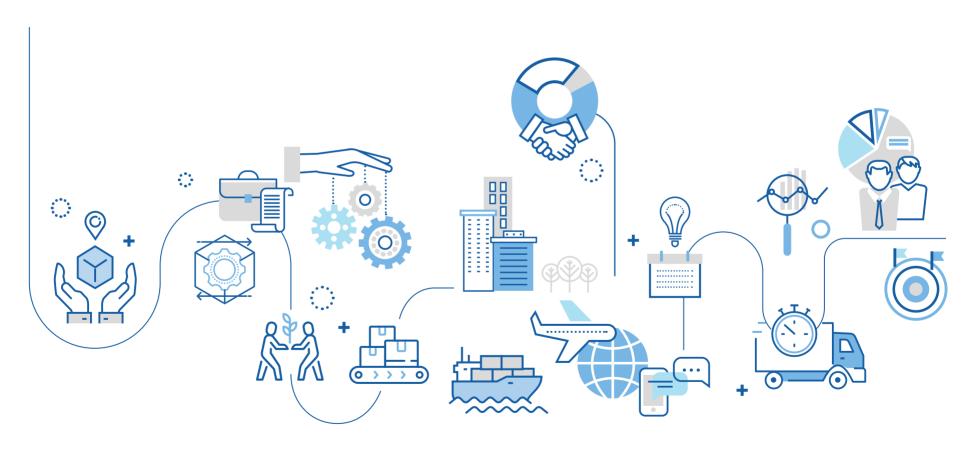
HANJIN 2023 ESG REPORT

2023 HANJIN ESG REPORT





About This Report

Effort and Achievement for Sustainability

Hanjin has published its first ESG report in 2022, and this year, through the second 「2023 Hanjin ESG Report」, the company has disclosed its ESG strategy, activities, and achievements. Hanjin will strive to balance economic, environmental, and social responsibility throughout its management and will fulfill its role in active communication, collaboration with stakeholders and creation of social value.

Reporting Period and Scope

This report has been prepared based on the 2022 fiscal year (January 1, 2022 to December 31, 2022). Hanjin presented quantitative data for the three years from 2020 to 2022 and significant achievements of the first half of 2023. The reporting scope includes the head office and domestic business sites, and for some overseas business sites' data, the scope has been specified through additional explanations...

Reporting Standards

This report has been prepared with reference to the GRI (Global Reporting Initiative) Standards, international reporting standards for sustainable management, and it has disclosed the efforts to respond to the UN SDGs (United Nations Sustainable Development Goals), TCFD (Task Force on Climate-related Financial Disclosures) and SASB (Sustainability Accounting Standards Board). In addition, financial information in the report has been prepared based on K-IFRS (Korean International Financial Reporting Standards).

Assurance

To establish the accuracy and reliability of the information, this report has been assured by an independent assurance provider to enhance the objectivity and reliability of the reporting content. For more details, please check the Third Party Assurance Statement, page.

Inquiry

This report can be accessed and downloaded on the Hanjin website (www.hanjin.com). For those who want more details about Hanjin's sustainable management activities and performance, please refer to the contact information



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Date of publication	June 2023
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Compromise



Contribution to the World Community through Transport

"TRANSPORT HAS PLAYED A ROLE SIMILAR TO THAT OF THE HUMAN CIRCULATORY SYSTEM,

REGARDLESS OF ALL TIMES AND PLACES. MOVEMENT OF SPACE IS AN ESSENTIAL ELEMENT OF LIFE,

AND REDUCTION OF LEAD-TIME REMAINS OUR ENDLESS MISSION."



05

Single Road of Logistics,

Go toward the Road as the First Mover



1969

Container Transport for the First Time in Korea



1983

Regular Coastal Shipping for the First Time in Kore



2009

Operation of Vessels only for **Radiation Materials** for the First Time in Korea



1974

Dock Construction by Private Capital for the First Time in Korea



1992

Parcel Delivery Service for the First Time in Korea





2025 | Our Vision

Asia Top-tier Smart Logistics Solution Company









- Expansion of overseas base
- Expansion of Global e-commerce Business
- Enhancement of Freight Forwarding Business competitiveness
- Promotion of Digital Platform Business
- Data-based management & new business development
- Optimization of Customer experience
- Diversification of Last–Mile Delivery Service
- Eco-friendly business operation
- Establishment of occupational health and safety management system
- Enhancement of Corporate Management Transparency



CEO Message

"Better Future with Better Logistics"

Hanjin will make a win-win future with customers and society based on our founding mission, "Contribution to the World Community through Transport."



Dear Respected Stakeholders,

I want to express my deep gratitude to our stakeholders, who have shown consistent interest and encouragement in Hanjin's growth. In 2022, Hanjin made many efforts to lay the foundation for leaping to an "Asia's Top-tier Smart Logistics Solution Company." We have strengthened our business competitiveness by expanding domestic and overseas logistics infrastructure, enhancing logistics competitiveness based on IT, expanding overseas markets, and developing services through collaboration with local companies. In addition, we continued our efforts to create new value using Hanjin's logistics capabilities by developing and expanding the CSV model through which to prosper with society. This year, which is expected to test companies' sustainability due to the deepening global economic downturn, Hanjin will persistently raise its firm value by enhancing ESG management.

We will actively respond to climate change and lead eco-friendly logistics.

Hanjin is establishing an environment-friendly supply chain for Net Zero by expanding its eco-friendly logistics infrastructure, including the gradual conversion of delivery vehicles to EVs(electric vehicles), and the installation of EV charging stations and solar power generation facilities. We are also standardizing the evaluation for the environmental risk and opportunity of new investment projects to check the impact of our business on the environment voluntarily. Through the "Green On Hanjin」 and "Slow Recipe」 platform businesses that sell excellent eco-friendly products both domestically and abroad, we are making efforts to pioneer new markets and spread eco-friendly culture.

We will fulfill our social responsibility utilizing Hanjin's logistics capabilities to create shared value.

We continue to make efforts to create sustainable shared value that can grow with all businesses in the society, including small and medium-sized business owners, by utilizing Hanjin's logistics capabilities, including supporting the introduction and sales promotion of local agricultural products through the 'Gift in My Wallet' platform, supporting the growth of small and medium-sized e-commerce sellers through the logistics platform 'Hanjin One-Click Service', and providing comprehensive solutions 'SWOOP' to support the overseas expansion of K-fashion brands. With these efforts, we could have won 'CSV Porter Award' and 'Happiness Addition Social Contribution Campaign Award' from the Minister for two consecutive years.

"Safety First!" We will become a workplace where everyone can work with peace of mind.

We are promoting the internalization of a safety culture, strengthening equipment/infrastructure safety management, establishing a smart occupational health and safety management system, and setting up a prompt emergency response system, to become Hanjin where everyone can work with peace of mind and with the goal of 'zero-defect site safety management.' We will always prioritize safety as the top value and strive to provide a safe workplace for all employees.

We will continue to conduct transparent and ethical business activities.

Hanjin has a board of directors (BOD) composed of a majority of outside directors for independent and objective decision-making, and all committees under the BOD also consist of outside directors. We will maintain a transparent governance structure through BOD-centered strategy formulation and decision-making, as well as continuous information disclosure, and strengthen compliance management by implementing fair trade and corporate ethics.

We will enhance our firm value by strengthening sustainable development infrastructure.

As the very first mover that has led the domestic logistics market for 78 years, we will apply our know-how to overseas operations , thereby enhancing our local logistics capabilities in foreign countries. We will also increase logistics competitiveness using the synergy of connecting domestic with overseas business. Additionally, we will develop into a leading Asian logistics solutions company that adds new value to logistics and provide customers with new experience through our digital platform business. Based on internal/external communication and empathy, we will strengthen the foundation for sustainable growth that enables company employees and stakeholders to grow together through creative and energetic organizational culture. We will also make sustainability more robust.

Respected stakeholders,

Hanjin will continue to share and communicate our business performance and ESG management activities with you through regular ESG reports. We ask for your generous support and attention to Hanjin's efforts to become a leading Asian logistics solutions company.

Samo

Thank you.

Hanjin CEO, Sam-Sug Noh

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Company Profile

Company Overview

Hanjin is leaping forward as the logistics company that continuously challenges and innovates to contribute to creating a better future society by growing with customers and society in line with changing business environment. Based on the global network, Hanjin provides corporate and individual logistics services, including ocean/air forwarding, port handling, land transport, customs clearance/international express, and e-commerce/logistics solutions through digital platforms.

Company General Information

Name	Hanjin Logistics Corporation
CEO	Sam-Sug Noh
Founding Date	November the 1st, 1945
Head Office Address	Namdaemun-ro 63, Jung-gu, Seoul
Main Business	Parcel Delivery, Logistics, Global Business, Digital Platform Business
Employees	1,510 workers(including contract workers) in Korea and 371 workers overseas
Total Assets	(consolidated) KRW 4,932 billion, (separate) KRW 3,246 billion
Total Equity	(consolidated) KRW 1,534 billion, (separate) KRW 1,467 billion
Revenue	(consolidated) KRW 2,849 billion, (separate) KRW 2,425 billion
Sales Profit	(consolidated) KRW 1,145 billion, (separate) KRW 274 billion
Credit Rating	BBB+ corporate bonds
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History

Since its inception in 1945, Hanjin has evolved into Korea's leading total logistics company, with its commitment to contribute to the betterment of society through transport. We continue to explore new growth driving force to emerge as a global logistics company guiding the future of the logistics market.





Foundation

1945 - 1959

Established on November 1st, 1945, Hanjin laid the foundation for its business by engaging in the packaging and transport of US military supplies and moving freight, paving the way to create Hanjin Group.

Nov. 1945 Incorporated as Hanjin Transportation Mar. 1958 Renamed Hanjin Transportation Co., Ltd



Growth

1960 - 1979

Hanjin made a significant stride by signing stevedoring and transport contracts with the US at the time of the Vietnam War, and evolved into a major company by acquiring Korean Airlines in 1969.

Jan. 1961 Incorporated Air Korea

Jun. 1961 Incorporated Hanjin Travel Co., Ltd.

Mar. 1969 Acquired Korean Airlines

Apr. 1972 Renamed Hanjin Co., Ltd

May. 1977 Incorporated Hanjin Shipping Co., Ltd

Jan. 1979 Acquired Korea Aerospace University



Maturity

1980 - 1999

Hanjin laid the groundwork to become a total logistics company through bold investment decisions and the development of new logistics systems. Hanjin initiated courier business for the first time in Korea, and pursued global express business to take another remarkable leap forward.

Mar. 1992 Established a local branch in the U.S.

Jun. 1992 Changed the brand name of express service business to Hanjin Express

Nov. 1993 Established Hanjin Intermodal America (HJI) as a local subsidiary in the U.S.

Aug. 1996 Acquired Korea Freight
Transport Corporation









Renewed Growth

2000 - 2019

Hanjin solidified its foundation as a global logistics company by delivering top-tier services that meet the specialized logistics needs of customers.

Apr. 2006 Obtained a Non-Vessel-Operating Common Carrier (NVOCC) business license

Aug. 2009 Opened a local branch in Cambodia

Jan. 2010 Incorporated a joint logistics corporation in Uzbekistan

Apr. 2010 Incorporated a representative office in Vietnam

Aug. 2010 Incorporated a sole subsidiary in Shanghai, China

Oct. 2010 Incorporated a sole subsidiary in Shenzhen, China

Oct. 2010 Incorporated a sole subsidiary in Dalian, China

Apr. 2012 Incorporated a sole subsidiary in Guangzhou, China

Aug. 2013 Incorporated a sole subsidiary in the Czech Republic

Jan. 2014 Incorporated a sole subsidiary in Myanmar

Aug. 2014 Opened a new distribution center in Portland, the US

Mar. 2016 Opened the Hanjin Incheon Container Terminal (HJIT)

May. 2015 Incorporated a sole subsidiary in Vietnam

Jun. 2017 Acquired the Joongbu Daejeon Freight Terminal

Feb. 2018 Served as the official logistics supplier for the Pyeongchang Winter Olympics & Paralympics





Transition

2020 - 2023

Hanjin reinforced its digitally-based competitiveness and created shared value to pursue sustained win-win partnership with society in order to live out its founding philosophy of contributing to the nation through transport

Oct. 2020 Initiated the operation of Incheon International Airport Global Distribution Center (GDC)

Dec. 2020 Launched the Fruit in My Wallet platform and gift cards

Jan. 2021 Launched the One click scale-up service

Jun. 2021 Unveiled PLANET, an environmentally friendly upcycling platform in partnership with TerraCvcle

Oct. 2021 Launched Green On Hanjin as a companion platform

Jan. 2022 Established joint venture company HUDATERS for road information DB business

Feb. 2022 Launched Hanjin Digital Easy Order, a platform supporting online sales expansion for small businesses

Jun. 2022 Launched SWOOP, a K-fashion overseas expansion support service

Jul. 2022 Opened Incheon Global Logistics Center (IGDC)

Sep. 2022 Launched Global One-Click, a global platform supporting domestic sellers' overseas expansion

Jan. 2023 Established a corporation in Indonesia

Feb. 2023 Established a representative office in Singapore Established a representative office in Poland

Mar. 2023 Established a representative office in Thailand

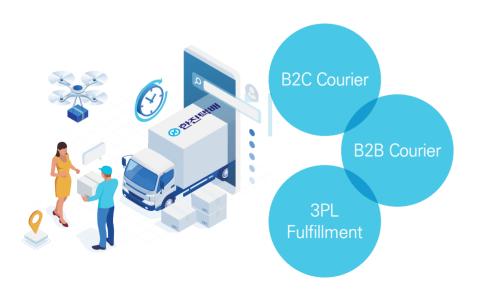




Business Area

Courier Service

Hanjin, which started domestic courier services for the first time in Korea in 1992, is a successful partner that provides B2C, B2B, and 3PL/fulfillment services based on its solid logistics network and state-of-the-art IT systems. Hanjin processes an average of 2 million boxes per day through 120 sorting terminals, 740 delivery branches, and 9,300 delivery vehicles nationwide. To handle the rapidly increasing volume of courier shipments, Hanjin is building a state-of-the-art, automated SMART Mega-Hub terminal in Daejeon, which will enhance the capability to handle 2.88 million boxes per day. Hanjin will continue to do its best to provide the best satisfaction to each and every customer through innovative service that meets their changing needs.



