts are subject to separate negotiation after notice from us

**Compensation Amount :** Confirmation of purchase receipt or normal purchase price of similar products in e-commerce  
(Repairable products will be compensated at the repair cost)

※ However, in case of delay, the number of days of delay × 50% of the transportation fee is added, up to a maximum of 200% of the transportation fee.

## Information Security

Hanjin strives to protect its customers' personal information by establishing, implementing, and continuously improving information security and protection systems. Hanjin regularly conducts mock drills and inspection activities to prevent hacking and personal information leakage. Hanjin is also conducting awareness-raising activities to make information security a way of life, such as annual information security training for employees and monthly 'Information Security Day'

### Information Security Policies

For systematic information security, Hanjin has established and operated the security management regulations, which include the CEO's security declaration and 13 detailed guidelines. Guidelines are categorized into 5 technical security guidelines, 2 physical security guidelines, 5 management security guidelines, and 1 personal information security guideline, including cloud security guidelines. In addition, guidelines are posted on the intranet to ensure that all employees are aware of and comply with them. They are revised and managed annually to reflect changes in the internal/external environment.

### Information Security Organization

Hanjin has appointed a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO) at the C-level. These officers specialize in establishing strategies and plans for securing information safety, protecting users, and preventing and responding to security incidents. Hanjin has established an information security organization that can identify and manage personal information risks at business sites by operating a Personal Information Committee composed of chief executives and a Personal Information Protection Working Council composed of working staffs. In 2023, Hanjin shared the revised Personal Information Security Act through the working council, examined related cases, and conducted practical discussions. The Privacy Committee reviewed and resolved the main issues derived from the council.

### Information Security Management System Certification

To establish a safe and secure environment and systematic information security, Hanjin has acquired ISMS certification for major systems and facilities. Hanjin will continue to supplement and improve the information security system to preemptively block risk factors and strengthen it.



### Chief Information Security Officer (CISO)

Hanjin has appointed a C-level Chief Information Security Officer who meets the qualifications of the Information and Communications Network Act and Enforcement Decree of the Act and has expertise in information security and personal information security.

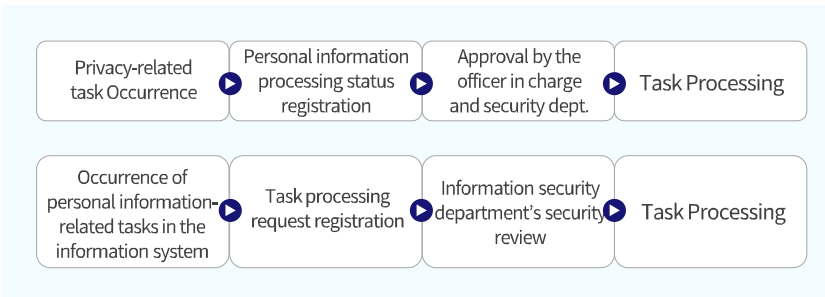
Enforcement Decree of the Act on Promotion of Information and Communications Network Utilization and Information Security, etc.	Eligibility
At least 10 years of work experience in the field of information security or information technology	Y (23 years of experience)
Acquired the qualification of information security management system certification auditor	Y (Acquired in 2019)

## Information Security Solutions

Hanjin applies various technical protection measures to protect information security and customer information and has introduced security solutions and systems to respond to increasingly advanced and sophisticated security threats. For personal information security and internal document protection, Hanjin adopted endpoint document encryption (DRM) solutions and personal information detection and encryption solutions. Hanjin has also built and operates antivirus programs, intrusion prevention systems, DDoS, web shells, and access control solutions. In addition, Hanjin has a dense accident prevention system that monitors abnormalities and hacking threats 365 days a year through a specialized security control company.

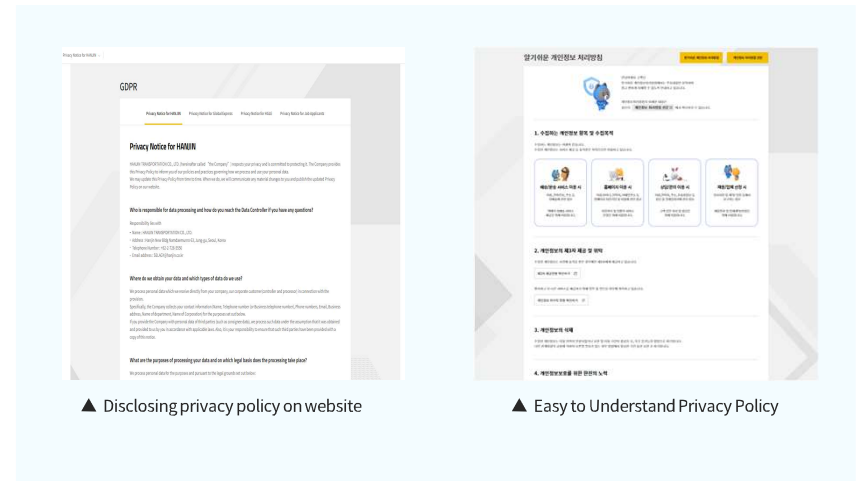
## Personal Information Security Process

Hanjin meticulously manages the processing of personal information. All tasks related to personal information, including collection, consignment, destruction, access, provision, and utilization, are registered in Hanjin's system. These tasks are processed only after obtaining approval from the relevant department's executives and the Information Security Department. Hanjin also has established procedures to ensure the safe management of personal information in the information processing system, which are reviewed by the information security department to maintain the highest level of security.



## Personal Information Security Service Operations

Hanjin discloses its privacy policy on its website and provides a personal information inquiry center to reassure customers about protecting their personal information. Hanjin informs customers about the collection and use of personal information when making a home delivery reservation and posts its privacy policy on website to provide customers with information related to processing personal information. Hanjin also posts the 'Easy to Understand Privacy Policy' on its website, which summarizes the important contents of the Privacy Policy to help customers more easily understand Hanjin's handling of personal information. Furthermore, Hanjin listens to customers' inquiries and opinions regarding personal information security through the 'privacy@hanjin.com' account. Inquiries registered at 'privacy@hanjin.com' are checked directly by Hanjin's Information Security organization, not the Customer Service Center, to provide more professional answers. In Hanjin's internal systems, sensitive information is masked on the customer information provision screen to ensure that customer information is managed securely.



Green Logistics  
Safe Workplace with Vision  
**Putting Customers First**  
Win-win and Shared Growth  
Healthy Governance

## Partner Information Security Training and Activities

Hanjin conducts annual checks on handling customers' personal information for about 900 partners, including courier branches, drivers, and other entrusted companies that handle customers' delivery information. At each branch, Hanjin collects security pledges from the couriers and drivers in charge and checks their handling of customers' information through the personal information processing entrustment checklist to ensure they safely handle customers' personal information. In addition, Hanjin requires its subcontractors to sign a personal information processing entrustment agreement and security maintenance contract and provides personal information protection trainings to ensure that all Hanjin's subcontractors are aware of the importance of protecting customers' personal information.

## Information Security Exercises and Security System Check Activities

Hanjin conducts unannounced malicious email simulation drills for employees to prepare for cyber threats such as malware and ransomware. Hanjin also performs system disaster recovery drills every year to respond efficiently in the event of an IT breach/disaster. To familiarize employees and stakeholders with the response procedures in the event of an infringement or personal information leakage, Hanjin conducts simulation drills based on scenarios and improves the response system based on the results of the drills. In addition, to check Hanjin's security system, Hanjin conducts a variety of security system checking activities such as system security audits, office environment security checks, and technical vulnerability checks to thoroughly manage risks to ensure there are no problems with the security system.

## Internal Information Security Campaigns

Through the monthly Hanjin Information Security Day, 'SAFE DAY,' Hanjin disseminates information security practices and personal information leakage cases within the company and encourages employees to check the security level of their PCs and systems so that all employees can take an active role in information security.

Hanjin also conducts diverse information security events and promotional activities for employees to create a culture where employees can more easily recognize the importance of information security and personal information protection and participate directly.

7월19일(수) ~ 8월2일(수)  
**사무환경 보안점검  
기간입니다.**

안전한 환경을 위해  
아래 4가지 활동을 꼭 실천해 주시기 바랍니다.  
**보안교육/퀴즈 풀기를 완료하신 분들 대상으로  
키프티콘 이벤트를 진행 하오니 많은 관심과 참여 부탁드립니다.**

**보안프로그램 3종 설치 확인 (백신, EPP, DRM)**  
카스퍼스키 (백신), EPP (개인정보보호, 내PC지킴이), DRM(문서보안)  
보안프로그램 다운로드 : 한웨이 > IT Help Desk > 정보보안 F&Q

**EPP 사용자정보 반드시 입력**  
사용자정보 확인 : EPP > 우 클릭 > 사용자정보  
사용자정보 초기화 필요한 경우 : 정보보안팀 박혜리 대리 (☎ 5822)

**내 PC 지킴이 보안점수 85점 이상**  
EPP > Security Assessment > PC보안점검 > 시작 > 85점 이상  
사무환경 보안점검 기간 후 85점 미만 > 네트워크 차단 예정

**보안교육/퀴즈 풀기 (교육링크 아래에서 확인)**  
아래 링크로 접속 > 교육진행 > 퀴즈 4문제 모두 풀면  
키프티콘 이벤트 자동 등록

정보보안팀

2023년 10월 한진 정보보안의 날 "SAFE DAY"

**랜섬웨어 공격**  
직원의 실수 하나가 수백억 피해로 이어진다  
기아자동차, 한화솔루션도 피하지 못한 랜섬웨어

**랜섬웨어란?**  
이메일 등 각종 루트로 악성코드를 보내  
사용자의 PC를 암호화 시키고  
복호화를 위해서 금전을 요구하는 수법

**최근 피해 사례**  
Hanuha 864GB 한화메모리 보유 7월 이내 출금 지령요구  
KIA 2일간 조차어 공장 생산 차질  
MGM 호텔, 카지노 시스템마비

안녕하세요 한진 임직원 여러분  
이번 달 SAFE DAY에는 랜섬웨어에 대해 알아보겠습니다.  
최근 국내 민간기업의 랜섬웨어 신고가 3년간 8배 이상 급증하였고  
특정 기관이나 기업을 타겟으로 하고 있는 만큼  
임직원 여러분의 각별한 주의가 요구됩니다.  
우리가 관심을 갖는 키워드로 악성파일의 다운로드를 유도하기 때문에  
안전성이 확인되지 않은 웹사이트 접속을 자제하고  
출처가 불분명한 메일의 열람을 각별히 조심해야 합니다.  
또 사용하시는 SW/OS의 보안패치 발생 시 즉시 업데이트 해야 합니다.