Global Business

Hanjin has established local subsidiaries and branch networks in 15 countries overseas, providing logistics services that connect Korea with overseas, including forwarding, global express, and project cargo logistics. We will continue to expand our overseas locations and develop services satisfying our customers' needs, so as to become a partner that provides customer-centered logistics solutions.

Forwarding

We provide customs clearance, bonded transportation, and Sea&Air multimodal forwarding services using Hanjin Group's land, sea and air logistics infrastructure and global network.

Global Express

Through Hanjin's Global Network and Incheon International Airport GDC, we provide air express service to transport customers' cargo quickly and accurately anywhere in the world and offer competitive maritime express services at reasonable prices/lead times using regular vessels bound for neighboring countries.

Commercial Moving

Based on our accumulated experience and know-how, we provide comprehensive services including company and facility relocation, overseas moving services for resident employees, packaging, customs clearance, insurance, and air/maritime transportation for sports events, overseas performances, and exhibitions.



Logistics

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Hanjin's logistics business is continuously investing in infrastructure/IT to become the best smart logistics solutions company in Asia by 2025. We engage in inland transport, stevedoring, maritime transport, warehousing, energy, and maintenance businesses, and intend to contribute to a sustainable future, focusing on sustainability and eco-friendliness as our top priority.



Inland Transport

Combining the state-of-the-art IT system with our extensive transport know-how accumulated over the years since the foundation of Hanjin in 1945, we serve our nation's infrastructure industries and companies through our optimal transport services in a broad array of sectors, from raw materials and industrial

commodities to containers, steel products, construction materials, heavy cargo, oil, supplies for government/military uses, fresh food and consumer goods.

Maritime Transport

Since we initiated maritime transport of coastal cargo for the first time in Korea, we have made calls at major ports nationwide and have become the first company to achieve ISM Code, a standard for the safe management and operation of ships at sea. We are positioning ourselves as a worldwide shipping company which focuses on special cargo including heavy project cargo and radioactive waste.

Energy Business

We operate company-owned gas stations in Seoul, Incheon, Jeungpyeong, and Pohang to create synergy with logistics business. Through our partnership with S-OIL as its sales agency, we supply high-quality fuel to customers in various industries. We are also preparing to expand our eco-friendly energy business in line with the transition to carbon neutrality in the future.

Stevedoring

As the largest container terminal operator in Korea, we deliver one-stop services spanning stevedoring, transport, and storage of manufactured goods, automobiles, steel products, heavy cargo, grain, and coal, leveraging our nationwide transport network that stretches to respective harbors across the nation.

Warehousing

Leveraging our advanced complex warehouse facilities situated at key locations across the nation and our state-of-the art Warehouse Management System (WMS), we deliver optimized 3PL services with customer-centered logistics consulting, customized logistics center development, reengineering and operating.

Maintenance Business

To provide reliable logistics services at key locations, we have established and are operating a 24/7 maintenance system. We are also emerging as Korea's top-tier commercial vehicle maintenance service provider by stably operating service centers for Mercedes-Benz and TATA-DAEWOO.

Digital Platform Business

Hanjin is nurturing its digital platform business to create new value by connecting the world through logistics. Through our digital platform business, we aim to generate future growth engines and new source of income for Hanjin by encompassing various needs of our customers and serving as a connector between businesses and individuals





Hanjin Incheon Container Terminal Co., Ltd.
Hanjin Pyeongtaek Container Terminal Co., Ltd

Global Network

Foreign Country(Key City)	Name of Corporation	Capital	Main Business
SA, LA	HANJIN INTERMODAL AMERICA, INC.	USD 300,000	Global Express, Forwarding, etc.
Czech Republic, Prague	HANJIN GLOBAL LOGISTICS EUROPE S.R.O.	USD 700,000	Forwarding, Inland Transport, etc.
Uzbekistan, Tashkent	JV LLC EURASIA LOGISTICS SERVICE	USD 3,091,000	Transport and Related Business (Storage, etc.)
Myanmar, Yangon	HANJIN GLOBAL LOGISTICS MYANMAR CO.,LTD.	USD 400,000	Forwarding, Inland Transport, Customs Clearance etc.
Cambodia, Phnom Penh	HANJIN GLOBAL LOGISTICS (CAMBODIA) CO.,LTD.	USD 500,000	Forwarding, Inland Transport, etc.
China, Hong Kong	HANJIN GLOBAL LOGISTICS (HONG KONG) LIMITED	USD 1,370,000	Forwarding, Inland Transport, etc.
China, Shanghai	HANJIN GLOBAL LOGISTICS (SHANGHAI) CO.,LTD.	USD 750,000	Forwarding
China, Shenzhen	HANJIN GLOBAL LOGISTICS (SHENZHEN) CO.,LTD.	USD 750,000	Forwarding, 3PL, etc.
China, Dalian	HANJIN GLOBAL LOGISTICS (DALIAN) CO.,LTD.	USD 3,800,000	Stevedoring, Inland Transport, etc.
China, Qingdao	QINGDAO HANJIN LUHAI INTERNATIONAL LOGISTICS CO.,LTD.	USD 2,440,000	Forwarding, Inland Transport, etc
Vietnam, Ho Chi Minh City	HANJIN GLOBAL LOGISTICS VIETNAM COMPANY LIMITED	USD 3,500,000	Forwarding, Global Express, Inland Transport, etc.
Indonesia, Jakarta	HANJIN GLOBAL LOGISTICS (INDONESIA) CO.,LTD.	USD 1,000,000	Forwarding

Myanmar

Cambodia, Phnom Penh

Vietnam, Ho Chi Minh City

Indonesia, Jakarta

Domestic City	Name of Corporation	Capital	Main Business
Busan	Hanjin Busan Newport Co.,Ltd.	KRW 27.9 billion	Stevedoring
Incheon	Hanjin Incheon Container Terminal Co.,Ltd	KRW 140.2 billion	Stevedoring
Pyeongtaek	Pyeongtaek Container Terminal Co.,Ltd.	KRW 20 billion	Stevedoring
Ulsan	Hanjin Ulsan Newport Operation Co.,Ltd.	KRW 12 billion	Stevedoring
Busan	Busan Global Distribution Center Co.,Ltd.	KRW 7 billion	Warehousing, transport-related service
Incheon	Incheon Global Distribution Center Co.,Ltd.	KRW 1.6 billion	Warehousing, transport-related service
Busan	Orient Star Hanjin Logix Center Co.,Ltd.	KRW 2.9 billion	Warehousing, transport-related service





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ESG Management

ESG Strategy Framework

Based on a transparent and creative organizational culture, Hanjin aims to become a logistics company that contributes to the betterment of future society by creating various shared values and growing together with stakeholders. We have selected and implemented some environmental, social value creating, and governance tasks to achieve our ESG vision of FBetter Future with Better Logistics. To promote ESG activities across the organization, we have established an ESG committee under the board of directors to discuss ESG issues at the executive level and built a practical and value-oriented ESG management system by establishing an ESG Rolling System based on the PDCA cycle for continuous operation and performance creation.



ESG Strategy

Establishment of Sustainable Growth Structure and Achievement of "Contribution to the World Community through Transport" as a result of Shared Value Creation based on Green Logistics



Environment



- Response to Climate Change
- Sophistication of an Environmental Management System
- Expansion of Eco-friendly Logistics Business
- Establishment of Eco-friendly Logistics Infrastructure



Social Value

Growth with Stakeholders through Shared Value Creation

- Occupational Health and Safety-Human-Right-Centered Management
- Sustainable Supply Chain Management
- Customer Satisfaction and Service Improvement
- Expansion of CSV for Company and Society



Governance

Establishment of Responsible Corporate Governance

- Construction of a Governance System on a Global Standard Level
- Reinforcement of Ethics and Compliance Management
- Enhancement and Internalization of ESG Management
- Establishment of Stakeholders' Participation Process

ESG Implementation Governance



ESG Implementation Process

Choice of Implementation Task in Each Part



Establishment and Implementation of Action Plan



Performance Monitoring and Disclosure



ESG Major Task and Implementation

Category	Major Task	Implementation
03	Establishment of Environmental Management System	 Establishment of environmental management policy and operation of an organization dedicated to environmental management External certification acquisition: Excellent Green Logistics Practitioner Certification(2015), ISO14001(Environmental Management System) Certification(2019) Establishment of Hanjin Greenhouse gas and Energy Management System(HGEMS) and response to emission trading scheme. * HGEMS: Hanjin Greenhouse gas and Energy Management System
Environment	Establishment of Eco-friendly Logistics Infrastructure	 Introduction of electric delivery vehicles Promotion of cooperative businesses for eco-friendly lubricant usage in logistics vehicles and for eco-friendly lightweight loading box Pilot project for building eco-friendly co-prosperity partnership with partner logistics companies
	Expansion of Eco-friendly Business	 Operation of the platform called 「Green On Hanjin」 for selling eco-friendly courier subsidiary materials (Green Waffle, Wing Box, etc.) Operation of the platform called 「Slow Recipe」 for selling vegan and eco-friendly products Establishment of solar power generating facilities using Hanjin's logistics infrastructure and operation of electric vehicle charging business
Q+ [*] Q+	Enhancement of Co-prosperity Management	 Operation of the platform for co-prosperity and shared value creation with small business owners and local communities 「Hanjin One-click Service」, 「Hanjin Digital Easy Order」, 「SWOOP」, 「Gifts in My Wallet」 Promotion of startups and development of new businesses through Hanjin Open Innovation
	Enhancement of Social Responsibility Management	 Implementation of social campaigns using the tape of the delivery box with the picture of missing children (Hope Tape) Improvement of working conditions for delivery drivers and operation of a welfare mall for partners
Society	Improvement of Employee Satisfaction and Reinforcement of Safety Management	 Improvement of the system like introducing flexible work schedule for their work-life balance Appointment of CSO and operation of control tower department dedicated to occupational health and safety Operation of an organization dedicated to safety for each business
	BOD-centered Responsibility Management	• Enhancement of ESG management system (review of ESG issues and major initiatives, etc. by ESG committee under the board of directors)
0	Improvement of Independence/ Transparency of BOD	Separation of the CEO and the chairman of the BOD Composition of all committees under the board of directors with only outside directors Disclosure of information on BOD members, BOD and committee meeting agenda on the website
	Establishment of Corporate Governance Policy	Establishment of corporate governance charter and its disclosure on the website Annual disclosure of corporate governance report
Governance	Enhancement of Compliance Implementation	 Establishment of the organization dedicated to compliance under the legal department and appointment of legal compliance support personnel by the board or directors Regular/occasional announcements about prohibition of unfair trade practices (cartels, etc.) as well as precautions on bidding for the departments to be in charge of bidding Regular mandatory training on fair trade practices for all employees and advanced training for the departments to be in charge of bidding
	Expansion of Information Disclosure	 Disclosure of corporate governance and investment-related information on the website Establishment of regulations regarding the management of disclosed information and its disclosure on the website Expansion of occasional disclosures including provisional performance and management plans, etc.

Stakeholder Engagement

Definition of Stakeholder

Core stakeholder group includes customers, shareholders, investors, employees and business partners, while strategic stakeholder group includes communities, governments and related organizations.

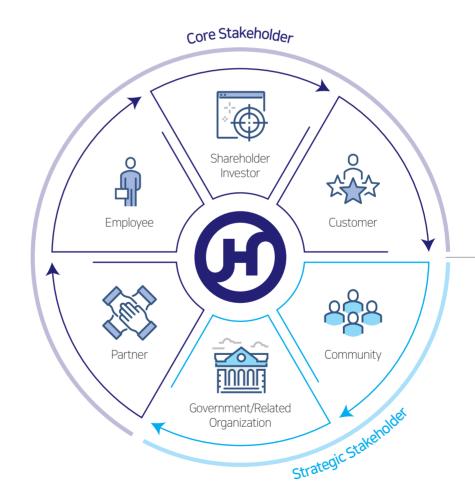
Communication with Stakeholders

We identify major issues that interest each of our stakeholder groups and reach out to them through communication channels. Understanding their major concerns and operating corresponding communication channels help us pursue sustainable growth.



Stakeholder Engagement Framework

To properly respond to each of our stakeholder groups who have grave impact on our business operations, we classified our stakeholders into core group and strategic group according to legal, financial, operational responsibility and impact as suggested by ISO 26000. We identify each stakeholder's main interest and expand the communication with them through related channels.