무심코 하는 클릭 한번이 회사의 큰 피해로 이어질 수 있습니다.  
항상 각별히 유의해 주시기를 당부 드립니다.

한진 | 정보보안팀

## Win-win with Local Communities

To realize its vision of becoming Asia's leading logistics solutions company, Hanjin is committed to creating social shared value based on the principles of integrity, sustainability, and business connectivity with the goal of becoming a leading sustainable CSV (Creating Shared Value) business model.

### Hanjin's CSV Management System



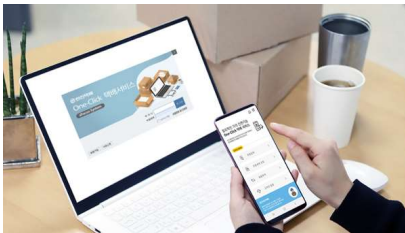
### Hanjin's CSV Promotion System

Hanjin utilizes its capabilities and resources to discover and operate sustainable CSV business models through a framework based on the PDCA Cycle.



## Digital Platform Business That Grows Together with Local Communities

Hanjin operates various CSV businesses that can create new value by connecting the world through logistics, which is Hanjin's strength. In April 2023, Hanjin established the Digital Platform Business Division to lay the foundation for further developing Hanjin's various platform businesses, combined with the existing CSV businesses, and to create new services and expand CSV. In addition, Hanjin donates a portion of the platforms' profits to all walks of life to support the development of a better society.



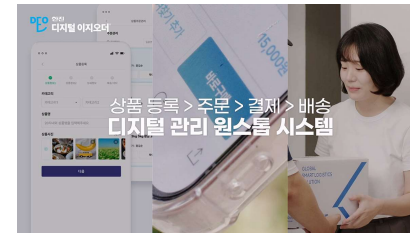
### Hanjin One-Click Service

Hanjin offers its convenient and affordable domestic delivery service 'One Click Home Delivery,' for solo entrepreneurs, startups, and small businesses; 'One Click Global,' which provides an easy and convenient international express solution for global sellers; and 'One-Click PRO' for e-commerce sellers whose businesses are on a growth trajectory.



### SWOOP

SWOOP provides integrated solutions for K-fashion brands to expand overseas. Based on Hanjin's global network and close partnership with the fashion industry, Hanjin supports overseas sales development, marketing support, and international logistics optimization for each type of overseas expansion, such as overseas pop-up events and exhibition logistics.



### Hanjin Digital Easy Order

It is a one-stop order management platform that enables traditional market sellers and small businesses struggling with digitalization to open up sales and manage orders, delivery, payment, and business cards at once. Through dedicated platforms, sellers and consumers can enjoy easy order management for sellers and cheaper local specialty products for consumers.



### Slow Recipe

Slow Recipe is a shopping mall that sells high quality eco-friendly and vegan products from Korea to overseas. In addition to www.slowrecipe.com, Slow Recipe is also present on Amazon and Shopee, and is supporting Korean eco-friendly product companies to expand overseas by holding a pop-up event in LA, USA in April 2023.

## Local Community Contribution Activities

Since 2022, Hanjin has been conducting the ‘Love Connect’ campaign to promote a culture of meaning out in conjunction with CSV activities and its business, and to engage customers and employees in solving social issues, including the environment. Hanjin will continue to practice corporate social responsibility in various ways.

### ‘Puppies, I will keep you happy’, season 2

Hanjin has partnered with the Beagle Rescue Network to donate a portion of the proceeds from the sale of the ‘Gift in My Wallet’ gift card to the organization’s work with stray dogs. The Beagle Rescue Network rescues, treats, and helps adopt laboratory animals and stray dogs into homes. The donation was used to purchase and deliver necessary supplies to stray dogs as requested by Beagle Rescue Network.



### Supporting the Heroes of Future with One-Click

Together with the Children’s Foundation, a social welfare corporation, Hanjin donated a portion of the proceeds from the ‘One-Click Delivery Service’ to the ‘i-Leader’ program, a talent fostering program. ‘i-Leader’ is a sponsorship program that identifies students with talent but experiencing financial difficulties and supports their careers.



### A Happy Meal from HOOT TOWN

Hanjin partnered with World Vision, an international relief and development NGO, to donate a portion of the proceeds from HOOT TOWN to the ‘Lunch of Love Campaign’, a program for hungry children. Employees also volunteered to make snacks and pack lunch boxes, adding to the program’s meaningfulness.



## 2023 Hanjin’s CSV Achievements

### CSV Porter Award, Hall of Fame Admission

Hanjin won the CSV Porter Award in 2021 in the ‘Project Win-win’ category, followed by the ‘Process’ category in 2022 and 2023. It has won the award for 3 consecutive years and has been admitted to the CSV Porter Award Hall of Fame. The CSV Porter Award was established in 2014 by the Professor of Harvard University, Michael Porter, who founded the CSV concept and the Industrial Policy Institute to promote CSV activities that simultaneously create economic value and solve social problems.



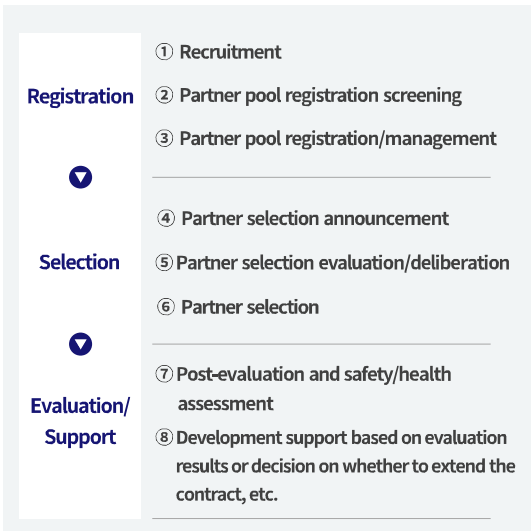
### Selected as a Local Social Contribution Company in 2023

For the second consecutive year in 2023, Hanjin was selected as a ‘local social contribution company’ jointly organized by the Ministry of Health and Welfare and the Korea Social Welfare Council. In particular, Hanjin received high recognition for its eco-friendly activities, such as the introduction of electric vehicles and the production of uniforms using waste PET bottles. Hanjin was also praised for its performance in spreading value creation through collaboration with local communities and ethical management. Hanjin will continue to fulfill its social responsibility for win-win and shared growth with local communities to create a sustainable future.

## Partners for Sustainable Growth

### Partner Registration and Evaluation Process

To ensure transparency in selecting and operating partners, Hanjin established the ‘Guidelines for Recruitment, Registration, Operation, and Evaluation of Partners’ in 2017. Based on this, Hanjin is building sustainable supply chain management by expanding the pool of partners and discovering excellent partners every year.



To build a sustainable supply chain, Hanjin selects partners through a fair and transparent process based on regulations on recruitment, selection, evaluation, and development of partners. Hanjin evaluates the environmental, ethical, and safety and health management levels of its partners when evaluating bids, and promotes shared growth with them by securing excellent partners.

### Basic Principles of Recruitment and Registration

Hanjin recruits partners to purchase goods and services through its website or e-bidding site at least once a year. Hanjin selects companies that meet the basic principles of partner registration and registers and manages them in the partner pool

Basic Principles	Details
<b>Fairness</b>	There shall be no discrimination in the registration criteria between existing and newly registered business without justifiable reasons. Also, business registered as business associates shall not be restricted or discriminated against in terms of opportunities to participate in bidding to initiate transactions without justifiable reasons.
<b>Clarity</b>	The registration criteria for partner companies shall be specific and clear to ensure that they are not subject to arbitrary interpretation.
<b>Disclosure</b>	Matters related to partner registration standards and procedures shall be disclosed at the business site, website, etc., for at least 15 days before the expiration of the validity period of the partner registration or 30 days before the start of the registration (including renewal registration) review.
<b>Guarantee of Safety and Health</b>	Companies registered as a business partner must have abilities and technologies to take measures to prevent industrial accidents.

### Selection, Evaluation, and Development of Partners

As part of Hanjin’s proactive stance on sustainability, Hanjin is actively promoting ESG management practices among its partners. Since 2021, Hanjin has been evaluating the level of environmental management, social responsibility, ethical management, and health and safety management when selecting partners. Hanjin also provides additional recognition to companies with relevant certifications, further incentivizing ESG practices.

#### Certifications for Additional Points in evaluation

Classification	Certifications for Additional Points
<b>Environmental Management</b>	ISO14001
<b>Ethical Management</b>	ISO37301, ISO37001
<b>Safe and Health Management</b>	KOSHA-MS, ISO45001

Hanjin conducts quarterly service evaluations, semi-annual safety evaluations, and annual general evaluations for its contracted partners. The general evaluation consists of comprehensive evaluation items on service level and safety and health. Hanjin determines incentives and penalties based on its partners’ service evaluations. The evaluation results are reflected in the decision to extend contracts, adjust the scale of operations of partners, and support the development of partners.

## Supporting Partners Activities

To promote ESG in the supply chain, Hanjin conducts various capacity-building support activities for its partners (partners). Through Hanjin's e-bidding system, Hanjin automatically sends e-mail, which is linked to workplace safety training videos, to its partners so that they can utilize them for safety and health training, helping them to strengthen their safety and health management capabilities. Hanjin also provides personal information security education to its partners to make them aware of the importance of protecting personal information. Hanjin also strives to manage personal information-related risks in the supply chain.

Furthermore, Hanjin supports a variety of welfare programs for its partners. Hanjin provides congratulatory items to its contracted delivery drivers and Customer Service Center's agents. Hanjin strives to manage the health of its field workers as well by providing drinks and cold weather supplies to delivery drivers during summer and winter and conducting annual medical checks by visiting delivery drivers, trunk line drivers, and delivery store managers. In addition, Hanjin operates a welfare online mall for couriers and freight drivers, where they can purchase work supplies, office supplies, and various Hanjin Group's products at lower prices than the market price. During hot summer season, Hanjin runs 'Thank You Box' that provides cool bottled mineral water for all delivery drivers who visit the Hanjin Building.



## Partner Code of Conduct

Hanjin has enacted the 'Hanjin Partner Code of Conduct' to achieve mutual growth and win-win with all partners who provide services and products to Hanjin. Through this code, Hanjin hopes that the entire supply chain, including its partners, will continue to grow with Hanjin as a more respected company in society. The Hanjin Partner Code of Conduct is a guideline for Hanjin's partners to practice human rights of their workers, safety and health, anti-corruption, fair trade and fair competition, information security, and environmental management. Hanjin will continue to support its partners to comply with the code to strengthen their social responsibility management capabilities and enhance the competitiveness of the entire Hanjin's supply chain in the long term.



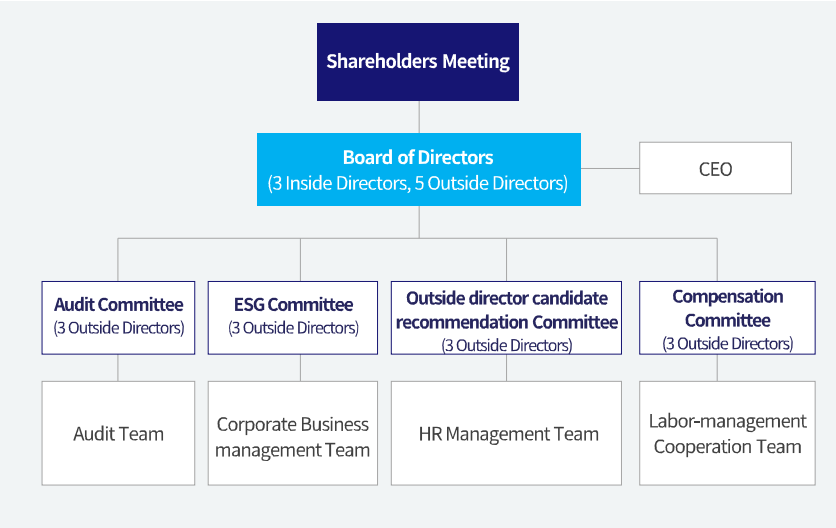
Classification	Details
Labor and Human Rights	Prohibition of forced labor, protection of child workers, humane treatment of workers
Safety · Health	Safety management, including occupational safety and disaster management, health and hygiene management, and facility and equipment management
Ethics	Anti-corruption, fair Trade and fair Competition, information Security
Environment	Environmental compliance, energy consumption and GHG emissions management, and waste reduction

# Transparent Governance

Hanjin strives to establish and develop transparent governance to lay the foundation for sustainable development. Hanjin resolves important management issues stipulated by the Commercial Law and other relevant laws and regulations through the General Meeting of Shareholders, the highest decision-making body, and the Board of Directors. Hanjin also discloses information pertinent to inform shareholders and stakeholders promptly.

## Corporate Governance Charter

In November 2019, Hanjin enacted the Corporate Governance Charter to enhance its sustainable competitiveness and firmly establish its corporate governance. Through the Charter, Hanjin reemphasized the company’s management policies and philosophy for the purpose of developing a transparent and sound governance structure, including the transparency of Hanjin’s corporate governance structure and the expertise and independence of the Board of Directors. Based on the Charter, Hanjin has set a governance structure that balances the Board of Directors and top management.



## Board Composition

Hanjin’s Board of Directors consists of three inside directors and five outside directors who are experts in various fields such as antitrust, taxation, accounting, finance, and law. Outside directors are appointed through a resolution of the shareholders’ general meeting after reviewing the candidates’ qualifications recommended by the Outside Directors Candidate Recommendation Committee, which comprises experts in each field. Through active communication and discussion, Hanjin’s Board of Directors endeavors to supervise the company’s management, prevent risks, and make effective decisions regarding its overall management.

Classification	Name	Gender	Specialty	Last Appointment Year	Term (years)
Inside Directors	Sam-Sug Noh	M	CEO	2023	3
	Emily Lee Cho (Hyun-Min Cho)	F	Marketing	2023	3
	Yeong-Hwan Shin	M	HR/Labor/General Affairs	2022	3
Outside Directors	In-Ok Son (Chairman)	M	Fair Trade	2023	3
	Mun-Su Kim	M	Taxation	2022	3
	Jong-Cheol Han	M	Accounting	2022	3
	Kyeong-Won Kim	M	Finance/Accounting	2024	3
	Bon-Seon Koo	M	Legal	2023	3

Board Independence

Hanjin appoints five outside directors, a majority of the total number of directors. To strengthen the board-centered management system and streamline board operations, Hanjin has established four committees under the board of directors, all composed of outside directors, to perform independent decision-making and management monitoring functions. In addition, Hanjin ensures that the Articles of Incorporation and Board of Directors regulations stipulate the separation of the CEO and Chairman of the Board of Directors. Since 2020, Hanjin has appointed an outside director as Chairman to strengthen its independence further.

Hanjin has established the Outside Director Candidate Recommendation Committee by Commercial Law to review and recommend qualified candidates with expertise and qualifications to ensure independence and fairness in nominating and appointing directors. Hanjin provides shareholders with sufficient time and information to verify the expertise and independence of candidates, including the candidates’ major experience and business relationships with the company, at least two weeks before the date of the shareholders’ meeting.

Board Skills Matrix

Name	Leadership	Logistics	Finance/ Accounting	Marketing	Law/ Policy	Global Competency	ESG / Fair Trade	Term Expiration Year
Sam-Sug Noh	●	●		●		●	●	2026
Emily Lee Cho (Hyun-Min Cho)	●	●		●		●	●	2026
Yeong-Hwan Shin	●	●					●	2025
In-Ok Son	●				●	●	●	2026
Mun-Su Kim	●		●		●		●	2025
Jong-Cheol Han	●		●		●	●	●	2025
Kyeong-Won Kim	●		●	●	●	●	●	2027
Bon-Seon Koo	●				●		●	2026

Board Operations and Activities

Hanjin stipulates the Board of Directors’ operating procedures, resolution methods, and agenda presentation standards in the Board of Directors Regulations and holds regular Board Of Directors meetings once a month and temporary Board of Directors meetings as needed. In 2023, The Board of Directors held 12 conferences, deliberated on 22 agenda items, and reported on them. The details of Board of Directors meetings and deliberation results are disclosed through the electronic disclosure system (DART) and the website to provide stakeholders with necessary information

Board of Directors Meetings Held

※ If there is no agenda, the BOD may not be convened

No.	Date	Agenda
1	1/10	Four items, including the 2023 business plan
2	2/7	Four items, including the 2023 safety and health management plan
3	3/8	Two items, including the holding of the 67 <sup>th</sup> General Meeting of Shareholders
4	3/23	Three items, including appointment of the chairman of the Board of Directors
5	3/27	One item on acquiring the shares of Seju DSJ Co.
6	5/9	One item of report on financial statements for the 1 <sup>st</sup> quarter of 2023
7	6/13	One item on acquiring a stake in the construction company of UNPO
8	7/11	One item of convertible bond refinancing issue
9	8/8	One item of financial report for the 1 <sup>st</sup> half of 2023
10	9/12	One item on establishing the representative office in Mongolia
11	11/14	One item of financial report for the 3 <sup>rd</sup> quarter of 2023
12	12/12	Two items, including the authority delegation issue of 2024 corporate bonds to the CEO

Classification	2021	2022	2023
Number of Board of Directors Meetings Held	12 times	Ten times	12 times
Overall Board Attendance	96%	95%	99%

Committee Operations and Activities

Hanjin has established and operated an Audit Committee, an Outside Director Candidate Recommendation Committee, an ESG Committee, and a Compensation Committee under the Board of Directors. To enhance the transparency of Hanjin's governance structure, all committee members are outside directors with expertise in their respective fields, and each committee is given its own authority to ensure more independent and objective decision-making.

Committee	Purpose and Authority	Members
Audit Committee	Supervising the work of the Board of Directors and directors, auditing the company's accounts, etc.	Jong-Cheol Han (Chairperson) Mun-Su Kim Kyeong-Won Kim
Outside Directors Candidate Recommendation Committee	Verifying and selecting candidates for outside directors and recommending them to the general meeting of shareholders	Kyeong-Won Kim (Chairperson) In-Ok Son Bon-Seon Koo
ESG Committee	Deliberating on shareholder rights and interest, internal transactions, and reviewing and deliberating on ESG-related performance	In-Ok Son (Chairperson) Kyeong-Won Kim Bon-Seon Koo
Compensation Committee	Reviewing directors' compensation limits and compensation system	Mun-Su Kim (Chairperson) Jong-Cheol Han Bon-Seon Koo

ESG Committee Meeting History

No.	Date	Agenda	Attendance
1	3/7	One report on the results of the 2022 board and committee evaluation	3/3
2	3/23	Two items, including the 2023 ESG Report publication plan and ESG materiality review	2/2
3	7/11	Two items, including a preliminary review of convertible bond refinancing issue	3/3
4	12/12	Three items, including Hanjin's climate change response progress and plans	3/3

Board of Directors Evaluation

Hanjin annually evaluates the Board of Directors and its committee's operations to diagnose their current status and continuously improve them. The assessment is performed through an anonymous survey of outside directors. The results and improvement plans are reported to the ESG Committee, which continues its efforts to improve the Board of Directors and its committee's operations. Hanjin also discloses the evaluation results through the Corporate Governance Report, which is published annually.

Classification	Number of Questions	Score (points)
Board Roles and Responsibilities	5	4.8 / 5.0
Operations of Board	9	4.8 / 5.0
Committee Appropriateness	5	4.8 / 5.0
Overall	19	4.8 / 5.0

Board Compensation and Remuneration

Within the limits approved by the general meeting of shareholders, Hanjin pays remuneration that includes annual salary and severance pay to its inside directors based on their rank and position and a fixed salary to outside directors set separately by the Compensation Committee, taking into account their responsibilities and the level of remuneration of other companies. To ensure the independence of outside directors, Hanjin does not pay them separate performance-based compensation linked to their individual performance and discloses information on director remuneration every quarter through DART.

※ Directors who retired during the year are included

Classification	Number of Directors	Total Compensation (KRW 100 million)	Average per person (KRW 100 million)
Inside Directors	4	11.1	2.8
Outside Directors (excluding audit committee members)	3	1.2	0.4
Audit Committee Members	3	1.8	0.6

## Proactive Risk Management

Hanjin defines risks as financial and non-financial hazards to the overall business, including sudden fluctuations in the company's assets or profits, deterioration of the business environment, etc. Hanjin identifies risks by type, establishes management plans for individual risks, and systematically manage them by measuring, monitoring, and responding to risk levels.