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Stakeholder	Main Concern	Stakeholder Communication Channel	Main Activities
Customer	Service quality New services Accurate and timely information provision Prompt response to customers	Homepage, Hanjin official blog, SNS channels Customer service center Voice of Customer Chatbot	Active communication with customers through various channels Customer-friendly new service development (Global One Click, HOOT Town) Resolution of customer complaints and inquiries Improvement of customer service
Shareholder/ Investor	Sales and financial performance Business prospects Risk management Governance structure Enhancement of corporate and shareholder value	Shareholders' meeting (once in 2022) IR meeting (42 times in 2022) Homepage Electronic disclosure	Stable creation of revenue and growth Preservation of sound financial structure Enhancement of communication with shareholders/investors Expansion of corporate information disclosure (homepage and electronic disclosure)
Employee	Fair evaluation and compensation Training and career development Workplace occupational health and safety Balance between work and life Employee benefits	Occasional inspection led by the management, communication meeting (HOOT meeting, management meeting) HOOT meeting once in 2022, management meeting for each position held more than once a week Intranet (Daily Newsletter, communication bulletin board, etc.) Operation of complaint counseling program, Hanjin official blog, SNS channels, etc.	Improvement of personnel evaluation system and operation of training programs customized for level and job Operation of management meetings, expansion of communication channels, attention to employee complaints, and improvement of work environment Improvement of welfare and education support system Occasional operation of employee participation events
Partner Company	Co-prosperity Fair trade Information sharing and communication Promotion of employee benefits	Partner company portal (PRM) Meeting with partner companies Eco-friendly platform (Green On Hanjin) Establishment of eco-friendly co-prosperity partnership	Operation of the organization dedicated to co-prosperity with delivery partners, operation of welfare mall for partner companies Full payment in cash for purchasing price Improvement of delivery driver's working condition (lounge improvement, medical checkup, automation of sorting parcels, etc.) Co-prosperity agreement between Hanjin and Nationwide Hanjin Courier Agency Association (Fundraising for courier co-prosperity)
Government/ Related Organization	Response to climate change Establishment of a safe business environment Employment creation Information security	Meetings with related ministries (from time to time) Attendance at association and economic organization meetings Occasional attendance at meetings of the Integrated Logistics Association and other economic organizations	Introduction of eco-friendly lubricants and installation of ballast water management devices Introduction of international certification for environmental and occupational health and safety management (ISO 14001, ISO 45001) Expansion of employment including local recruitment, occasional employment, and re-employment of retirees Appointment of Chief Information Security Officer (CISO) and acquisition of Information Security Management System (ISMS) certification
Community	Communication with local communities Co-prosperity management Social contribution activities	Homepage Hanjin official blog SNS channels	 Launch of Hanjin Digital Easy Order, a platform to support market merchants and small businesses owners Launch of Gift in My Wallet as a form of gift card for purchasing agricultural, livestock, and fishery product Employee plogging event, briquettes sharing volunteer work, and volunteer work for rural areas, etc.



Double Materiality Assessment

Materiality Assessment Process

The materiality assessment process was conducted according to the Double Materiality Assessment method presented in the GRI guideline in order to identify key issues for sustainable management. Through a multi-dimensional survey, various issues related to ESG management were identified, and key issues were selected from the issue pool composed of collected stakeholders' opinions. In addition, to determine the impact of key issues on the company and stakeholders, the impact was evaluated through Analytic Hierarchy Process (AHP) by internal and external experts.



Double Materiality Assessment



① Global ESG Standard Analysis

Method: Identification of issues recommended in domestic and foreign ESG standards

Process: Standard selection → Issue identification → Issue classification

② Internal Data Analysis

Method: Analysis of the entire implementation related to corporate management and ESG management

Process: Analysis of corporate data → Identification and classification of issues

3 Benchmarking

Method: Identification of reports, social issues, and reported topics of domestic and foreign similar companies

Process: Target selection → Analysis of reporting format and content

4 ESG Media Research

Method: Investigation of ESG issues exposed on the media

Process: Research on ESG-related articles → Frequency analysis → Content analysis





(5) Composition of Sustainability Issue Pool

Method: Evaluation of the frequency/weight of issues derived from each item of ① to ④ Result: Confirmation of possible issue pool from the potential issue pool







© Stakeholder Opinion Collection (Survey), Materiality Assessment

Method: Gathering opinions through internal and external stakeholder surveys Process: Target selection → Survey planning → Opinion collection and analysis

7 Double Materiality Assessment and Selection of Key Issues

Method: Evaluation of impact by internal and external experts based on the results of collected stakeholder opinion (AHP evaluation)

Process: Evaluation of the impact of the sustainability aspect/stakeholder aspect based on the issue pool

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Material Issue and Impact

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Nine key issues for Hanjin's sustainable management were selected through a materiality assessment. Issues including governance structure, human rights management, and work-life harmony have decreased in importance compared to the previous year, while sustainable economic value creation and employee capacity building have been derived as new key issues. Financial/non-financial impact and stakeholder impact on nine key issues were evaluated as follows (High, Middle, and Low). The items with high degree of both financial and non-financial impact were workplace safety, health care issues, and customer information protection reinforcement issues. However, individual stakeholders' impact varies from item to item.



	ESG Issue Report	Financial/Non-financial Impact		Stakeholders' Impact					
Sort		Socio- environmental	Financial	Employee	General citizen, Customer	Shareholder/ Investor	Partner company	Report Page	GRI Topic
Economy	Sustainable Economic Value Creation	М	Н	Н	М	Н	М	22~23	201(Economic Performance)
Governance	Enhancement of Ethics/Anti-corruption Managing	M	Н	Н	M	Н	Н	66~68	205(Anti-corruption)
	Establishment of Fair Trade	М	Н	М	Н	Н	Н	66	206(Anti-competitive Behavior)
Environment	Response to Climate Change	Н	М	L	M	M	L	24~26, 35	305(Emissions)
Society-	Workplace Safety and Health Management	: Н	Н	Н	M	L	Н	27~31	403 (Occupational Health and Safety)
Employee	Fair Employment and Management	М	M	Н	L	М	М	47	401(Employment)
	Employee Capability Enhancement Effort	М	M	Н	L	M	М	48~49	404(Training and Education)
Society-	Enhancement of Customer Information Security	Н	Н	М	Н	M	Н	44~46	418(Customer Privacy)
Others	Expansion of Effort for Customer Satisfaction	М	Н	М	Н	М	Н	39~43	416(Customer Health and Safety) 417(Marketing and Labeling)



ESG CORE VALUES



22

Sustainable Economic Value Creation



24

Climate Change Response Strategy





Sustainable Economic Value Creation

Overseas Business and Network Expansion

It is continuously expanding its overseas subsidiaries and increasing global e-commerce volume.

- Expansion of overseas network and entry into new markets
- Continuous expansion of overseas sites
- Expansion of infrastructure including overseas fulfillment centers and automated equipment
- Expansion of partnership services with local logistics solution companies
- Expansion of global e-commerce volume
- Attraction of global sellers
- Activation of cross-border trade (CBT) logistics services among 3 countries
- Expansion of global e-commerce transactions



Global Logistics

Hanjin is securing its competitive edge in the market by discovering customer needs and then providing customized transport solutions in order to lead global logistics. It is expanding its partner and customer networks to broaden its business range worldwide and enhancing its global logistics competitiveness through strengthening its supply chain capabilities, expanding strategic partnerships, and developing local businesses.

Strengthening global logistics capabilities

It is continuously strengthening the competitiveness of its existing global logistics business.

- Enhancement of the competitiveness of forwarding business
- Expansion of cooperation between affiliates (including Korean Air) and overseas networks
- Enhancement of local logistics business in overseas countries
- Enhancement of local logistics businesses including trucking, 3PL, and warehouses
- Expansion of major hub logistics centers including the Americas, China, and Europe and development of multi-modal products
- Global Terminal Operator
- Operation of container terminals in Busan, Incheon, and Pyeongtaek



Active Investment

It is building a comprehensive logistics system to lead global logistics preemptively through continuous investment in core capabilities.

- Fulfillment and infrastructure
- Daejeon SMART Mega Hub
- Promotion of securing fulfillment centers in nationwide hub regions
- Platform, IT, automation
- Establishment of an integrated distribution logistics platform
- IT systems upgrade
- Automation of logistics processes, etc.





2023 HAN JIN ESG REPORT

Hanjin is actively promoting digital transformation beyond physical transformation by fostering digital platform businesses and enhancing the logistics system based on data. Digital transformation is about actively responding not only to infrastructure but also to changes in consumers' needs and living environments. In this way, Hanjin is making various efforts to lead the future logistics market and provide comprehensive logistics solutions customized for customers.

Digital Transformation

Hanjin is leading B2B/B2C logistics markets through the digital transformation of existing systems.

• Cultivation of Digital Platform Business

Enhancement of logistics-based digital platform business in addition to infrastructure-based logistics business

- Haniin One-Click Service, SWOOP, HOOT Town, Haniin Digital Easy Order, Green On Hanjin, etc.
- Development of New Business Based on Data

Creation of new businesses using logistics data

- Data infrastructure construction including HUDATERS (road information collection and sales business), and Data-based (Bl, Portal) management

Automation

Introduction of unmanned delivery robots, and conveyance equipment

Promotion of automation of logistics processes using Al, IoT, RPA, etc.

Various Attempts

We are pursuing CSV(Creating Shared Value) business that can solve social and environmental problems and increase economic benefits through prosperity with various social members by utilizing the marketing capabilities that Hanjin possesses in various parts of society.

 Creating shared value through cooperation with small business owners and local communities.







• Eco-friendly business



• Creating new value using logistics infrastructure







Customer Experience(CX) Service Innovation

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As the trend of non-face-to-face becomes commonplace, we are striving to emphasize a friendly logistics company image and lead to customer understanding and emotion.

• Industry's first Logitainment(combining logistics and entertainment)

Establishment of a communication channel where you can communicate with customers continuously by forming a consensus on logistics services through fun experiences

• Provision of Hanjin Kakao T-platform-based Parcel **Delivery Service**

Launching a new service that allows individual customers using Kakao T application to easily send/register and check parcels through an alliance with Kakao Mobility in 2021

• Diversification of LMD(Last Mile Delivery) Services

Provision of various LMD services including expanding the same-day parcel delivery service areas, launching quaranteed on-time delivery services with major e-commerce companies, and introducing eco-friendly

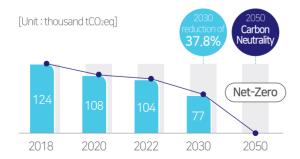
cargo bikes



Climate Change Response Strategy

Medium and Long-term Goals

Hanjin is setting goals for each sector and implementing plans to build a sustainable growth system and achieve contribution to the nation through transport by creating shared value based on eco-friendly logistics. To participate in the global society's achievement of carbon neutrality to overcome climate change crisis, we have set a 37.8% reduction target by 2030 compared to 2018 emissions, as the first step toward net-zero by 2050. We plan to actively pursue carbon reduction activities that are reviewed throughout the business, including introducing electric/hydrogen cargo vehicles in the future, applying energy management systems to our own newly built facilities, and actively introducing new carbon reduction technologies.



 Each amount from 2018 to 2022 indicates greenhouse gas emissions of Hanjin.

Goal and Strategy Responding to Climate Change

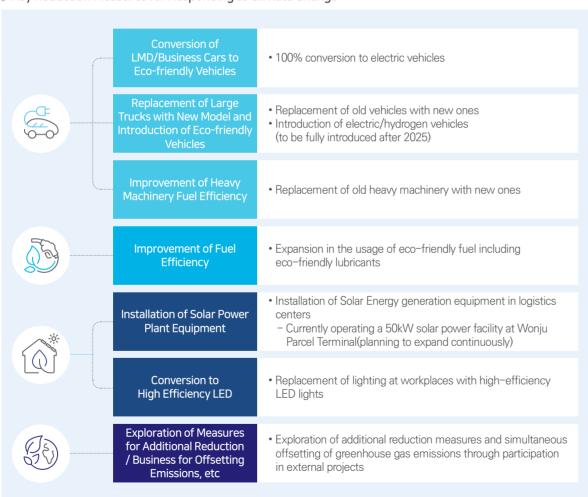
Hanjin recognizes the seriousness of global warming and abnormal climate issues and is taking proactive measures to respond to climate change. We are enhancing our environmental management system and promoting green logistics infrastructure and entire business expansion to leap into a green logistics company. In the future, Hanjin plans to implement sustained and active practices to achieve medium and long-term goals to respond to climate change.



Climate Change Response Plan

We are developing a roadmap for greenhouse gas reduction by 2030 to implement practicable reduction and actively considering the introduction of carbon dioxide reduction technologies/equipment.

> Key Reduction Measures for Responding to Climate Change



Participation in Activities of Consultative Group for Climate Change Adaptation

Hanjin participated in Consultative Group for Climate Change Adaptation organized by the Ministry of Environment in 2022 to respond to climate change. We are sharing information related to climate change, including logistics industry trends and risk awareness, domestic and international climate change adaptation technologies, and excellent cases, to identify major risks and opportunities that may arise from climate change and to create a manual for responding to climate change.

Greenhouse Gas/Energy Management System Operation

We have established our own management system, Hanjin Greenhouse Gas and Energy Management System (HGEMS), to manage the greenhouse gas emissions and energy usage of all business sites for greenhouse gas/energy management. We verify quarterly usage and calculate expected amounts of annual emissions.

* Hanjin Greenhouse Gas and Energy Management System





Enhancement of Eco-Friendly Logistics Framework

Eco-Friendly Vehicles

To reduce emissions and improve air quality, we have been investing in electric vehicles since 2022, and have been building electric charging stations as well. We have also signed a business agreement with SK GeoCentric to introduce lightweight composite materials for cargo compartments to reduce carbon emissions, and are promoting the expansion of eco-friendly engine oil distribution for logistics vehicles. Through these measures, Hanjin will continue its eco-friendly activities to minimize the environmental impact of logistics vehicles and to save energy.





Solar Power Generation

To contribute to the production and utilization of ecofriendly energy, we installed approximately 50 kW of solar power generation modules on the roof of our Wonju Parcel Terminal in March 2023. This is expected to produce 65.7 MWh of renewable energy annually and reduce 30 tons of greenhouse gas emissions. Hanjin will continue to expand eco-friendly energy generation facilities by utilizing logistics centers throughout the country.



Green Certification

To demonstrate our commitment to sustainability and environmental responsibility, we have obtained ISO 14001 certification for our logistics facilities operations and have been designated as an excellent green logistics company by the Ministry of Land, Infrastructure, and Transport.





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Occupational Health and Safety Management System

Hanjin is making efforts to establish a corporate-wide safety culture and achieve a perfect on-site safety management system by internalizing safety culture, systematic management of facilities/infrastructure, introducing a smart occupational health and safety management system, establishing a prompt emergency response system, and establishing the four major promotion tasks of the six major risk priority management.

Advancement of Occupational Health and Safety Management System

In 2023, we are investing a budget of KRW 50.8 billion to promote the enhancement of the occupational health and safety management system that improves the efficiency and reliability of all members and workplaces. We are striving to raise awareness of safety among all employees and prevent safety accidents through prevention-oriented activities.

➤ Direction of Safety Management Implementation



> Occupational Health and Safety Management Promotion System

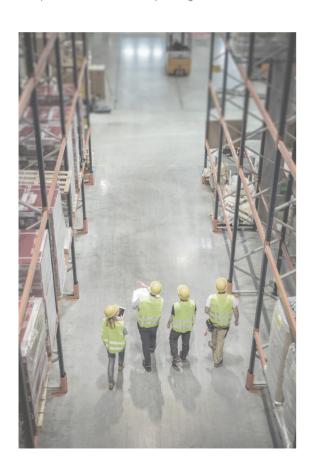
- 1. Establishment of Occupational Health and Safety 1 Establishment of company-wide Management System
 - occupational health and safety organization 2 Operation of the Safety Budget
 - Management System
- 2. Establishing a Safety Culture and Raising Awareness
- ① Expansion of regular safety activities to establish a safety culture
- ② Establishment of IT Safety Management System
- 3. Preventive inspection and compliance with legal standards
- 1) Implementation of a safety inspection
- (2) Enhancement of risk assessment activities
- 4. Investigation of Accidents and Prevention of Recurrence
- 1) Operation of emergency response system
- ② Management of accidents and safety objectives
- 5. Hanjin Ensuring Everyone's Safe
- 1) Provision of a safe workplace
- 2 Assessment of safety management performance in partner companies
- (3) Implementation of safety evaluation





Internalization of Occupational Health and Safety

Hanjin establishes annual health and safety goals to improve employee safety awareness and create a safe working condition. We will establish Hanjin's unique safety culture where all employees take responsibility for their own and their colleagues' safety through internalization of occupational health and safety management.



Establishment of Occupational Health and Safety Performance Index

Hanjin has set a target of reducing industrial accidents by 50% and achieving zero fatal accidents in 2023 compared to 2022, and is managing performance after setting sub-goals.

Industrial Accidents in 2023

Reduction by 50%

(compared to the accidents in 2022)

Fatal Accidents in 2023

O_% ZERO

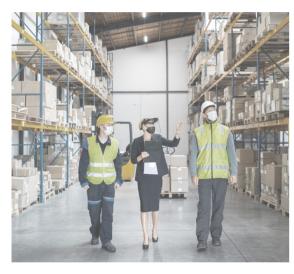
Evaluation of Occupational Health and Safety Management Organization

Hanjin evaluates each organization's safety management level fairly according to clear directions and standards to achieve established safety management goals and internalize practical safety culture. The evaluation cycle of the safety management organization has been changed from one year to six months based on the criteria of the Act on the Prevention of Major Accidents, and the accident evaluation criteria have been divided into personal accidents (employees), personal accidents (non-employees), property accidents, and traffic accident rates to prevent major industrial and citizen disasters. Since the first half of 2022, we have established a unified safety evaluation system for personnel and organizations by aligning the safety evaluation with detailed scoring criteria.

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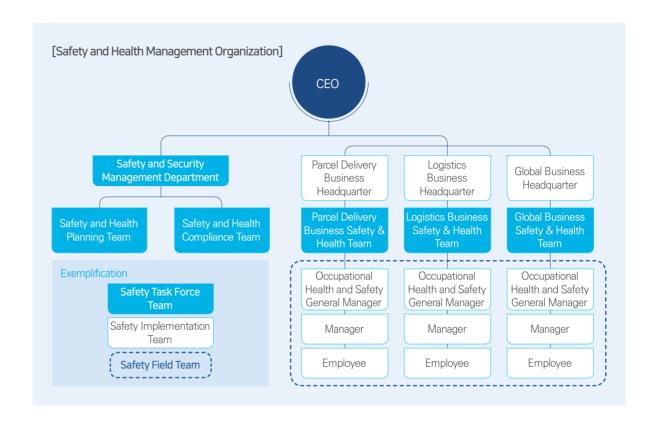
Organizational Structure for Occupational Health and Safety Management

To perform more efficient on-site safety management, Hanjin divided its safety management organization into a safety-dedicated organization, a safety execution organization, and a safety site organization.



Holding Industrial Safety and Health Committee Meeting

The industrial safety and health committee is a meeting body where important matters concerning safety and health in the workplace are reviewed and resolved jointly by the company and employees, creating a trust relationship between labor and management by implementing the resolved agenda.





▲ Steering Committee Safety Strategy Meeting

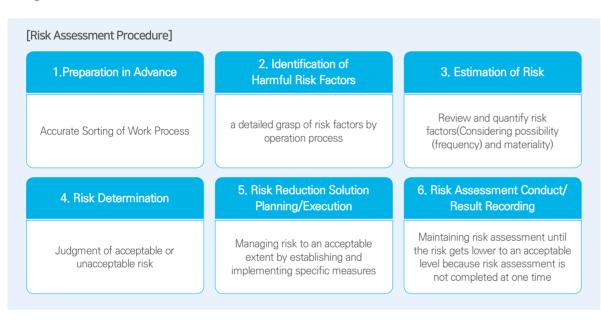
Industrial Safety and Health Governance

Hanjin divides the governance into four stages, including the board of directors (ESG committee), safety strategy meeting, joint inspection meeting between business headquarters and safety organization, and One-Team meeting for safety. Each stage holds regular meetings to create a continuous communication channel in dealing with industrial safety and health issues.

Enhancement of Risk Assessment for Preventing Accident

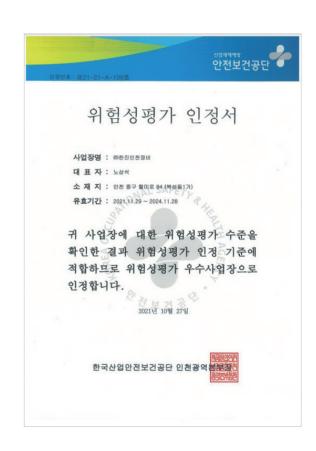
Hanjin has established and implemented risk assessment guidelines to continuously manage and improve harmful and hazardous factors in workplace. In 2023, we have strengthened the risk assessment inspection from once a year to twice a year to implement necessary prompt measures.

In particular, the maintenance team in Gyeong-In branch office obtained a risk assessment certification from the excellent workplace recognition system for risk assessment conducted by the Korea Occupational Safety and Health Agency. We will continue to promote the expansion of excellent workplace recognition for risk assessment to enhance workplace safety management.



Accident Investigation and Recurrence Prevention Process

Hanjin has established ^rDisaster Safety Response and Accident Handling Guidelines_a to minimize human and material damage in the event of disaster or accident by clearly distinguishing the response roles and responsibilities of each department. In addition, we operate Safety Reporting System (SRS) to minimize risk and hear opinions on occupational health and safety improvement.





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Workplace Occupational Health and Safety Management

Hanjin performs various safety support activities including major industrial disaster tabletop exercise, on-site safety campaigns, demonstration projects for responding to fatal industrial disaster, and online training to prevent safety accidents that may occur in the workplace.

Major Industrial Disaster Tabletop Exercise



Joint civil-military training with Geumcheongu and Geumcheon Fire Station was conducted at the southern Seoul hub terminal to simulate disaster situations like a big-size fire on logistics center and building collapse. The overall control headquarters also checked the emergency response manual during the major industrial disaster training.

Demonstration Project to Respond to Drowsy Driving



From September to December last year, Hanjin conducted a demonstration project to respond to drowsy driving with Korea Expressway Corporation. The terminal installed on the cargo truck provides alarms for preventing drowsy driving and analyzes drowsy driving data, and we are considering expanding the project in the future.

03 On-site Safety Campaign



Safety and Security Office is conducting on-site safety campaigns to improve the occupational health and safety management system and establish a safety culture. We are conducting various safety activities, including listening to the opinions of on-site workers, delivering safety equipment, and



Management

in on-site safety activities.

Hanjin emphasizes the importance of employee safety

management and encourages top management to do onsite safety activities directly, so they have been participating

On-site Safety Activities by CEO and the



Production of Safety Video Clip



To establish a safety first culture and prevent industrial accidents. Haniin produced a video clip to efficiently deliver safety rules for its workplace. The video will be used in various ways to enhance the ability to execute on-site safety, including education before on-site work and providing to cooperative companies.

Safety Slogan / Safety Message Contest



To establish a safety culture created together with employees, various contests and events were held.

We plan to hold various events to raise employee safety awareness and promote mutual communication in the future.

06

Implementation of Online Safety Education

checking compliance with legal obligations.



• Understanding Safety Management Structure for Every Employee



• Safety Health Standard Diagnosis Table for On-site staff in charge and managers







Environment

Environmental Management System

Hanjin is promoting continuous improvement through the establishment of environmental goals and monitoring for each workplace based on ISO 14001 to minimize environmental impact from business activities. We aim to actively respond to climate change issues and contribute to environmentally friendly green growth by expanding the range of green products and strengthening new green businesses. In addition, we are developing a climate change risk management system to identify and evaluate climate change risks in detail.

Environmental Management Policy

As a global logistics company, Hanjin has established an environmental management policy to enhance the sustainability of humanity and the world by focusing on the technology and capabilities we have accumulated so far. Besides, Hanjin is enhancing environmentally friendly activities throughout the entire management.

Hanjin minimizes the environmental impact of its logistics activities through the practice and spread of eco-friendly logistics, fulfills its social responsibility of preserving the environment for future generations, and practices the following activities for sustainable green growth.

We reduce greenhouse gas emissions, improve air quality and minimize the impact of climate change by practicing smart logistics such as expanding the use of eco-friendly energy, introducing pollution-free vehicles, and optimizing base/route.

We internalize environmental management based on ISO 14001 and comply with domestic and foreign environmental laws.

We contribute to the realization of national carbon neutrality by continuously developing and promoting eco-friendly logistics business.

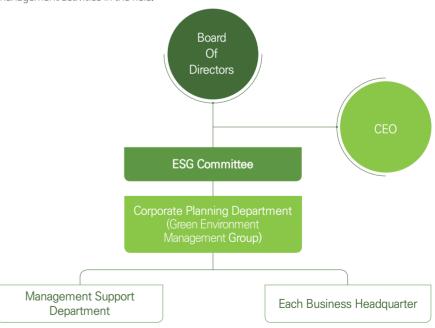
We promote continuous improvement through resource and energy saving and efficient management internally because we all recognize the importance of the environment.

We actively communicate with stakeholders to practice eco-friendly logistics and cooperate with each other so that environmental management can be practiced throughout the company's activities.

We transparently disclose all results of efforts made to promote and improve eco-friendly activities.

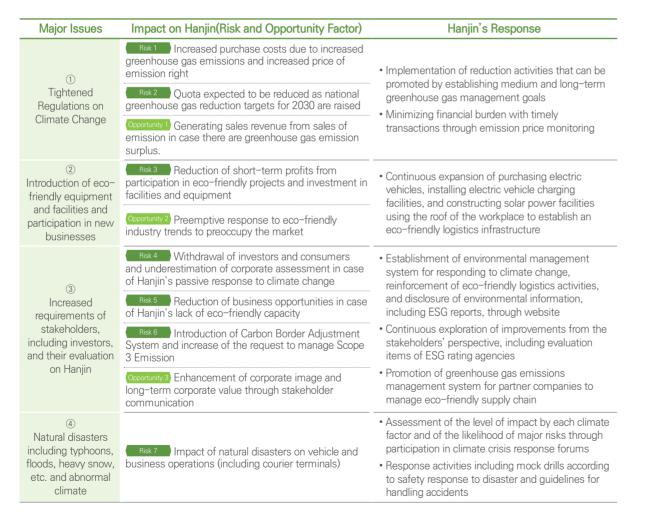
Governance to Implement Environmental Management

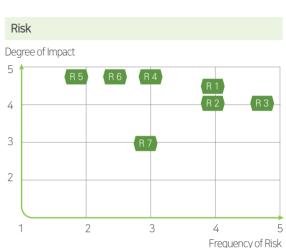
To promote comprehensive environmental management, Hanjin has established ESG committee under the board of directors and has Green Environment Management Group dedicated as its executive department. Green Environment Management Group plans practical environmental management and each business headquarter is implementing environmental management activities in the field.



Environmental Risk/Opportunity Assessment

Hanjin is establishing an environmental management system that can manage environmental impact assessment and environmental compliance evaluation during business operations to implement and achieve environmental management policies and goals. We identify risks from climate change from a financial/non-financial perspective to minimize risks and we are identifying risk and opportunity factors by subdividing major issues and taking appropriate measures by conducting impact analyses. We also evaluate risks/opportunities by analyzing environmental impact when investing in facilities/equipment and reviewing overall business feasibility.