### Risk Management Framework and Guiding Principles

Hanjin systematically responds to risks by classifying risk management entities into the risk management head, risk management department, risk manager, and risk officer. In normal times, CEO is in charge of risk management, and each division head and office head manages and controls risks through periodic status monitoring and reporting. If a risk escalates into a crisis and a company-wide response is required, an emergency response system consisting of a response organization for each division, including CEO, is activated to minimize losses and promote early normalization.

No.	Basic Principles of Risk Management
1	Risks shall be identified and management plans shall be established based on reasonable criteria, and the management situation shall be evaluated through risk measurement. Based on the evaluation results, response and management plans shall be managed appropriately in a continuous improvement cycle.
2	Risk managers shall manage risks to prevent them from developing into crisis through proactive prevention and timely response.
3	The level of risk management consistent with business goals and strategies shall be set and managed so that business activities are not curtailed by excessive control.
4	If necessary, the head of risk management may report the status and progress of major risks to the BOD.

### Emergency Response System

Hanjin has a system for overcoming and recovering from emergency situations in which each division fulfills its assigned role by activating the emergency response system in the event of a crisis related to risk factors.

Procedure	Actions
<b>Crisis Awareness</b>	Check and analyze the facts as soon as each dept. recognizes the situation
<b>Reporting</b>	Heads of depts/offices in charge report details of the crisis to CEO
<b>Emergency Committee Convening</b>	CEO convenes an emergency committee and decides on the type of crisis and whether to switch to the emergency system
<b>Switching to an Emergency System</b>	Activate the emergency committee and organize a task force
<b>Establishment of Emergency Measures and Response</b>	- Emergency Committee: Review, approve, command and control measures - Task forces by sector: Establish emergency response plans, report, and respond to emergency situation
<b>Normalization</b>	Announce the end of the situation by the chairperson of emergency committee and return to normal operations

Priority Management Risks and Management Status

Hanjin enacted the Risk Management Regulations in July 2022 to systematically respond to risks that may arise in business activities. As of August 2023, Hanjin has managed and controlled risks by periodically reporting the status of measurable and identifiable risks to management for practical monitoring of its financial and non-financial risks. Hanjin will also report risk management system, status, and improvement plans to the BOD at least once a year to promote continuous improvement for more responsible risk management at the BOD level.

Risks		Definition	Status Risks Management	Management Period	Risk Management Method
Financial	Liquidity	The risk that unforeseen circumstances will cause a temporary shortage of funds, or that the company will suffer unusual losses, such as borrowing money at higher interest rates to cover the shortage or selling its holdings unfavorably.	Reserves	Daily	Reporting of Daily Risk Status to Management and Ongoing Improvement
			Borrowings	Monthly	
			Receivables	Weekly	
			Operating Profits	Monthly	
	Credit	The risk is that a company's credit rating could be downgraded, resulting in increased borrowing costs.	Credit Rating	Ongoing	
Non-Financial	Environment	The risk that pollutants and waste generated in the course of business operations may cause air, water, soil, etc. leading to legal regulations violation, financial losses, etc. or cause tangible and intangible damage to the company, such as natural disasters caused by climate change.	Environmental	Ongoing	
	Legal	The risk of legal disputes and regulatory risk arising from non-compliance with applicable laws regulations.	Compliance	Ongoing	
	Disclosure	The risk of legal, administrative, and regulatory consequences of failing fulfill the disclosure obligations of the corporate disclosure regime.	Disclosure	Ongoing	
	Safety	The risk of human and material damage, legal liability, and more from safety incidents.	Safety	Ongoing	
	Ethical	The risk of financial loss and reputational damage to the company due to unethical behavior of employees in their work.	Ethics	Ongoing	
	Security	The risk of external attacks such as hacking, damage from inappropriate access to information, and damage to company assets from unauthorized outsiders entering the workplace.	Security	Ongoing	
	Internal Accounting	The risk of misstated financial statements and loss of credibility due to lack of or non-compliance with accounting information preparation and management processes.	Internal Accounting	Ongoing	Reporting to Management and BOD as Needed and Continuous Improvement
	Business	The risk of significant damage to business operations caused by external factors.	Business	Ongoing	
	Labor Dispute	The risk of disruption of daily business operations due to strikes, occupations, etc. caused by the exercise of labor dispute rights by groups of workers.	Labor Disputes	Ongoing	

# Compliance Enhancement

Hanjin operates the Compliance Program (CP) to enhance compliance, which includes standards of conduct and action plans related to fair trade laws and regulations. It strives to ensure that all employees comply with these laws and regulations.

## CEO’s Declaration of Commitment to Fair Trade Compliance

Hanjin emphasizes its sincerity and commitment to setting a fair corporate culture through CEO’s declaration of compliance with fair trade. CEO emphasizes the obligations of employees to comply with laws and regulations, report violations, and participate in CP training as stipulated by the company’s CP standards. The company applies strict sanctions against violations or non-compliance with obligations that undermine the fair culture by applying the zero tolerance.

Dear executives and employees,

Since its establishment in 1945, Hanjin Co., Ltd. has grown as the best comprehensive logistics company in Korea thanks to the unstinting support of customers.

We have been striving to establish a fair culture by introducing the 'Autonomous Fair Trade Compliance Program' in 2004. Recently, social interest in fair competition among companies has been increasing as time goes by. In line with the trend in which fair trade-related regulations of the government to create the fair economic ecosystem are continuously being strengthened such as the Fair Trade Act and the Subcontracting Act., the need for the company to establish a compliance system by reestablishing its autonomous fair trade compliance program has grown. Ultimately, this is to deliver the best value to customers by respecting the order of the free competitive market.

If there were a violation of fair trade-related laws and regulations, we would be subject to sanctions such as a correction order, penalty surcharge, and criminal prosecution etc. from the Fair Trade Commission. There will be huge losses, both tangible and intangible, such as restrictions on qualification to participate in bidding, litigation for damages, and damage to the company's reputation through media reports. In addition, when dealing with business partners, there is also the risk of sanctions due to violations of the Subcontracting Act and the Act on the Promotion of Mutually Beneficial Cooperation between Large Enterprises and Small and Medium Enterprises due to problems such as non-delivery of contracts and delayed issuance of contracts, etc.

Accordingly, all executives and employees shall strictly refrain from unfair joint actions, including bid rigging, in the course of performing their duties and shall thoroughly comply with fair trade laws and regulations to prevent any damage to the company due to fair trade issues in the future through complete establishment of a fair trade compliance in corporate culture.

The autonomous Fair Trade Compliance Program is the standard and internal control system voluntarily established and operated by companies to comply with fair trade-related laws and regulations. The company plans to do its best to improve the compliance and ethical awareness of its employees through the actual operation of the program, and to prevent violations of the law, to spread and establish the culture of fair trade.

All executives and employees are requested to abide by the obligation to comply with laws and regulations set forth in the company's Compliance Program standards, the obligation to consult in advance in case of alleged violation of the law, the obligation to report any internal violations, and the obligation to participate in CP training, etc.

The company will give full support to the operation of the fair trade compliance program, and will take strict sanctions by applying the 'principle of zero tolerance' for violations of laws or non-fulfillment of obligations that harm the fair trade culture.

I would like to ask for your interest and active participation in the path to "customer satisfaction management" and "establishment of a fair trade compliance in corporate culture" based on customers' trust.

CEO of Hanjin Logistics Corporation

## Fair Trade Compliance Program (CP)

Hanjin introduced the Fair Trade Compliance Program (CP) in 2004 to provide behavioral standards and action plans for all employees to comply with and practice fair trade-related laws and regulations. Hanjin produces and distributes a fair trade compliance manual and conducts preventive compliance monitoring activities through risk identification and analysis within the company. Hanjin also regularly conducts on/off-line employee trainings, emphasizing compliance with the Fair Trade Act and prohibition of unfair collaborative behavior. Every month, Hanjin informs departments participating in bidding about he prohibitions (prohibitions on bid rigging or information exchange) and sanctions for participating in bidding to ensure that no violations of relevant laws occur. Hanjin will continue to strengthen compliance management and contribute to maintaining a fair market economy by strictly complying with the law.

### Quantitative Goals

Unfair joint conduct, including bid rigging, and information exchange violations

Zero

### Qualitative Goals

Establishing a fair trade compliance corporate culture and practicing ethical management

Eradicating unfair joint activities including bid rigging and pursuing fair trade

Promoting shared growth based on mutual trust with partners

## CP Operations History in 2023

In addition to conducting fair trade compliance training for all employees, Hanjin conducts additional training on bidding-related regulations such as the U.S. Code of Ethics and Fair Trade Act and the U.S. Country Contract Act for sales representatives to comply with international laws as a global logistics company.

Month	History
Jan.	- Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Feb.	- Announcement emphasizing prohibition of unfair joint activities(collusion) and compliance with antitrust laws - Guidance on compliance with the Fair Trade Act, corporate ethics practices, and cases of unfair joint activities by type - Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Mar.	- Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Apr.	- Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
May.	- Online Training on the Fair Trade Act and Subcontracting Act for all employees - Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Jun.	- Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Jul.	- Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Aug.	- Summary and notice of Hanjin Group Ethics Management Guidebooks - Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Sep.	- Implementation of the subcontract price (delivery price) linkage system and confirmation for each department - Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Oct.	- Online Training on the Fair Trade Act and Subcontracting Act for all employees - Online Training on the U.S. Fair Trade Act (Country Contract Law and Code of Ethics) for departments in charge of bidding and contracts - Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Nov.	- Company-wide laws and regulations CP checklist Self-check and risk analysis - Information on internal misconduct reporting and self-reporting exemption system - Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids
Dec.	- Notice to bidding teams on prevention of unfair joint activities(collusion) related to bids

## ISO37301 Certification

Hanjin has been certified by the International Organization for Standardization (ISO) for establishing and operating a compliance management system that meets global standards by acquiring the ISO37301 (Compliance Management Systems) certification. Through ISO 37301 certification, Hanjin will continue to reinforce its fair and transparent corporate culture as a leading global logistics company.