Enhancement of Activities to Reduce Environmental Impact

Hanjin minimizes environmental impact throughout its business processes and continuously strengthens activities to promote an eco-friendly culture. Specifically, we are actively pursuing environmental activities through energy reduction, expansion of renewable energy, use of eco-friendly labels/regenerated tires for waste reduction, and eco-friendly activities with partners and customers through "Green On Hanjin" and "Slow Recipe".

Reduction of Energy Consumption and Greenhouse Gas Emissions

Hanjin has established and managed a long-term plan to reduce energy consumption and greenhouse gas emissions in logistics processes. We set annual goals and manage performance through quarterly monitoring. In 2022, we established our own goals of 1,713 TJ of energy consumption and 109,537 tCO2eq of greenhouse gas emissions and pursued various reduction activities throughout our business, apart from free allocation amount of the Ministry of Environment

We reduced greenhouse gas emissions through shortening vehicle travel distance by expanding parcel handling stations, converting LMD (Last-Mile Delivery) vehicles to electric cars. Besides, we actively participated in the government's Modal Shift policy by shifting freight transport to rail transport. In addition, we continued our efforts to convert to eco-friendly logistics infrastructure by participating in the Green Logistics Conversion Project led by the Ministry of Land, Transport, and Maritime Affairs beginning from 2012 and by seeking energy efficiency of logistics equipment through the conversion of old vehicles/equipment into new ones, and by installing high-efficiency LED lights, resulting in energy consumption of 1,630 TJ and greenhouse gas emissions of 104,185 tCO2eq, which means reduction of approximately 5% compared to our 2022 target.

In 2023, despite our ongoing efforts to reduce greenhouse gas emissions, we have set our own goals of 1,659 TJ in energy consumption and of 106,069 tCO2eq in greenhouse gas emissions, considering the increase in emissions due to business expansion and investment in new equipment/facilities. We will continue to pursue active reduction plans and explore additional reduction measures, thereby enhancing our effort to achieve the goals.



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Eco-friendly Platform

> Green On Hanjin

Hanjin operates an eco-friendly platform called 「Green On Hanjin」 where small business owners and individual entrepreneurs can purchase eco-friendly packaging materials and office supplies at reasonable prices. Starting in 2020 with the sale of 「wing boxes」 that can be assembled without using tape, Hanjin has been expanding its eco-friendly product line, including biodegradable envelopes, and in 2022, they started selling 「Green Waffle」, a 100% recyclable eco-friendly packaging material co-invented with Eco Life Packaging.





> Slow Recipe

Since February 2022, Hanjin has been operating $^{\Gamma}$ Slow Recipe $_{\mathtt{J}}$ platform, where customers can more easily purchase vegan and eco-friendly products, and grow with authentic companies that make good products.





약 30여개의 국내 우수 중소기업의 제품들이 입점되어 있으며, 입점 제품들은 Slow Recipe 자사몰과 미국 아마존, 동남아 쇼피에서 구매하실 수 있습니다.

Activities to Reduce Waste and Water Usage

Hanjin has been making efforts to reduce waste and water usage. They recycled over 320,000 of 1.5L PET bottles to make eco-friendly uniforms for their employees, resulting in a reduction of about 20 tons of CO_2 emissions compared to landfills/incineration. In addition, Hanjin has been continuing efforts to reduce waste, including using eco-friendly shipping labels and retreaded tires.



To practice Circular Economy, we have installed water recycling devices at the car wash facilities of company-owned gas stations where water usage is relatively high. We are reducing water consumption by purifying the water used during the car wash process and by reusing it for cleaning the underside of vehicles.





Internalization of Eco-friendly Management

Hanjin continues to internalize eco-friendly Management throughout the company by continuously engaging in activities to promote eco-friendliness among all employees. They consider the environmental impact of major investments, comply with environmental regulations, and practice green growth through environmental education.

Review of Environmental Risk in New Investment

When considering new investments, including purchasing vehicles/equipment and building construction, Hanjin checks for environmental risks that may arise from the investment in advance. They review factors including environmental impact on water/soil/air/biodiversity/ waste/noise and vibration, climate change risk and opportunity factors, and increase or decrease of greenhouse gas emissions.

Management of Eco-friendly Cost

Hanjin annually plans and analyzes the investment and cost scale required to minimize the environmental impact, including greenhouse gas reduction, energy efficiency improvement, business waste treatment, and eco-friendly product purchases, according to their internal standards and procedures.

Environment Education for Employees

In 2022, 100 employees completed a total of 202 hours of environmental education through offline mandatory training courses for new employees and online elective training courses for all employees. Hanjin is also making efforts to internalize ESG throughout the company through ongoing environmental education and in-house campaigns.









Compliance with Environment Law

Hanjin performs a variety of businesses including land transport, parcel delivery, stevedoring, container terminals, shipping, warehouses, fuel sales, and maintenance, etc. Besides, it promptly identifies and manages environmental regulations related to each business in the registration system about environmental regulation. They regularly monitor compliance with environmental regulations and share potential violations that may occur in their business operations to enhance preventive measures.





Environmental Campaign

As part of its efforts to create an eco-friendly workplace, Hanjin is actively participating in various eco-friendly agreements, campaigns, and national carbon neutrality policy with various partners. We are practicing various activities with stakeholders including eco-drive education, employee plogging campaigns, fine dust reduction activities for old vehicles, and participation of eco-friendly logistics symbiotic agreements.

> Symbiotic Agreement for Eco-friendly Logistics

Hanjin promised technology transfer including logistics resource management and operation, energy, greenhouse gas reduction business, and designation as an excellent green logistics practice company by signing eco-friendly logistics symbiotic agreement with its land transportation partners. Both companies will actively participate in the government's eco-friendly logistics expansion policy by voluntarily participating in logistics energy target management.

> Business Agreement for Reducing Fine Dust Emitted by Freight Vehicles

Hanjin has signed a 'Business Agreement for Reducing Fine Dust Emitted by Freight Vehicles' with the Seoul Metropolitan Air Quality Control Agency under the Ministry of Environment to reduce fine dust emissions from freight vehicles. We are promoting this through active promotion and taking measures to reduce pollution including early disposal of old freight vehicles and installation of exhaust gas reduction devices for consigned freight vehicles.

> Encouraging Eco-Drive

Hanjin provides eco-drive booklet to its subcontracted drivers to achieve greenhouse gas reduction through improved fuel efficiency and better driving habits. We encourage drivers to actively participate through positive effects including fuel cost savings, greenhouse gas reduction, and vehicle lifespan extension. Improving fuel efficiency by 10% through eco-drive practices can save 2,447 liters of fuel consumption per vehicle a year and reduce greenhouse gas emissions by 6.5 tCO2eq. We will continue to encourage eco-drive habit and develop various educational materials to spread eco-friendly culture and build an eco-friendly supply chain among employees and partner companies.





Customer

Customer Satisfaction Management

Hanjin strives to provide differentiated customer-friendly services to satisfy them. We establish service quality goals and strategies, listening to the voice of customers through the service innovation department and customer service center in head office, and on-site organizations as customer touchpoint. We continue improvement activities for better services through this effort.

Customer Satisfaction Management System

Hanjin practices customer satisfaction management that creates value, activities starting from planning to development and provision of courier service based on customer-centered perspective.

> Strategy for Customer Satisfaction



Customer-centered Organization

Customer- centered management is a principle that applies to all employees, from the CEO to all staff members. We operate a customer support team under the Service Innovation Department, centered on the Business Department Manager, to establish and manage plans for continuous customer satisfaction management. We also strive to listen to our customers' opinions and get closer to them through customer service centers and nationwide branches.



Quality Management System Certification

We have received ISO 9001 (Quality Management System) certification in relation to customer satisfaction management. ISO 9001 is an international standard for quality management systems established by the International Organization for Standardization, which guarantees that the product/service system satisfies international standard requirement and is continuously maintained and managed. We will make efforts to provide our customers with better services and satisfactory experiences through improvement of service quality and enhancement of customer satisfaction management based on the latest quality management issues including risk management, stakeholder expectations, and performance-centered management.



Customer-centered Activities

Hanjin is continuously developing new logistics services to provide customers with impressive services. We also actively listen to our customers' opinions through delivery service evaluations and seek various improvement methods to ensure that all customers have satisfying experiences through Hanjin.

Logitainment

In 2021, Hanjin became the first company in logistics industry to establish Logitainment and is actively promoting it. Logitainment is a portmanteau word of logistics and entertainment and it refers to a communication channel that can continuously communicate by forming empathy for logistics services through fun entertainment experiences, enhancing the understanding of customers. In 2023, Hanjin is expanding its Logitainment to make logistics fun and approachable by challenging various fields including games, movies & arts, SNS, characters, and metaverse.

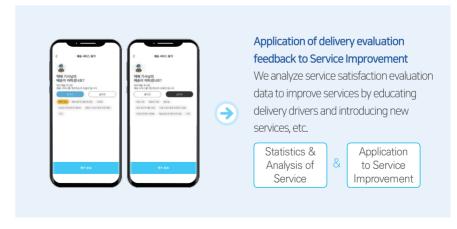


CXI (Customer eXperience Index)

Based on customer experience, we are developing CXI to improve service quality so that even customer complaints can be turned into satisfaction. We also preemptively respond to customer complaints by categorizing and analyzing the data. We will strive to provide customers with the best experience to create a relationship of trust and confidence in Hanjin's services.

Delivery Service Evaluation

As part of our efforts to satisfy customers, we are conducting a delivery service evaluation. We use statistics and analysis of customer satisfaction and valuable opinions to improve our services, including educating delivery drivers and CS representatives and introducing new services.





On-site Service Education

To maintain excellent delivery quality, Hanjin conducts continuous and regular on-site training, information announcements, and service education for all delivery branch managers. We also make efforts to distribute posters and brochures to delivery drivers in a timely manner, informing them of the key factors that affect customer service. Through these efforts, Hanjin prevents customer complaints and realizes more advanced customer satisfaction services.

> Service education for branch managers and delivery drivers





> Announcement through delivery driver's APP(using cartoons)



> Attachment of posters and distribution of brochures









Delivery Status Communication Channel

Through Kakao alarm talk/APP text messages, Hanjin provides real-time information on delivery status, and communicates with customers so that they can receive satisfying delivery services by sending photos of entrusted deliveries and delivery completion information via text message in case of customer absence. In particular, we have implemented a service that allows us to send SMS for the first time in the industry through the delivery driver's APP, so that there is no delay in the delivery driver's work.







location





Givina

Delivery

Customer Inquiry and Consultation Channels

> Customer Inquiry Channel

We operate a convenient and easy-to-use customer inquiry portal on online channels including the homepage and the customer APP.

> Customer Consultation Channel

We operate channels that allow customers to communicate more quickly and conveniently, including customer APP, visible ARS, and chatbot, using new technologies for customer consultation.

Visible ARS

We are striving to provide more convenient consulting channel more conveniently for customers by providing visible ARS service in addition to voice ARS.

Chatbot service

We provide a 24-hour customer-service through the chatbot 「Genie」 on customer app and homepage, where you can ask guestions about delivery-related services including parcel reservation and delivery schedule confirmation





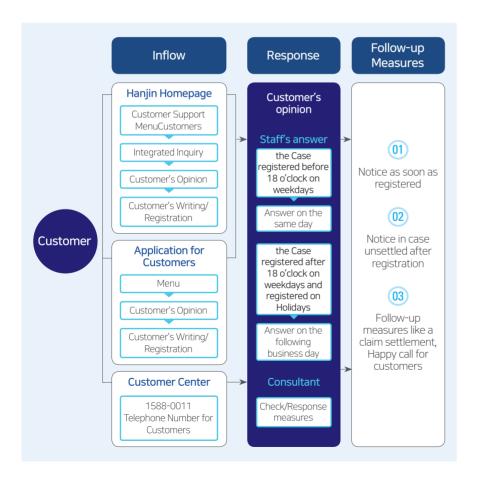




VOC and Compensation Processing Procedures

Hanjin listens to Voice of Customer (VOC) through its website, customer app, and customer center, and reacts to it at parcel branch and pickup branch through an internal system. Received VOCs are immediately notified to the person in charge, and especially the ^rcustomer's words₁ are processed according to the principle of responding them on the same day.

> VOC Processing Procedure



> Compensation Processing Procedure

When a problem occurs with the received parcel or the parcel is not received, Hanjin provides compensation procedures so that customers can receive compensation. When the accident details and compensation price are confirmed, the recompense is deposited into the customer's account within an average of 7 days. The compensation limit is handled within the limit of the amount stated on the waybill.





Information Security & Management

Hanjin is aware of the importance of information security and personal information protection and is making efforts to protect customer's personal information by establishing and enforcing systems. Specifically, to preemptively block information security problems and personal information leaks caused by hacking, etc. Hanjin conducts mock training and inspection activities regularly, and also conducts information protection training for employees every year and operates an information security day every month to raise awareness of information security.

Information Security Policy

Hanjin has established a total of 12 detailed guidelines based on the security management regulations that include the CEO's security declaration for protecting stakeholders' information. The guidelines are classified into four technology security guidelines, two physical security guidelines, five management security guidelines, and one personal information guideline. They are posted on the internal network so that all employees who actually perform their duties can be aware of and comply with them. Hanjin also operates and manages the guidelines by updating them regularly. Thus, Hanjin has established an information protection policy that secures the professionalism and objectivity of information security work and operates it.