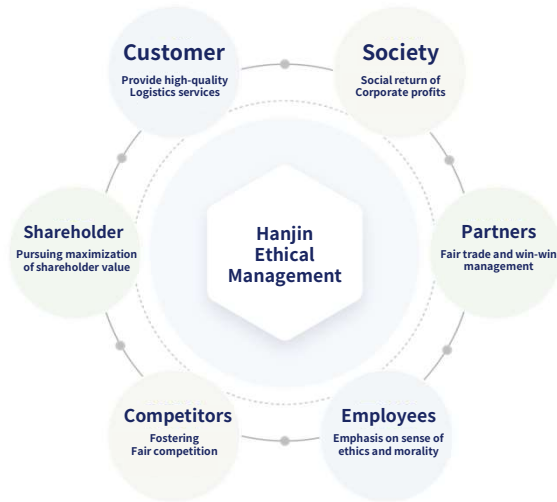


# Anti-Corruption

Hanjin promotes ethical management by complying with the ethical standards shaped by social norms, as well as economic and legal responsibilities expected by each stakeholder in decision-making and behavioral principles throughout management activities. Since introducing the Corporate Ethic Program in 2002, Hanjin has been striving to strengthen ethical management through company-wide practices and education.

## Hanjin’s Ethical Management System

Hanjin has established and practices an ethical management system based on the company’s management philosophy. Based on the Charter of Ethic, which is the ethical code to be followed by the company an its employees, Hanjin posts specific codes of ethics for implementing the ethical code and the Code of Conduct, which is the judgement standard for resolving ethical issues, on the internal network and ensure that all employees practice them through regular ethics emphasis.



## Charter of Ethic

Based on transparent management and responsible management, Hanjin respects the order of the free competitive market and pursues shared prosperity with society through business activities that comply with laws and regulations. To this end, Hanjin has established the Charter of Ethic, which serves as the principle of correct value judgement and behavior, and strives to implement it by all employees.

No.	Charter of Ethic
1	We pursue customer-centered management with customer satisfaction and safety as our top priority.
2	We do our best to maximize the investment value of investors.
3	We respect each employee and strive to improve their quality of life.
4	We pursue mutual growth through mutual trust with our partners.
5	We respect the principles of free competition and lead the development of a healthy logistics industry.
6	We actively contribute to the healthy development of the country and society and environmental preservation.
7	We empathize with the corporate philosophy pursued by the company and fulfill our duties and responsibilities.

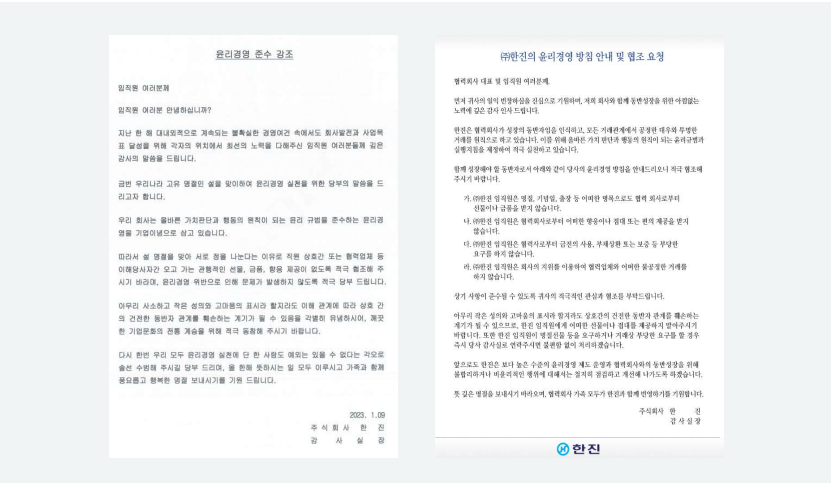
## Code of Conduct

Hanjin has established a Code of Conduct, which is a set of specific business procedures to ensure that employees make the right decisions and actions based on sound judgement in ethical matters. The Code of Conduct applies to all employees.

Classification	Code of Conduct
<b>Prohibition of receiving money, gifts, entertainment, and hospitality</b>	<ul style="list-style-type: none"><li>- Prohibition of giving or receiving money, valuables or entertainment with business-related stakeholders</li><li>- Prohibition of receiving money, gifts, entertainment/excessive treatment between employees and through family, relatives or acquaintances</li></ul>
<b>Prohibition of favoritism</b>	<ul style="list-style-type: none"><li>- Prohibition on giving or receiving conveniences with business-related stakeholders</li><li>- Acts through family members, relatives, or acquaintances are deemed as the act of the reporter himself</li></ul>
<b>Congratulations and condolences money</b>	<ul style="list-style-type: none"><li>- Any employee shall not notify any congratulatory and condolence events that have occurred to himself/herself or to any colleague to any stakeholder</li></ul>
<b>Other legal and ethical issues</b>	<ul style="list-style-type: none"><li>- Prohibition of illegal leaking of company information</li><li>- Protection of company property and prohibition of use for purposes other than contemplated</li><li>- Prohibition of infringing on the property rights of others</li><li>- Prohibition of unfair practices using the position of executive and employee</li><li>- Prohibition of acquiring shares or accepting employment from any company which any executive/employee has a direct interest</li><li>- Prohibition of engaging in transactions with any company operated by any executive/employee</li><li>- Prohibition of violations of domestic and international laws</li><li>- Prohibition of corruption, illegality, and contract violations related to contracts with foreign governments</li></ul>
<b>Actions in case of violation</b>	<ul style="list-style-type: none"><li>- The company will take appropriate disciplinary action, including dismissal, to any employee or executive who violates relevant laws, regulations, or basic business principles of honesty and integrity</li></ul>

## Internalization of Ethical Management

Hanjin conducts annual online ethical management training for all employees as a mandatory course, and spread the message all organizations and partners to request their cooperation in complying with ethical management.



In addition, the ethical management department regularly posts various contents on the internal network 'Emphasizing compliance with the Fair Trade Act and corporate ethic' to enhance employees' understanding of ethical management and emphasize its importance. In addition, Hanjin monitors compliance with the Anti-Graft Act at all times and, as a follow-up measure, takes measures to prevent risks related to ethical management, such as establishing a culture of proper corporate card use.

HANJIN 2024  
ESG REPORT

Company Overview

ESG Fundamentals

ESG Performance

Other Information



# OTHER INFORMATION



## Other Information

## ESG Data

GRI Content Index

TCFD Index

SASB Index

Main Progress on

UN SDGs

Independent Assurance  
StatementAffiliations / Awards &  
Certifications

## ESG Data Environment

## GHG and Energy

※ Calculated in accordance with the guidance on emissions reporting and certification under the GHG Emissions Trading Program

Classification		Unit	2021	2022	2023	
Green-house Gas (GHG)	Scope 1 (Direct Emissions)	tCO <sub>2</sub> eq	88,750	82,254	80,172	
	Scope 2 (Indirect Emissions)	tCO <sub>2</sub> eq	20,046	21,931	24,327	
	Total	tCO <sub>2</sub> eq	108,796	104,185	104,499	
	GHG Emission Intensity <sup>↓ 1</sup>	tCO <sub>2</sub> eq/KRW 100million	5.05	4.30	4.35	
Energy Use	Renewable Energy	TJ	-	-	0.63	
	Electricity	TJ	419	458	509	
	Non-Renewable Energy	Fuel	TJ	1,264	1,172	1,141
		Steam	TJ	0.38	0.38	0.38
		Subtotal	TJ	1,683	1,630	1,650
	Total	TJ	1,683	1,630	1,651	
	Energy use Intensity <sup>↓ 2</sup>	TJ/KRW 100million	0.08	0.07	0.07	

→<sup>1</sup> GHG emission intensity = GHG emissions for the year ÷ Sales (KRW 100million, separate basis) for the year→<sup>2</sup> Energy use intensity = Energy use for the year ÷ Sales (KRW 100million, separate basis) for the year

## Waste Generation and Disposal

Classification		Unit	2021	2022	2023
Amount Generated	General Waste	Tons	1,823	1,898	1,688
	Designated Waste	Tons	109	116	104
	<b>Total</b>	<b>Tons</b>	<b>1,932</b>	<b>2,014</b>	<b>1,792</b>
Disposal	Recycling	Tons	25.8	123.4	81.2

※ 2022 figures have been revised in accordance with the environmental disclosure.

## Green Purchasing and Sales

Classification	Unit	2021	2022	2023
Purchase of eco-friendly products and services	KRW million	38	1,124	1,570
Eco-friendly logistics services sales	KRW million	210	281	389
Eco-friendly investment <sup>↓ 1</sup>	KRW million	3,864	3,293	3,199

→<sup>1</sup> Excludes ship investment costs that are difficult to separate from investment items for reducing environmental pollution.

## Water Resources

※ Drainage volume is the same as water usage volume.

Classification		Unit	2021	2022	2023
Headquarters	Ground Water	Tons	0	0	0
	Waterworks	Tons	4,083	5,725	5,890
Branches	Ground Water	Tons	22,631	29,949	29,229
	Waterworks	Tons	121,052	123,136	126,177
Total Water Use	Ground Water	Tons	22,631	29,949	29,229
	Waterworks	Tons	125,135	128,861	132,067
	Total	Tons	147,766	158,810	161,297

※ 2022 figures have been revised in accordance with environmental disclosures.

## Environmental Compliance

Classification	Unit	2021	2022	2023
Total fines for environmental violations	KRW million	2.7	-	2.8
Lawsuits filed for environmental violations	Cases	-	-	-
Non-monetary sanctions for environmental violations	Cases	-	-	-

※ Measures to prevent recurrence of environmental violations and post-monitoring in place

- 2021 : Installed fugitive dust reduction facilities and strengthened management supervision to prevent marine pollution
- 2023 : replaced sewage treatment facility and suspended 5 level vehicles without gas emissions reducing devices

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Employee Status

Classification		Unit	2021	2022	2023
Executives & Regular Employees	Male	Person	1,197	1,302	1,374
	Female	Person	152	168	183
	Total	Person	1,349	1,470	1,557
Term, Temporary Employees	Male	Person	123	40	57
	Female	Person	12	0	0
	Total	Person	135	40	57
Total ↓ 1	Male	Person	1,320	1,342	1,431
	Female	Person	164	168	183
	Total	Person	1,484	1,510	1,614
Diversity	Person with Disabilities	Person	19	19	19
	Country Veterans	Person	27	27	22

→1 Person working under a direct labor contract with Hanjin

Female Employees

Classification		Unit	2021	2022	2023
Female Executives	Number of Person	Person	1	1	3
	Percentage of Total Executives	%	5.3	5.6	17.6
Female Managers ↓ 2	Number of Person	Person	72	84	91
	Percentage of Total Managers	%	12.1	13.9	14.3

→2 Managers and above

Parental Leave Status

Classification		Unit	2021	2022	2023
Number of People Taking Parental Leave ↓ 3		Person	13	14	6
Number of People Returning from parental leave ↓ 4		Person	9	12	12
12 months working after returning to work ↓ 5		%	100.0%	88.9%	50.0%

→3 Number of parental leaves taken during the year

→4 Number of people returning from parental leave in the year

→5 Number of employees who returned from parental leave in the previous year & working for more than 12 months (excluding additional leaves during the year)

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### Hiring and Turnover

Classification	Unit	2021	2022	2023
New Recruits	Person	197	235	303
Voluntary Resignation	Number of Resignation ↓ 1	141	151	167
	Rate of Resignation ↓ 2	9.5	10.0	10.3
Average Years of Service	Years	14.1	13.8	12.8

→ 1 Number of resignations due to personal reasons (study, etc.), not due to retirement, layoff, etc.