Information Protection Management System Certification

Hanjin has obtained information protection management system (ISMS) certification for major systems and equipment. We will continue to improve and upgrade the information security system to proactively block risk factors and strengthen the information protection management system.

Information Security Solution

We have introduced and operated the following various solutions and systems in three dimensions including document security, personal information, database (DB) for information security.

- Document Security: Introduction of Digital Rights Management (DRM) solution
- Vaccine/Media Control: Introduction of Kaspersky Solution
- Personal Information and Endpoint Security: Introduction of Endpoint Protection Platform (EPP)
- Blockade of Messenger and Hazardous Websites: Computer firewall
- Others: Establishment of the system to control the access to database (DB)

Information Security Organization

We are building an information security organization that can identify and manage personal information risks on site by operating Personal Information Committee composed of the highest manager for each department and a Personal Information Practice Consultation Group composed of the practical manager in each department. In 2022, the Personal Information Protection Practice Consultation Group discussed issues related to the Personal Information Protection Act, the Information and Communications Network Act, and sharing of our company's cases, and the major issues derived from the Practice Consultation Group were reviewed and decided by the Personal Information Committee, the highest decision-making group for information protection.



> Chief Information Security Officer(CISO)

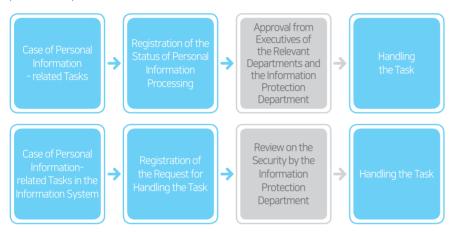
We have appointed CISO who meets the standards of Article 45-3 of the Information and Communications Network Act and Article 36-7(4) of its Enforcement Decree and has expertise in information and personal information protection.

Enforcement Decree of the Act on the Promotion of the Use of Information and Communications Network and Information Protection, etc	Applicable or not
a person who has worked in the field of information protection or	○ (a holder of 22 years
information technology for more than 10 years	of career)
a person who has acquired the qualification of Information Protection	(the certification
Management System Certification Examiner	acquired in 2019)



Personal Information Protection Process

Hanjin registers the status of personal information processing when handling all personal information-related tasks, including collection, consignment, destruction, inspection, provision, and utilization of personal information, after obtaining approval from executives of the relevant departments and the information protection department. In addition, when personal information-related work occurs in the information processing system, a process is established to securely manage personal information after undergoing security review by the information protection department.



Inspection Activities for Protecting Personal Information of Partner Companies

Hanjin annually checks the processing status of customer personal information for about 900 partner companies, including delivery centers, operators, and other entrusted companies that handle shipping information. Each delivery center inspects the status based on personal information processing commissioning check sheet, and manages it by writing a security pledge, thus supervising each delivery center and operator to handle personal information safely. For other entrusted companies, the contracting departments are allowed to create personal information processing commissioning contract with them. In addition, Hanjin makes efforts to raise awareness on the importance of protecting customer personal information among all members of its partner companies through personal information protection training.

Personal Information Protection Assurance Service

Hanjin provides a customer assurance service for personal information protection by disclosing its personal information processing policy and providing a homepage for personal information inquiries. When making a pick-up & delivery reservation, customers are informed of the collection and use of personal information, and the personal information processing policy is posted on the homepage to provide customers with information related to personal information processing. Hanjin also operates a personal information-related account (privacy@ hanjin.com) to allow customers to leave their personal information protection-related inquiries and opinions. Personal information-related inquiries registered with "privacy@hanjin.com" are directly handled by the information protection organization, not by the customer center, to more promptly and accurately manage digital security risks.



In case of displaying data which contains customer information in the internal system, Hanjin manages customer information more securely by masking customer information. In the future, Hanjin will continue to improve measures for protecting customer personal information to provide even safer customer service.



Conducting Mock Training for Information Security

Hanjin checks the current status and manages risks related to information protection vulnerabilities through various mock training for information security.

IT Infringement Incidents/Disaster Recovery

By conducting external agency-led training scenarios for IT infringement incidents/disaster recovery, including external attacks and system recovery response, Hanjin strengthens an organic response system between the company and the system management company.

Mock Hacking

As part of the measures to ensure security and safety related to vulnerability diagnosis of ISMS (Information Security Management System) certification items and compliance with the Personal Information Protection Act, Hanjin performs a mock hacking and checks for improvements of its vulnerability and implementation.

Checking Security System

Checking various security system, including system security audits, checking office environment security, and checking technical vulnerability, is thoroughly managed for risk management to ensure that there are no problems in the security system.

System Security Audit	Hanjin conducts security audits to check compliance rates and improvement/recommendation items, and takes necessary measures.
Checking Office Environment Security	For security reinforcement, including updating vaccines semiannually and changing passwords regularly, Hanjin conducts office environment security measures.
Checking Technical Vulnerability	Hanjin is checking servers, networks, DBs, and security equipment and taking measures.

Personal Information Protection Training

Hanjin strives to raise awareness on the importance of maintaining information security and responding to risks through personal information protection training for all employees at least once a year. In 2022, with the expansion of the e-commerce/platform business division, the compliance linkage has continued to increase, and Hanjin has made efforts to strengthen employees' risk prevention capability by conducting special personal information protection training for relevant team leaders and members.

Hanjin Information Security Day SAFE DAY

By conducting Hanjin Information Security's 「SAFE DAY」 once a month, we operate a program that encourages all employees to be interested in information security and participate in it voluntarily by promoting self-inspection activities such as checking the security levels of each individual's PC and system according to information security guidelines and personal information leakage examples,

Information Security Campaign

We enhance the awareness of information security of our employees by conducting various campaigns including regular guidance through the company network bulletin board (matters of using employee ID cards, security checks and practices in the office, precautions during holidays, etc.), information security quizzes, and information security events.





People

Ideal Talent

Creativity and Belief



Creators with Creativity and Belief

- Progressive leaders who will lead the globalization era
- People who constantly strive for self-development
- Talents with innovative senses who break down fixed ideas

Dedication and Action



Active Person Imbued with Dedication and Action

- Person with indomitable will that never gives up
- Talents who respect etiquette and remain humble
- Talents who consider others and adapt well in organizations

Responsibility and Service



Talents with a strong sense of responsibility and service

- Practitioners based on autonomous thinking
- Person possessed with a professional spirit for excellence in the industry
- Talents who voluntarily dedicate themselves to organizations and society

Ideal Talent of Hanjin

In order to create a company that grows with all employees, Hanjin operates a fair and transparent personnel system based on talent philosophy of creativity and belief, diligence and practice, responsibility and service, from recruitment to communication and growth support. We also create a non-discriminatory working environment so that talented people with various abilities can develop their potential.

Talent Recruitment

Hanjin is recruiting talents that meet the company's founding philosophy of 「Contribution to the World Community through Transport」 and the company's talent philosophy. We recruit applicants through our homepage as a principle of open recruitment and conduct transparent and fair recruitment without any unfair discrimination based on academic background, age, gender, etc. We will continue to fulfill our social responsibility and strive to become a company that provides stable jobs through fair recruitment.

Respect for Diversity

We are creating a culture of equality based on diversity and professionalism. We respect the diversity of our employees by creating an equal work environment in which there is no discrimination based on age or gender in the application of all personnel systems and treatment standards, including recruitment, promotion, and salary.

Gender Equality Culture

Although the logistics industry has a relatively low proportion of female employment, Hanjin is expanding the proportion of female hires who have expertise to secure excellent personnel and to cultivate talent. We support female talents to grow as next-generation leaders by providing equal opportunities for training and career development.

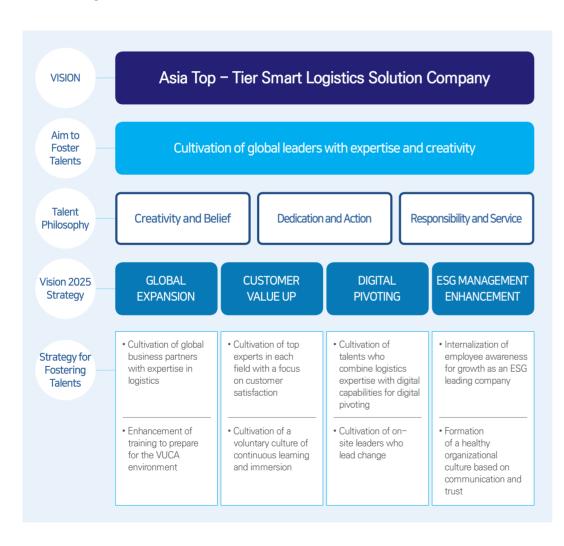
Performance Evaluation Process

We evaluate the performance and capabilities of employees according to fair standards. We have improved the evaluation method by introducing the absolute evaluation method to enhance the objectivity of the evaluation and have added fairness by introducing a system for constant feedback and procedures for objecting to the evaluation results. We are also creating a respectful workplace by promoting communication among employees through the multi-faceted evaluation system.

Employee Capacity Building

To foster global leaders with expertise and creativity, Hanjin has established a talent development strategy and is implementing talent acquisition and development accordingly. Specifically, we are striving to cultivate the next generation of global leaders through talent development strategies linked to our Vision 2025 strategy, including Global Expansion, Customer Value up, Digital Pivoting, and ESG Management Enhancement.

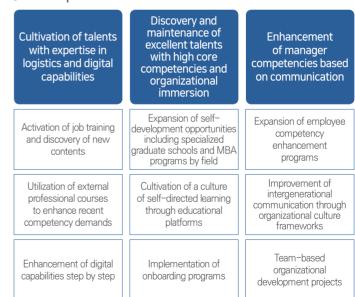
Introduction —— ESG Fundamentals —— ESG Core Values —



2023 Talent Development Plan

Hanjin's strategic direction for personnel management in 2023 is to establish a HR culture centered on core/specialized personnel training by field. Specifically, Hanjin is executing detailed tasks with the aim of developing converged talent with logistics expertise and digital capabilities, discovering and retaining outstanding talent with high core competencies and organizational involvement, and forming and enhancing organizational culture and management capabilities based on communication and trust.

> Core Implementation Task

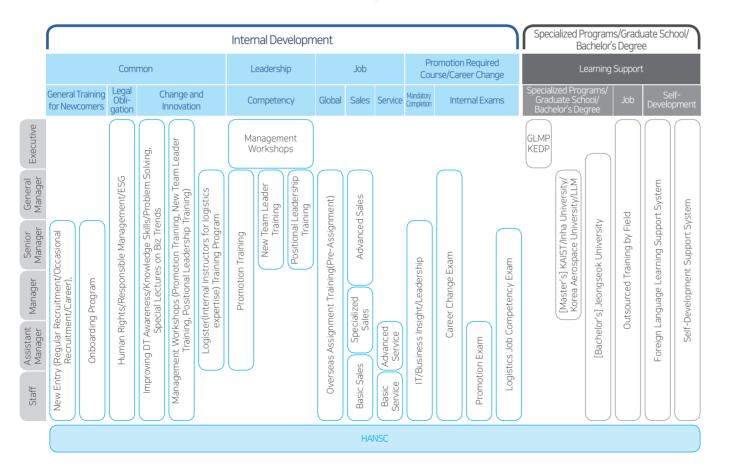


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Talent Development Program

Hanjin's talent development program is composed of three categories: capacity development (common/job-specific capabilities, leadership capabilities, and undergraduate/graduate degree courses), organizational activation (campaign to create a healthy organizational culture, improvement of work methods), and self-directed growth (compulsory training by job gradeforeign language/certification/self-development support), etc. We will actively support it so that employees can become global top talents by operating various programs that consider the current abilities and needs of employees. We have set aside an annual budget for education

and training to strengthen the capabilities of employees, and have continued to conduct effective education and training through online education courses even in environments including the COVID-19 pandemic. In 2023, we plan to expand the DT awareness improvement, knowledge and skill, problem-solving, and logister(internal instructor for logistics expertise) training courses through consideration of environmental changes and collecting employees' opinions.



>Training for Promoted Personnel



CEO's special lecture



Mini Workshop through communication and cooperation





Balance between Work and Living

Hanjin is introducing various systems that respect individuals' lifestyles, including guaranteeing employees' lifestyles and efficient time management, in line with trends. In addition, we are creating an environment where we can improve the quality of life and increase job satisfaction through supporting the balance between work and life of employees. We create a harmonious work-life balance through flexible work systems and family-friendly programs, and provide various welfare and benefits systems that support the well-being, health, and self-development of employees to provide a stable living and a working environment where they can work enthusiastically.

Flexible Working System

Category	System Description
Flexible Work System	Commute according to individual autonomy, work 8 hours a day Mandatory working hours: 10:00 ~ 16:00 Split Leave System Employees can choose the duration of leave up to 2 hours according to personal needs.
Refresh Vacation	• 2 weeks of continuous vacation every 5 years after joining the company – 6 days of annual leave + 4 days of additional paid leave

Welfare Benefits System

Category	System Description		
Personal Pension Enrollment in personal pension insurance and support for insurance premiums			
Welfare Card	Support for self-development (exercise, language learning, etc.) through welfare card		
Comprehensive Health Check-up	Support for comprehensive health check-up expenses for employees and their spouses		
Vacation resort	Permanent use of condos for employees and support for resort for summer vacation		
Life Stability Fund Loan	Low-interest internal loans for household and emergency funds		
Drinking Water	Provision of Jeju mineral water for employees (3 boxes of 1.5L per month)		

Family-friendly Policies

Category	System Description
Child Education Fund	Support for employee's child education expenses – for high school and university students
Childcare Support Allowance	Payment of childcare support allowance for employees raising children under 72 months old
Congratulations Gift for Expectant Mothers and Fathers	Gift payment for pregnant employees or their spouses
Support for Elementary School Admission	Provision of school supplies, art supplies, etc. for children entering elementary school
Gratitude Gift for Family Month	Gift payment to employees' parents and children every May

Selected as a Family-Friendly Certified Company

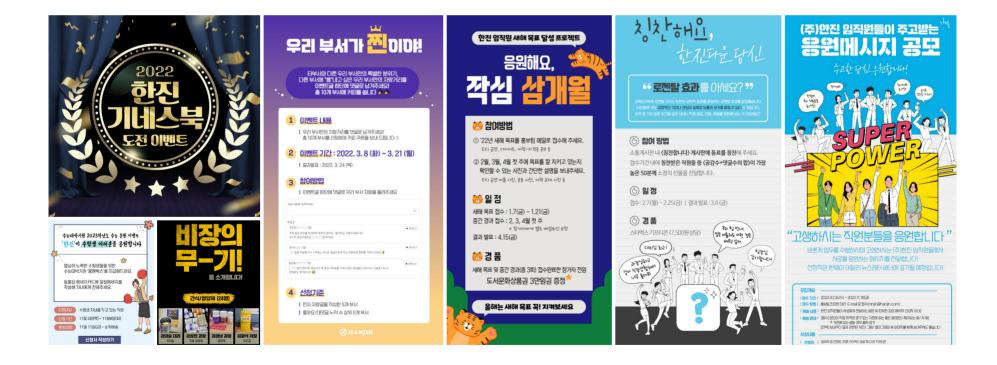
Hanjin was recognized as a family-friendly company certified by the Ministry of Gender Equality and Family in 2022 for establishing an excellent family-friendly management system and operating a support system for it, supporting the work-life balance of employees and contributing to enhancing national competitiveness.



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Campaign to Create a Healthy Organizational Culture and Employee Participation Events

Hanjin has conducted various in-house campaigns to create a healthy organizational culture. It also held various employee participation events, including the 'Hanjin Guinness Book Challenge Event,' to minimize conflicts that may arise between generations, positions, and departments in the organization and to form in-house consensus. Based on the opinions and participation of members, we continue to make efforts to create a culture of communication and empathy through a variety of programs.





Communication between the Company and Employees

Hanjin is creating a culture of mutual communication and trust among its employees. The management and employees are increasing their understanding of each other through free communication, and an anonymous communication board has been established to encourage more free opinions. In particular, Hanjin practices sharing through volunteer activities among its employees, forming a common understanding and will continue to expand communication in various forms.

Communication Meeting with Management Called 「HOOT Meeting」

Regular online meetings are held where employees and management can freely discuss various topics. The management also holds weekly meetings for employees by position, and listens to the concerns and opinions of employees through horizontal communication to create a healthy corporate culture in Hanjin.

Operation of Internal Network Called Communication Board

Hanjin operates 「Communication Board」 on the company's internal network, where anonymous free opinions can be discussed. Employees are able to express their complaints or suggest various ideas for improvement, and this leads to creation of a public opinion where all employees are working together to improve the corporate culture. The management is also actively participating and showing interest, leading to positive results including improved welfare benefits and complaint handling.

이어디 HANJIN COMMUNICATION BOARD 한번 소용자시한 Login 《 HANJIN 세환기점 ID/PW 호기

소통게시판	Θ	전체 게	니글		전체기간
☑ 전체 게시글 ☑ 공지사항					
■ 장시사명 ■ 자유게시판 아고라		번호	世界	제목	
→ <mark> </mark>		416	급지	자유계시판 아고라 - 이렇게 이용하세요	
□ □		415	공지	소통게시판 FAQ - 이용에 참고 바랍니다.	
□ 모바임 ~ □ 경제		414	공지	소통계시판이 세단장하여 여러분제 찾아왔습니다.	
		413	자유	한진 오래 다니고있는 썰품어요	
₩ 엔터·스포츠		412	자유	☆ 한민족의 전진 ☆	
□ 엔터·스포츠 → ■ 자유		411	자유	한진 다니고있는 벌플어요	
교 자유		410	자유	냉장고 청소하는날 지정 [3]	

Volunteer Activities with Employees

Hanjin is participating in various external volunteer activities, fulfilling social responsibilities and expanding opportunities for employee bonding. Activities include rural work at a grape farm in Song-san-myeon, Hwaseong-si with the National Agricultural Cooperative Federation, and a plogging activity to collect trash in the downtown areas of Seoul with ITA Seoul. For the 77th anniversary of Hanjin's founding, a 「Love Briquette Sharing」 volunteer activity was conducted where 7,700 pieces of coal were donated to the Seoul Jungneung-dong area. This was a voluntary event where many employees participated in the volunteer activity, forming a direct bond with each other.





Human Rights Respect & Protection

Hanjin respects the human rights of all stakeholders, including its employees, and it is implementing human rights management to prevent human rights violations in its business activities. The human rights management principles were established in 2021, and it has become an obligation for all business related partners, including company employees, to comply with these principles as a norm of human rights management.

Hanjin Human Rights Management Principle

- Hanjin respects all members as human beings and supports internationally accepted standards on human rights.
- Hanjin strives to prevent acts that infringe on human rights, including workplace bullying and sexual harassment.
- Hanjin complies with the "Labor Union and Labor Relations Adjustment Act" and strives to provide all members with sufficient communication opportunities.
- Hanjin does not force labor that violates individual free will via mental or physical restraint.
- O5 Hanjin prohibits child labor for the age specified by relevant laws.
- Hanjin does not discriminate on employment and working conditions based on gender, race, nationality, ethnicity, religion, etc.

Human Rights Management Education Program

An education program for enhancing employees' ethical awareness and improving their human rights consciousness is conducted online for all employees. This program consists of three mandatory education courses: 「Preventing Sexual Harassment in the Workplace」, 「Improving Awareness of Disabilities in the Workplace」, and 「Preventing Bullying in the Workplace」, By presenting possible cases that could occur in the company, the employees' understanding is improved, thus maximizing the effectiveness of the education program.

Category			Unit	2020	2021	2022	
		Education for Preventing Sexual	Attendee	Number	1,442	1,484	1,510
		Harassment in the Workplace	Attendance Rate	%	100	100	100
		Education for Improving Awareness of Disabilities in the Workplace	Attendee	Number	1,442	1,484	1,510
			Attendance Rate	%	100	100	100
		Education for Preventing Bullying in the Workplace	Attendee	Number	1,442	1,484	1,510
			Attendance Rate	%	100	100	100

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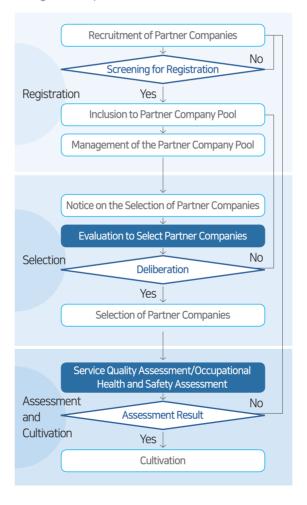
Harmony

Sustainable Supply Chain Management

Problems within the supply chain can not only affect business operations but can also expand into risks for the entire company. Therefore, it is very important to proactively respond to risks that may occur within the supply chain of the entire business. Hanjin is selecting partner companies by establishing regulations on recruiting, selection, evaluation, and nurturing based on fair and transparent processes to proactively manage supply chain risks and build a stable supply chain. In particular, the bidding evaluation includes an assessment of environmental management, social responsibility, ethical management, occupational health and safety, and secures excellent cooperative companies to establish a risk management and cooperative growth system for sustainable growth and quality services.

Partner Company Registration and Evaluation Process

To ensure the transparency of the selection and operation process for partner companies, Hanjin established the "Guidelines for Recruiting/Registering/Operating and Evaluating Partner Companies" in 2017 and manages partner companies based on the execution of the guidelines through annual updates.



Partner Company Recruitment and Registration

Hanjin regularly recruits partner companies for product purchases and service sections through its website or electronic bidding sites at least once a year. Based on the basic principles of partner company registration, relevant standards and procedures are evaluated, and companies that meet the standards are selected and registered and managed in the partner company pool.

➤ Basic Principles of Partner Company Registration

Fairness

The registration criteria between existing and new registered companies should not be discriminated against without a justifiable reason, and registered partner businesses should not be restricted or discriminated against in bidding participation opportunities for trading commencement without a justifiable reason.

Clarity

The registration criteria for partner companies should be specific and clear, so that there is no risk of arbitrary interpretation.

Transparency

Information on partner company registration criteria and procedures should be disclosed for at least 15 days on the company's website or other public channels 30 days before the expiration of the partner company registration validity period or 30 days before the start of the registration (renewal registration included) examination.

Guarantee of Occupational Health and Safety

Companies registered as partner companies should have the ability and skills to take measures for preventing industrial accidents.



Selection of Partner Companies

To encourage ESG management practices of partner companies, from 2021, we evaluate environmental management, social responsibility, ethical management, and occupational health and safety management levels, and introduce relevant certifications as score factors.

[Partner Selection Evaluation Score Certification]

- Environmental Management Certification: ISO14001 (Environmental Management System)
- Ethical Management Certification: ISO37301 (Compliance Management), ISO37001 (Anti-Bribery Management System)
- Occupational Health and Safety Certification: KOSHA-MS or ISO45001 (Safety and Health Management System)

Partner Company Evaluation and Cultivation

We conduct quarterly service evaluations, semi-annual safety evaluations, and annual comprehensive evaluations for partner companies under contract with Hanjin, and discover and nurture excellent partner companies by giving incentives/penalties according to the results of each company's ability to perform tasks when renewing contracts.

[Evaluation Utilization

The results of the service evaluation are comprehensively evaluated to determine incentives and penalties, and excellent partner companies are selected based on the results of the comprehensive evaluation. Evaluation results are reflected in contract extension decisions, partner selection evaluations when bidding, adjustment of the scale of partner operations, and support for nurturing policies. The comprehensive evaluation consists of comprehensive evaluation items for service quality evaluation and safety and health evaluation. Hanjin is continuously striving to build a sustainable supply chain based on ESG management.

Support for Partner Companies

Hanjin is conducting various support activities to enhance the capabilities of partner companies. It supports the enhancement of the safety and health management capabilities of partner companies by mailing/notifying hyperlinks to workplace safety rules and regulations to partner companies and enabling them to use them for occupational health and safety education, in conjunction with the internal electronic bidding system. In addition, we participate in the "Eco-Friendly Partnership Building Support Project" hosted by the Korea Transport Safety Authority, jointly with partner companies, to support eco-friendly logistics and ESG capability enhancement of partner companies and to continuously strive to spread ESG within the supply chain.

In addition, we provide various welfare benefits to our partner companies. We provide benefits for family events to entrusted drivers under direct contract and customer service center counselors, and provide drinks and cold weather gear to delivery drivers in the winter. We also operate a welfare mall for delivery drivers and freight drivers, supporting the purchase of work supplies, office supplies, and various products of the Hanjin Group at prices lower than market prices.





Welfare Mall for Hanjin Truck Drivers

Thank You Box Installed at the Lobby of Hanjin Building

Creating Shared Value with the Local Community

Hanjin is committed to achieving its vision of becoming the top logistics solutions company in Asia through the goal of "Sustainable and Leading CSV (Creating Shared Value) Business Model." Based on the principles of authenticity, sustainability, and business integration, we strive to create social shared value.

Hanjin's CSV Management Structure



Hanjin CSV Implementation Framework

Hanjin is utilizing its capabilities and resources through CSV framework to discover and operate sustainable CSV business model.





Hanjin's CSV Performance

Winning of CSV Project Award in CSV Porter Prize



Hanjin won the project award of Co-prosperity in the 2021 CSV Porter Prize and won the process award in the 2022 CSV Porter Prize for the two consecutive years. This award was established by Michael Porter, a professor in Harvard university who established the concept of CSV, and the Korea Institute for Industrial Economics and Trade in 2014. The Process award is given to organizations that

have excellent operational systems and major CSV activities according to its CSV system, which combines systematic and sincere CSV activities that are integrated with logistics business to create social and economic value, and has won the honor of the award.

Selected as a Recognized Company for Local Community Contributions in 2022



Hanjin was selected as a Recognized Company for Local Community Contributions in 2022, jointly organized by the Ministry of Health and Welfare and the Korea Social Welfare Association. In particular, it was highly evaluated for its CSV activities that create social value in collaboration with the local community and various eco-friendly logistics activities to enhance ESG management. Hanjin

is fulfilling its social responsibility for co-prosperity and co-growth with the local community to create a sustainable future, and will continue to strengthen ESG management in the future.

Won Minister Awards for ^rHappiness-Added Social Contribution Campaign_J



Hanjin won an award in Living and Safety division by the Minister of Public Administration and Security for the 2022 「Happiness-Added Social Contribution Campaign」, Besides, Hanjin was recognized for its various social contribution activities that take advantage of the characteristics of its business, including the 「Hope Tape」 campaign to find long-term missing children with the National Police

Agency and activities to improve the working environment of courier workers.



Hanjin won an award in the Shared Value Creation division by the Minister of Industry, Trade and Resources for the 2023 ^rHappiness-Added Social Contribution Campaign, thereby gaining the honor of winning awards for two consecutive years. This was due to the recognition of the results of the ^rGifts in My Wallet, project, which contributes to the

practical increase in income of producers by contributing to the improvement of the living environment of agricultural producers.