→ 2 (Number of voluntary resignations in the year ÷ Total number of employees) × 100(%)

### Collective Bargaining Agreements

Classification	Unit	2021	2022	2023
People Covered by Collective Bargaining Agreements	Person	1,484	1,510	1,614
Ratio of Collective Bargaining Agreements	%	100.0	100.0	100.0
Labor Union	Number of Employees ↓ 3	1,282	1,310	1,379
	Number of Members	375	395	380
	Unionization Rate	29	30	28
Labor-management Councils Held	Times	20	20	20

→ 3 Number of employees, excluding executives and employees with responsible positions

### Employee Occupational Injuries – Illness Statistics

Classification	Unit	2021	2022	2023
Number of Accidents	Injuries	1	3	7
	Deaths	0	0	0
Work Hours	Hours	3,132,416	3,574,683	3,790,931
Accident Rate ↓ 4	%	0.07	0.20	0.43
LTIFR ↓ 5	-	0.32	0.84	1.85
Death Rate ↓ 6	-	0.00	0.00	0.00

※ Including employees working under a direct labor contract with Hanjin

→ 4 (Injuries ÷ Total number of employees) × 100(%)

→ 5 Number of accidents per 1 million hours, (Number of accidents ÷ Work Hours) × 1,000,000

→ 6 Deaths per 10,000 persons, (Deaths ÷ Total number of employees) × 10,000

### Number of Grievances Filed and Resolved, Number of Reports Received through Ethic Reporting Channels

Classification	Unit	2021	2022	2023
Number of Grievances Filed	Cases	1	1	4
Number of Grievances Resolved	Cases	1	1	4
Number of Cases Received through the Ethic Reporting Channel ↓ 7 (Cyber Audit Office)	Cases	2	1	-

→ 7 Number of reports received through the Cyber Audit Office that resulted in actual audits

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### Employee Training Status

Classification		Unit	2021	2022	2023
Total Training Hours		Hours	28,308	35,238	36,562
Training Hours per Person <sup>↓ 1</sup>		Hours	19.1	23.3	22.7
Total Training Participants		Person	1,511	1,564	1,659
Training Participation Rate <sup>↓ 2</sup>		%	102	104	103
Total Training Cost		KRW Million	280	474	451
Training Cost per Person <sup>↓ 3</sup>		KRW Million	0.19	0.31	0.28
Ethics Training	Training Hours per Person	Hours	0.5	1.0	1.0
	Number of Participants	Person	977	1,266	1,082
Fair Trade Training for General Employees	Training Hours per Person	Hours	1.5	2.0	2.0
	Number of Participants	Person	1,994	2,221	2,097
Fair Trade Training for Contract Employees	Training Hours per Person	Hours	3.5	2.0	2.0
	Number of Participants	Person	366	166	109
Number of Information Security Training Participants		Person	1,484	1,494	1,606

※ Fair Trade Training includes general employee training and specified training for employees in charge of contracts

<sup>→ 1</sup> Total training hours ÷ Total number of employees

<sup>→ 2</sup> Total number of participants ÷ Total number of employees

<sup>→ 3</sup> Total training cost ÷ Total number of employees

### Workplace Human Rights Training and ESG Training

Classification		Unit	2021	2022	2023
Sexual Harassment Prevention Training	Number of Trainings	Times	1	1	1
	Number of Participants	Person	1,484	1,510	1,606
	Participation Rate <sup>↓ 4</sup>	%	100	100	100
Improving Disability Awareness Training	Number of Trainings	Times	1	1	1
	Number of Participants	Person	1,484	1,510	1,606
	Participation Rate <sup>↓ 4</sup>	%	100	100	100
Workplace Harassment Prevention Training	Number of Trainings	Times	1	1	1
	Number of Participants	Person	1,484	1,510	1,606
	Participation Rate <sup>↓ 4</sup>	%	100	100	100
ESG Training for New Hires	Training Hours	Hours	-	176	461
	Number of Participants	Person	-	44	104
Online and Off-site ESG Training	Training Hours	Hours	-	158	2,299
	Number of Participants	Person	-	56	1,086

<sup>→ 4</sup> Participation rate among total employees excluding those on leave

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### Legal Violation History

Classification		Unit	2021	2022	2023
Unfair Trade Practices Violations	Monetary Sanctions	KRW million	80	679	0
	Non-monetary Sanctions	Cases	3	7	0
Other Social / Economic Violations	Amount of Violation	KRW million	2,643	319	387
	Number of Violations	Cases	2	1	1

※ Monetary sanctions, violations amounts, and violation numbers are counted as of the time of payment of the related fines and penalties

※ Non-monetary sanctions are counted as of the time the sanction was imposed

### Customer Satisfaction (Courier Business)

Classification	Unit	2021	2022	2023
VOC	Cases	275,121	187,595	159,346
Complaints Handling	Cases	275,121	187,595	159,346
Complaints Handling Rate	%	100	100	100
Complaints Rate <sup>↓ 1</sup>	%	0.06	0.04	0.03
Claims Rate <sup>↓ 2</sup>	%	1.13	0.81	0.75
Same-day Collection Rate <sup>↓ 3</sup>	%	85.7	82.9	85.7
Same-day Delivery Rate <sup>↓ 4</sup>	%	95.3	94.7	96.1

<sup>→ 1</sup> (Total number of customers' complaints in the year ÷ Volume of courier delivery in the year) × 100(%)

<sup>→ 2</sup> (Amount of Claims in the year ÷ Sales in the year) × 100(%)

<sup>→ 3</sup> (Same-day collection cases ÷ Target cases for same-day collection) × 100(%), counted as of 21:00 by Social Consensus

<sup>→ 4</sup> (Same-day delivery cases ÷ Target cases for same-day delivery) × 100(%), counted as of 21:00 by Social Consensus

### Social Impact and Win-win with Local Communities

Classification	Unit	2021	2022	2023
Cash Donations	KRW million	20	940	728
Donation of Items <sup>↓ 5</sup>	Unit	-	461	45,000
Number of Volunteers	Person	77	146	106
Sales of Local Agricultural, Livestock, and Marine Products <sup>↓ 6</sup>	KRW million	232	276	156

<sup>→ 5</sup> 2023 : Donated 45,000 bottles 1.5ℓ mineral water to the 2023 World Scout Jamboree

<sup>→ 6</sup> Sales of local farm, livestock and seafood products through Hanjin's 'Gift in My Wallet' gift card

ESG Data Governance

Board Composition

Classification		Unit	2021	2022	2023
Board of Directors	Inside Directors	Person	3	3	3
	Outside Directors	Person	5	5	5
	Other Non-Executive Directors	Person	0	0	0
	Board of Directors Total	Person	8	8	8
	Percentage of Outside Directors	%	62.5	62.5	62.5
	Percentage of Female Directors	%	0	0	12.5
Audit Committee	Number of Members	Person	3	3	3
	Percentage of Outside Directors	%	100	100	100
Outside Directors Candidate Recommendation Committee	Number of Members	Person	3	3	3
	Percentage of Outside Directors	%	100	100	100
Compensation Committee	Number of Members	Person	3	3	3
	Percentage of Outside Directors	%	100	100	100
ESG Committee	Number of Members	Person	3	3	3
	Percentage of Outside Directors	%	100	100	100

Board and Committee Operation Status

Classification		Unit	2021	2022	2023
Board of Directors	Number of Meetings	Times	12	10	12
	Total Number of Agenda	Cases	33	26	22
	Directors' Attendance Rate	%	96	95	99
Audit Committee	Number of Meetings	Times	7	11	9
	Total Number of Agenda	Cases	14	23	18
	Directors' Attendance Rate	%	100	100	96
Outside Directors Candidate Recommendation Committee	Number of Meetings	Times	1	1	2
	Total Number of Agenda	Cases	1	1	2
	Directors' Attendance Rate	%	100	100	100
Compensation Committee	Number of Meetings	Times	1	1	1
	Total Number of Agenda	Cases	2	2	1
	Directors' Attendance Rate	%	100	100	100
ESG Committee	Number of Meetings	Times	5	4	4
	Total Number of Agenda	Cases	6	4	8
	Directors' Attendance Rate	%	100	100	100

## ESG Data Other Performance

### Condensed Consolidated Financial Information

Classification	Unit	2021	2022	2023
Current Assets	KRW 100 million	7,022	6,152	6,580
Noncurrent Assets	KRW 100 million	31,754	34,780	35,434
<b>Total Assets</b>	<b>KRW 100 million</b>	<b>38,776</b>	<b>40,932</b>	<b>42,014</b>
Current Liabilities	KRW 100 million	8,659	7,998	10,282
Noncurrent Liabilities	KRW 100 million	16,378	17,590	16,336
<b>Total Liabilities</b>	<b>KRW 100 million</b>	<b>25,036</b>	<b>25,588</b>	<b>26,618</b>
Capital	KRW 100 million	747	747	747
Capital Surplus	KRW 100 million	1,823	1,823	1,829
Capital Adjustments	KRW 100 million	-206	-206	-206
Accumulated Other Comprehensive Income	KRW 100 million	2,574	3,808	3,811
Amounts Recognized Directly In Equity Related to Assets Held for Sale	KRW 100 million	21	0	0
Retained Earnings	KRW 100 million	7,273	7,787	7,925
Non-controlling Interest	KRW 100 million	1,508	1,385	1,290
<b>Total Capital</b>	<b>KRW 100 million</b>	<b>13,740</b>	<b>15,344</b>	<b>15,396</b>

### Condensed Consolidated Statement of Comprehensive Income

Classification	Unit	2021	2022	2023
Sales	KRW 100 million	25,041	28,494	28,075
Cost of Sales	KRW 100 million	23,110	26,336	25,762
Gross Profit	KRW 100 million	1,932	2,159	2,314
Selling and Administrative Expenses	KRW 100 million	937	1,013	1,088
Operating Profit	KRW 100 million	994	1,145	1,225
Financial Profits	KRW 100 million	158	172	248
Finance Costs	KRW 100 million	1,023	1,066	1,207
Other non-operating Profits/Losses	KRW 100 million	1,963	93	-55
Equity Method Profit	KRW 100 million	72	67	77
Equity Method Loss	KRW 100 million	-5	-27	-23
Income before Income Taxes	KRW 100 million	2,159	383	267
Corporate Tax Expense / Profit	KRW 100 million	541	-135	6
Net Income	KRW 100 million	1,618	518	261
Other Comprehensive Income	KRW 100 million	35	1,354	-88
<b>Total Comprehensive Income</b>	<b>KRW 100 million</b>	<b>1,653</b>	<b>1,872</b>	<b>173</b>

### Revenue by Major Business Segment

Classification	Unit	2021	2022	2023
Courier Business	KRW 100 million	11,373	12,787	13,828
Logistics Business	KRW 100 million	10,507	11,683	10,913
Global Business	KRW 100 million	3,162	4,024	3,334
<b>Total</b>	<b>KRW 100 million</b>	<b>25,041</b>	<b>28,494</b>	<b>28,075</b>

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### Economic Value Creation

※ Hanjin Logistics Corporation separate basis

Classification	Unit	2021	2022	2023
Sales	KRW 100 million	21,557	24,245	23,997
Income Profit before Income Taxes	KRW 100 million	2,091	64	-21
Net Profit	KRW 100 million	1,506	122	16

### Economic Value Allocation by Stakeholder

※ Hanjin Logistics Corporation separate basis

Classification		Unit	2021	2022	2023
Shareholders/ Investors	Dividends and Interest	KRW 100 million	305	352	421
Employees	Salaries	KRW 100 million	1,024	1,015	1,138
	Benefits Expenses	KRW 100 million	225	248	262
Government	Corporate Taxes	KRW 100 million	582	18	0
Local Communities	Social Contribution Investments	KRW 100 million	8.4	16.6	14.5
Partners	Purchases and Services	KRW 100 million	18,870	21,117	20,115

### Intellectual Property Status

Classification	Unit	2021	2022	2023
New Registrations	Cases (Domestic)	13	11	24
Number of Patents	Cases (Domestic)	8	7	7

### Income Tax Expense by Foreign Country

Classification		Unit	2021	2022	2023
United States	Profit before Tax	KRW million	318	902	1,449
	Corporate Tax Cost	KRW million	97	223	403
China	Profit before Tax	KRW million	-445	447	-614
	Corporate Tax Cost	KRW million	2	8	4
Vietnam	Profit before Tax	KRW million	933	1,356	-232
	Corporate Tax Cost	KRW million	251	326	40
Czech	Profit before Tax	KRW million	793	2,724	626
	Corporate Tax Cost	KRW million	196	626	203
Uzbekistan	Profit before Tax	KRW million	69	38	191
	Corporate Tax Cost	KRW million	9	6	10
Myanmar	Profit before Tax	KRW million	-231	-181	-108
	Corporate Tax Cost	KRW million	40	0	0
Cambodia	Profit before Tax	KRW million	552	476	19
	Corporate Tax Cost	KRW million	0	0	0
Indonesia	Profit before Tax	KRW million	0	44	-158
	Corporate Tax Cost	KRW million	0	0	0

※ Based on figures reflected in the consolidated financial statements

※ Figures of China includes Hong Kong's figures

## GRI Content Index

Hanjin has reported its sustainability information in accordance with the GRI Standard 2021.

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GRI 417 : Marketing and Labeling	417-1	Requirements for product and service information and labeling	42 page
	417-2	Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance
	417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance
GRI 418 : Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	44-45

TCFD Index

To address global climate change risks, the Financial Stability Board (FSB), an international financial organization, established the Task Force on Climate-related Financial Disclosures (TCFD) in 2015 and issued recommendations on climate change-related disclosures in 2017, calling for active participation by companies and countries. The TCFD recommends that companies reflect climate change-related risks and opportunities in their organizational risk management and decision-making. Hanjin is expanding its climate change response information disclosure following the TCFD recommendations to join these international efforts and strengthen its sustainability.

TCFD Recommendations	Hanjin
Governance	<ul style="list-style-type: none"> <li>Review and deliberate ESG-related matters in the ESG Committee of the Board of Directors and, if necessary, review and deliberate major ESG matters in the BOD.</li> <li>Establish and operate the Green Environment Group as a dedicated executive organization for environmental management.</li> <li>Plan work practices by dedicated execution organization for environmental management and implement on-site environmental management activities centered on each business headquarters</li> </ul>
Strategy	<ul style="list-style-type: none"> <li>Advance company-wide environmental management system, manage greenhouse gas reduction , and promote sustainable environmental management through internalization of eco-friendly practices               <ul style="list-style-type: none"> <li>Advance the company-wide environmental management system based on ISO14001</li> <li>Establish a mid- to long-term GHG management plan and implement GHG reduction</li> <li>Manage eco-friendly costs and strengthen education and campaigns to raise employees' eco-friendly awareness</li> </ul> </li> <li>Minimize environmental pollution factors by building eco-friendly logistics infrastructure               <ul style="list-style-type: none"> <li>Expand eco-friendly facilities such as low-emission vehicles, solar power generation facilities, and LED lighting at workplaces</li> </ul> </li> <li>Operate eco-friendly product sales platform and expand eco-friendly business such as electric vehicle charging business</li> </ul>
Risk Management	<ul style="list-style-type: none"> <li>Identify risk and opportunity factors by major issues, analyze impacts, and respond to them</li> <li>Evaluate climate change risks through environmental impact review when investing in new facilities and equipment and reflect them in management decisions</li> </ul>
Metrics and Targets	<ul style="list-style-type: none"> <li>Managing greenhouse gas emissions Scope 1 and 2 (Scope 3 will be measured and managed in the future)</li> <li>Managing water usage, waste generation metrics and disclosing results</li> <li>Transitioning 100% of freight vehicles to eco-friendly (electric, hydrogen) by 2050</li> <li>Actively introducing large eco-friendly freight vehicles when commercialized</li> <li>Actively introducing new technologies to reduce greenhouse gas emissions and promoting the application of energy management systems in new self-owned workplaces</li> </ul>

SASB Index










The Sustainability Accounting Standard Board (SASB), a U.S. sustainability accounting standard-setting organization, provides sustainability information and disclosure standards for each industry and recommends voluntary application by companies. To provide industry-specific sustainability information, HANJIN manages and discloses relevant information based on SASB standards.

Air Freight & Logistics

Category	Index		Unit		Page
Greenhouse Gas Emissions	TR-AF-110a.1	Gross global Scope 1 emissions	Quantitative	tCO <sub>2</sub> eq	62
	TR-AF-110a.2	Discussion of long-and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Qualitative	-	20-27
	TR-AF-110a.3	Fuel consumed by (1) road transport, percentage (a) natural gas and (b) renewable, and (2) air transport, percentage (a) alternative and (b) sustainable	Quantitative	GJ / %	Not reported
Air Quality	TR-AF-120a.1	Air emissions of the following pollutants: (1) NO <sub>x</sub> , (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , and (3) particulate matter (PM <sub>10</sub> )	Quantitative	Tons	Not reported
Labor Practices	TR-AF-310a.1	Percentage of drivers classified as independent contractors	Quantitative	%	Not reported
	TR-AF-310a.2	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	KRW 100 million	No penalty caused by non-compliance with Labor Law (Handicapped employment levy was KRW 280 million in 2021, KRW 320 million in 2022, and KRW 390 million in 2023)
Workforce Health & Safety	TR-AF-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	%	64
Supply Chain Management	TR-AF-430a.2	Total greenhouse gas (GHG) footprint across transport modes	Quantitative	tCO <sub>2</sub> eq	Not reported
	TR-AF-430a.3	Discussion of policies and strategies to identify, assess and manage business disruption risks associated with contract carrier safety	Qualitative	-	Not reported
Accident & Safety Management	TR-AF-540a.1	Description of implementation and outcomes of a Safety Management System	Qualitative	-	28-32
	TR-AF-540a.2	Number of aviation accidents	Quantitative	Cases	Not reported
	TR-AF-540a.3	Number of road accidents and incidents	Quantitative	Cases	Not reported

## Main Progress on UN SDGs

The Sustainable Development Goals (SDGs), an agenda resolved by the 70th session of the United Nations General Assembly in 2015 to be achieved by 2030, are 17 collective goals for humanity to realize the ideals of sustainable development. The SDGs, also known as the 2030 Agenda for Sustainable Development, are 17 big goals and 169 smaller targets that outline the direction humanity should take in five areas: people, planet, prosperity, peace, and partnership, under the slogan of 'leaving no one behind.' HANJIN has made efforts to implement 9 of the 17 goals, and we will continue to expand the scope of our goals in the future to contribute to joint development.

SDGs	SDG Targets	2024 Report Highlights		Page
	<b>Ensuring healthy lives and promoting well-being at all ages</b> 3.4 Preventing and treating diseases and promoting mental health and well-being 3.9 Reducing the number of victims from multiple hazards and pollution	<ul style="list-style-type: none"><li>· Safety and Health management strategy and goals "Safety as Default"</li><li>· 2024 safety budget of KRW 47.9 billion</li></ul>	<ul style="list-style-type: none"><li>· Health and safety management system (ISO45001)</li><li>· Setting mid- to long-term goals for safety and health management</li><li>· Dedicated safety and health execution and field organizations</li></ul>	<ul style="list-style-type: none"><li>· Management's on-site safety activities</li><li>· Reinforcing risk assessment</li><li>· Strengthening workplace safety and health management activities</li></ul> 28 ~ 32
	<b>Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities</b> 4.3 Ensuring access to quality technical, vocational and higher education opportunities 4.7 Acquiring knowledge and skills to promote sustainable development	<ul style="list-style-type: none"><li>· Talent development vision and strategy</li><li>· "Building an education system for mutual growth of the company and its employees"</li></ul>	<ul style="list-style-type: none"><li>· Operation of talent development programs by position and job type</li><li>· Human rights training and ethics and compliance training</li><li>· Field service and personal information security training</li></ul>	<ul style="list-style-type: none"><li>· Partner information security training and activities</li></ul> 38 ~ 39
	<b>Achieving gender equality and promoting the rights of all women</b> 5.4 Ensuring that care and domestic work is valued through social protection policies 5.5 Ensuring women's participation and leadership opportunities in the political, economic and public sectors	<ul style="list-style-type: none"><li>· Human rights management policy</li><li>· 100% completion of human rights respect training for 3 consecutive years</li><li>· Operating various welfare programs</li></ul>	<ul style="list-style-type: none"><li>· Family friendly programs</li><li>· Certified as a family-friendly company</li><li>· Percentage of female managers increasing for three consecutive years</li></ul>	<ul style="list-style-type: none"><li>· Appointment of female directors to the Board of Directors</li></ul> 33 ~ 34, 52, 63
	<b>Ensuring access to affordable, reliable, sustainable and modern energy for all</b> 7.2 Increasing the share of renewable energy	<ul style="list-style-type: none"><li>· Building Wonju/Jinju/Namusan courier terminal solar power generation facility</li></ul>	<ul style="list-style-type: none"><li>· Plans to expand solar power generation facilities at 8 worksites nationwide by 2028</li></ul>	 24
	<b>Promoting continued, inclusive and sustainable economic growth, full and productive employment and decent work for all</b> 8.3 Encouraging the formation and growth of micro and small businesses	<ul style="list-style-type: none"><li>· Digital platform business to create new value</li><li>· Selection, evaluation, and development of suppliers</li></ul>	<ul style="list-style-type: none"><li>· Supporting suppliers in fulfilling their social responsibilities by establishing the HANJIN Supplier Code of Conduct</li></ul>	 10, 48, 50 ~ 51
	<b>Ensuring sustainable consumption and production methods</b> 12.5 Reducing waste through recycling and reuse	<ul style="list-style-type: none"><li>· 3.8 million uniforms made from recycled materials</li><li>· Total reduction of 17.6 tCO2</li><li>· Water reuse (vehicle underbody washing water reuse)</li></ul>	<ul style="list-style-type: none"><li>· Record reduction in waste generation</li></ul>	 25 ~ 26, 62
	<b>Climate Change Response</b> 13.2 Integrating climate change response measures into country policies, strategies and plans	<ul style="list-style-type: none"><li>· Mid- and long-term toward Net-Zero by 2050 establishing climate change response goals</li></ul>	<ul style="list-style-type: none"><li>· Establishing eco-friendly vehicle conversion plans</li><li>· Promoting supply chain emissions (Scope3) management</li></ul>	<ul style="list-style-type: none"><li>· Greenhouse gas reduction activities</li><li>· Environmental management system (ISO14001)</li></ul> 23 ~ 24
	<b>Promoting peaceful and inclusive societies for sustainable development, ensuring justice for all and building effective, accountable and inclusive institutions at all levels</b> 16.5 Reducing corruption and bribery in all its forms 16.6 Establishing effective, accountable and transparent institutions	<ul style="list-style-type: none"><li>· Compliance enhancement through the Fair Trade Compliance Program</li><li>· Acquisition of compliance management system (ISO37301)</li></ul>	<ul style="list-style-type: none"><li>· Efforts to internalize ethical management among employees by establishing a code of conduct based on the Charter of Ethic</li><li>· Establishing transparent governance by enacting the Corporate Governance Charter</li></ul>	 52 ~ 60
	<b>Strengthening instruments of implementation and revitalizing the global partnership for sustainable development</b> 17.14 Enhancing policy consistency for sustainable development	<ul style="list-style-type: none"><li>· ESG governance with company-wide participation structure</li><li>· Operating a dedicated execution organization for environmental management</li></ul>	<ul style="list-style-type: none"><li>· Declaring the CEO's commitment to ESG management through the CEO message</li></ul>	 4, 13, 20

# Independent Assurance Statement

To Readers of HANJIN 2024 ESG REPORT

## Introduction

Korea Management Registrar (KMR) was commissioned by Hanjin to conduct an independent assurance of its 2024 ESG Report (the “Report”). The data and its presentation in the Report is the sole responsibility of the management of Hanjin. KMR’s responsibility is to perform an assurance engagement as agreed upon in our agreement with Hanjin and issue an assurance statement.

## Scope and Standards

Hanjin described its sustainability performance and activities in the Report. Our Assurance Team carried out an assurance engagement in accordance with the AA1000AS v3 and KMR’s assurance standard SRV1000. We are providing a Type 2, moderate level assurance. We evaluated the adherence to the AA1000AP (2018) principles of inclusivity, materiality, responsiveness and impact, and the reliability of the information and data provided using the Global Reporting Initiative (GRI) Index provided below. The opinion expressed in the Assurance Statement has been formed at the materiality of the professional judgment of our Assurance Team.

Confirmation that the Report was prepared in accordance with GRI standards 2021 was included in the scope of the assurance. We have reviewed the topic-specific disclosures of standards which were identified in the materiality assessment process.

### • GRI Sustainability Reporting Standards

#### • Universal Standards

#### • Topic Specific Standards

- |                                      |  |
|--------------------------------------|--|
| - GRI 201: Economic Performance      | - GRI 402: Labor/Management Relations      |
| - GRI 203: Indirect Economic Impacts | - GRI 403: Occupational Health and Safety  |
| - GRI 205: Anti-Corruption           | - GRI 405: Diversity and Equal Opportunity |
| - GRI 206: Anti-competitive Behavior | - GRI 413: Local Communities               |
| - GRI 305: Emissions                 | - GRI 418: Customer Privacy                |
| - GRI 401: Employment                |  |

As for the reporting boundary, the engagement excludes the data and information of Hanjin’ partners, suppliers and any third parties.

## KMR’s Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

- reviewed the overall Report,
- reviewed materiality assessment methodology and the assessment report;
- evaluated sustainability strategies, performance data management system, and processes;
- interviewed people in charge of preparing the Report;
- reviewed the reliability of the Report’s performance data and conducted data sampling;
- assessed the reliability of information using independent external sources such as Financial Supervisory Service’s DART and public databases.

## Limitations and Recommendations

KMR’s assurance engagement is based on the assumption that the data and information provided by Hanjin to us as part of our review are provided in good faith. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied. To address this, we referred to independent external sources such as DART and National Greenhouse Gas Management System (NGMS) and public databases to challenge the quality and reliability of the information provided.

## Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with Hanjin on the revision of the Report. We reviewed the Report’s final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report applied the GRI Standards 2021. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

## Independent Assurance Statement

### Inclusivity

Hanjin has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

### Materiality

Hanjin has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

### Responsiveness

Hanjin prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of Hanjin actions.

### Impact

Hanjin identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

### Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of economic, environmental, and social performance data related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

### Competence and independence

KMR maintains a comprehensive system of quality control including documented policies and procedures in accordance with ISO/IEC 17021:2015 - Requirements for bodies providing audit and certification of management systems. This engagement was carried out by an independent team of sustainability assurance professionals. KMR has no other contract with Hanjin and did not provide any services to Hanjin that could compromise the independence of our work.

April 2024 Seoul, Republic of Korea

CEO *E. J. Hwang*



SRV1000  
Sustainability Committee Assurance



Other Information

- ESG Data
- GRI Content Index
- TCFD Index
- SASB Index
- Main Progress on UN SDGS
- Independent Assurance Statement

Affiliations / Awards & Certifications



Affiliations /Awards & Certifications

Affiliations

Classification	Affiliated Organizations
Logistics	Korea Port Logistics Association, Korea Integrated Logistics Association, Korea Customs Logistics Association, Korea Shipowners' Association, Korea International Federation of Freight Forwarders Associations, Korea AEO Association, Korea International Trade Association, Korea Shipping Association, Korea Shipowners' Association
Economy / Social	The Federation of Korean Industries, Korea Enterprises Federation, Korea Economic Research Institute, Korea Defense Industry Promotion Association, Korea Listed Companies Association, Korea Chamber of Commerce and Industry, Korea Economic Research Institute, Korea Management Association

Awards & Certifications

	When	Details	Organizer
Awards	January 2021	Certificate of Appreciation from the National Police Agency (For contribution to the Hope Tape Campaign of long-term missing children search )	National Police Agency
	December 2021	The CSV Porter Award for 'Project Win-Win'	The Institute for Industrial Policy Studies, Channel A, Dong-A Ilbo
	February 2022	Minister of the Interior and Safety Award for the Adding more happiness social contribution campaign 'life safety category'	Journalists Association of Korea, Korea Enterprises Federation
	December 2022	The CSV Porter Award 'Process Category'	The Institute for Industrial Policy Studies, Channel A, Dong-A Ilbo
	December 2022	Recognition for community contributions	Ministry of Health and Welfare, Korea Association of Social Workers
	February 2023	'Minister of Trade, Industry and Energy Award for the adding more happiness social contribution 'Creating Shared Value' category	Journalists Association of Korea, Korea Enterprises Federation
	April 2023	South Korea Prime Minister's Award in Packaging Competition (For eco-friendly packaging material 'Green Waffle')	Ministry of Trade, Industry and Energy, Korea Institute of Industrial Technology Packaging Technology Center
	May 2023	Korea Logistics Award for Large Enterprises	Korea Logistics Society
	November 2023	'Eco-Package Category' Award by the Asia Packaging Federation (Eco-friendly packaging material 'Green Waffle')	Asian Packaging Federation

	When	Details	Organizer
Awards	December 2023	CSV Porter Award for "Process" and induction into the Hall of Fame	The Institute for Industrial Policy Studies, Channel A, Dong-A Ilbo
Certifications	July 2021	Renewed ISO 9001 (Quality Management System) certification	Korea Productivity Center Quality Assurance
	July 2021	Acquired Smart Logistics Center Preliminary Certification Level 1(SMART Mega Hub Terminal in Daejeon)	The Korea Transport Institute
	October 2021	Renewed Information Security Management System (ISMS) certification	Korea Internet & Security Agency
	January 2022	Renewed certification as an excellent green logistics company	Ministry of Land, Infrastructure and Transport
	June 2022	Renewed ISO 14001 (Environmental Management System) certification	Korea Productivity Center Quality Assurance
	June 2022	Renewed ISO 45001 (Safety and Health Management System) certification	Korea Productivity Center Quality Assurance
	July 2022	Renewed certification as a general logistics service company	Ministry of Land, Infrastructure and Transport
	October 2022	Renewed AEO stevedore certification	Customs office
	October 2022	Renewal of AEO bonded carrier certification	Customs office
	October 2022	Renewed AEO freight forwarder certification	Customs office
	December 2022	Designated as a family-friendly company	Ministry of Gender Equality and Family
	April 2023	Certified as an AEO bonded area operator	Customs office

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