In this way, Hanjin is building various CSV models that are integrated with logistics business and its achievements are widely recognized externally. Hanjin will continue to make every effort to fulfill its social responsibility by actively utilizing logistics capabilities it possesses, spreading a system and culture that can coexist and develop with various members of society, contributing to the development of logistics industry, and taking a leading role as an ESG company.



Operation of 「Eco-friendly Ugly Agricultural Products Package」

Hanjin is currently operating a package of ugly food products through collaboration with "Gifts in My Wallet," with the aim of thinking about the environment and advocating for value consumption. This product has the meaning of creating social value through the revitalization of the consumption of ugly agricultural products and the practice of eco-friendly zero food waste by generating new logistics demand (transportation and delivery of agricultural products) in conjunction with existing businesses. After successful pilot operation, the service has been launched and new packages are released every week, contributing to the improvement of farmers' income through value consumption.



「Do Nong Sarang」 Business Agreement, with Jeju Jungmun Nonghyup

「Do Nong Sarang」 Business Agreement.with Jeju Jungmun Nonghyup

Following the 「Haman Watermelon Joint Marketing Project」, Hanjin has signed a business agreement with Jeju Jungmun Nonghyup to seek mutual growth with the local community. Hanjin signed a business agreement with Jeju Jungmun Nonghyup in November 2022 as the first company to participate in the 「Do Nong Sa(meaning Company) Rang Movement」, which

is organized by the National Agricultural Cooperative Federation, and has been consistently carrying out mutual growth activities. The movement is a new cooperative model between the region and the agriculture industry that creates new business opportunities



through joint marketing of regional specialty products, purchase of agricultural products, and helping rural workers across the country. With this agreement, Hanjin is actively developing cooperation activities through $^{\Gamma}$ Gift in my wallet $_{J}$.

In addition, at the end of last year, Hanjin held Γ Jeju Jungmun Nonghyup Citrus Promotion Event at the lobby of the Hanjin building to increase awareness and sales of Jeju mandarins, in connection with Γ Gift in my wallet J.



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Social Contribution Campaign

In connection with the CSV business, we are conducting the "Love Connect Campaign," which supports vulnerable groups, environmental protection, and protection of stray dogs by donating a portion of the sales revenue of e-commerce business. Through this, Hanjin is promoting a culture of responsible consumption, and all employees are directly participating in solving social and environmental problems.

In the future, Hanjin will continue to take the lead in solving social and environmental problems in connection with the CSV business.



Campaign	Related CSV Business
「Dangdang-ah, We'll Keep You Happy」	「Gift in my wallet」
「Carbon Bye, Green Buy」	「Green On Hanjin」
「One click of hope for children」	「Hanjin One Click Service」
Love in a Lunchbox donation campaign	Hanjin welfare mall for cargo drivers

> Dangdang-ah, we'll keep you happy: stray dog protection campaign



Hanjin delivered the amount raised through the 「Dangdang-ah, We'll Keep You Happy」campaign to Nonsan Center of the Beagle Rescue Network. This campaign was to donate a portion of 「Gift in my Wallet」 sales to raise social awareness of stray animals, and we increased campaign participation by collaboration with youtubers and planning events during the campaign period.

> Carbon Bye, Green Buy



In September 2022, Hanjin held an event 'Resource Circulation Camp Visiting with Green On Hanjin, with the non-profit startup company ITA Seoul, and conducted various programs including plogging, upcycling experience, etc. Equipment necessary for the event was provided through the 'Carbon Bye, Green Buy Donation Campaign, which donates a portion of the sales profits of the eco-friendly companion platform 'Green On Hanjin,

> One Click of Hope for Children



Through the 「One-click of hope for children」 campaign, Hanjin is donating a portion of the profits generated from the 「Hanjin One-click Service」 and employees' personal donations to the Green Umbrella Children's Foundation's 「Recovery Project」 to promote the value of good consumption. The 「Recovery Project」 is a project that supports the livelihood stability and recovery of children and their families who are suffering from difficulties due to COVID-19.

▶ Love in a lunchbox Donation Campaign



We conducted a campaign to support the breakfast program for starving children by donating some of the sales of the welfare mall for cargo drivers and ^rGift in my wallet_J gift cards to World Vision.



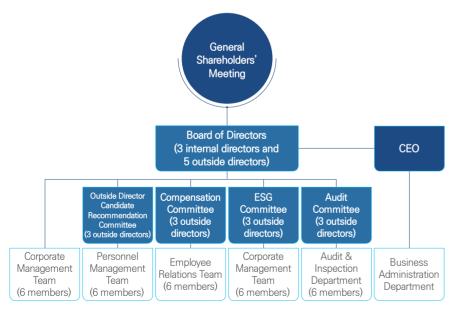
Governance

Transparent Corporate Governance

Hanjin strives to establish a transparent and sound governance structure to secure sustainable future growth, value enhancement for stakeholders, and develop a management system that can lead to coexistence with society. By voting on important management decisions stipulated in related laws, including the Commercial Law, through the general meeting of shareholders, Hanjin provides management information to shareholders and stakeholders by disclosing relevant information promptly.

Corporate Governance Charter

Hanjin established a corporate governance charter through a BOD(board of directors) decision in November 2019 to strengthen competitiveness and establish a corporate governance system as a sustainable entity. Through this charter, Hanjin reaffirmed the company's management policies and corporate philosophy to firmly set up a sound governance system, including the governance system's transparency, BOD's expertise and independence, and top management's responsibility. As such, Hanjin establishes a transparent governance structure to ensure mutual checks and balances between the BOD and the top management.



Composition of BOD (Board of Directors)

Hanjin's BOD consists of three internal directors and five outside directors with various backgrounds, such as accounting, taxation, finance, and fair trade, to ensure effective decision-making through mutual communication and cooperation. They strive to supervise the company's management, prevent risk and improve its prevention system, and effectively make decisions on the overall company management. When appointing outside directors, candidates with expertise in each field are selected. After final review by the Outside Director Candidate Recommendation Committee, they are proposed as candidates for directors and appointed by voting at the general shareholders' meeting.

Туре	Name	Gender	Professional Field	Latest Date of Appointment	Tenure
	Sam-Sug Noh	Male	CEO	March 23 rd , 2023	3 years
Internal	Emily Lee Cho (Hyun-Min Cho)	Female	Marketing	March 23 rd , 2023	3 years
Directors	Young-Hwan Shin	Male	HR·Labor·General Affair	March 24 th , 2022	3 years
	In-Ok Son (Chairperson)	Male	Fair Trade	March 23 rd , 2023	3 years
	Mun-Su Kim	Male	Taxation	March 24 th , 2022	3 years
Outside Directors	Jong-Cheol Han	Male	Accounting	March 24 th , 2022	3 years
Billodiolo	Kyeong-Won Kim	Male	Finance·Accounting	March 25 th 2021	3 years
	Bon-Seon Koo	Male	Law	April 1 st 2023	3 years

^{**} Bon-Seon Koo, an outside director, has been appointed since April 1st after the employment screening of Government Service Ethics Committee.



Independence and Diversity of the BOD

Hanjin has strengthened the BOD's independence by separating the position of CEO and the BOD chairman by the articles of incorporation and the BOD-related codes and appointing an outside director as the BOD chairman by the agreement of board members. It is also stipulated in the articles of incorporation to have at least three but no more than eight directors and to have five external directors to meet the requirements of Article 542-8 of the Commercial Law. To strengthen the BOD-centered management system and improve the operational efficiency of the BOD, four committees are established under it. All members of those committees are composed of outside directors to carry out independent and transparent decision-making and management supervision functions.

In the process of recommending and appointing outside directors, a committee for recommending outside director candidates is established under the BOD to ensure its independence and fairness and to allow it to recommend qualified candidates with expertise and responsibility. In case of including a director appointment agenda to the general shareholders' meeting agenda, sufficient information and time to review the candidates' knowledge and independence, including the candidate's major career and transactional relationship with the company, are provided to the shareholders at least two weeks before the general shareholders' meeting.

> Board Skills Matrix

	Туре	Leadership	Logistics	Finance/ Accounting	Marketing	Law/ Policy	Global Capacity	ESG/ Fair Trade	Termination Year in Tenure
	Sam-Sug Noh				•		•	•	2026
Internal Directors	Emily Lee Cho (Hyun-Min Cho)								2026
	Young-Hwan Shin				***************************************		***************************************		2025
	In-Ok Son	•				•	•	•	2026
ω <u>ε</u>	Mun-Su Kim		***************************************						2025
Outside Directors	Jong-Cheol Han		***************************************		***************************************				2025
0.5	Kyeong-Won Kim		***************************************						2024
	Bon-Seon Koo		***************************************		***************************************		***************************************		2026
	Total	8 persons (100%)	3 persons (38%)	3 persons (38%)	3 persons (38%)	5 persons (63%)	5 persons (63%)	8 persons (100%)	Average Tenure 2.1 years

Operation and Performance of the BOD

Hanjin's BOD establishes an effective and strategic decision-making system through balance and harmony among the BOD members' professional fields and its guaranteed independence. The BOD codes define the scope of the application, operating procedures, decision-making methods, and criteria for deliberation and hold regular meetings once a month and ad-hoc meetings as needed. (However, the meeting may not be convened if there is no agenda to discuss) In 2022, a total of ten meetings were held, deliberating and reporting on 26 agenda items. The BOD's meeting history and deliberation results are provided to stakeholders through disclosure on the electronic disclosure system (DART) and Hanjin's website.

Туре	2020	2021	2022
The Number of Holding Committee Meeting	15	12	10
Attendance Rate	100%	96%	95%

> Details of Committee Meetings

Order	Holding Date	Contents of the Agenda
1	Jan 19 th 22	three agendas, including business planning for 2022
2	Feb 9 th 22	four agendas, including employee health and safety planning for 2022
3	Mar 8 th 22	six agendas, including the report on management's responsibility and monitoring system for employee health and safety
4	Apr 13 th 22	two agendas, including the appointment of BOD's new chairman
5	May 13 th 22	two agendas, including planning for the construction of a subterminal in Changwon
6	Jul 18 th 22	two agendas, including the appointment of a compliance support officer
7	Aug 10 th 22	two agendas, including the plan for borrowing new loans
8	Sep 27 th 22	one agenda of the plan for establishing a subsidiary in Indonesia
9	Oct 28 th 22	one agenda of the plan for extending the maturity of loans to employees for employee stock ownership scheme and providing collateral for it
10	Nov 11 th 22	three agendas, including the plan for the acquisition of a logistics center located in the hinterland of Busan New Port



Activities of Committees within the BOD

By installing committees consisting entirely of outside directors, the BOD enhances the governance system's delegation of authority and transparency. Four committees, including the Audit Committee, Outside Director Candidate Recommendation Committee, ESG Committee, and Compensation Committee, operate with each member's expertise and authority. Each committee is run independently and objectively for decision-making.

Category	Goal / Right	Members
Audit Committee	Monitoring the tasks of BOD and its directors, Auditing corporate accounting, etc	Jong-Cheol Han, outside director (the chairperson) Mun-Su Kim, outside director Kyeong-Won Kim, outside director
Outside Director Candidate Recommendation Committee	Verifying and selecting candidates for outside directors, recommending them at the general shareholders' meeting	Kyeong-Won Kim, outside director (the chairperson) In-Ok Son, outside director Bon-Seon Koo, outside director
ESG Committee	Protecting shareholders' rights and deliberating internal transaction, reviewing and deliberating the progress of ESG-related plans	In-Ok Son, outside director (the chairperson) Kyeong-Won Kim, outside director Bon-Seon Koo, outside director
Compensation Committee	Reviewing the compensation scheme and ceiling for directors	Mun-Su Kim, outside director (the chairperson) Jong-Cheol Han, outside director Bon-Seon Koo, outside director

> ESG Committee Performance Status

Hanjin operates an ESG committee to review large-scale internal transactions, transactions with related parties, and major ESG policies and enhance shareholder rights protection. In 2022, the ESG committee was held four times to review ESG-related issues.

Order	Holding Date	Title of Agenda	Attendance
1st	Jan 19th	Prior review of the plan for signing the joint venture contract between Hanjin and UOK	3/3
2nd	Jul 18th	Report on the publication of 2022 ESG report	3/3
3rd	Aug 10th	Report on the progress of action plans for employee health and safety in 2022	3/3
4th	Dec 23rd	Report on 2022 ESG activities' assessment result and their improvement plan	3/3

BOD Performance Evaluation

Since 2021, Hanjin has been conducting evaluations for the operation of BOD and its subcommittees to diagnose their operational status and improve their performance and independence through continuous improvement activities. The evaluation method involves conducting anonymous surveys of all BOD members to assess the relevance of BOD's and its subcommittees' activities. Those survey results and future improvement plans derived from them are reported to the BOD and its ESG committee to continuously strive to improve the operation of BOD and its subcommittees.

Type	Number of items(19items in total)		
Role and responsibility of BOD	5 items		
Operation of BOD	9 items		
Appropriateness of BOD operation	5 items		
All topics	19 items in total		

BOD Compensation

Hanjin's director compensation is paid within the ceiling approved at the shareholders' general meeting. The compensation for internal directors includes annual salary and retirement benefits according to their title and position, whereas the compensation for outside directors is a fixed salary determined separately by the compensation committee, taking into account their job responsibility and compensation levels of other companies. Outside directors are not paid additional performance-based compensation linked to personal and management performance to ensure independent and objective activities. Information on the amount of director compensation is disclosed quarterly through DART (Data Analysis, Retrieval, and Transfer System).

> Director's Pay

(the amount of pay in 2022, Unit: million KRW)

Category	Number of Persons	Overall Amount of Pay	Average Amount per Person
Registered Director(except for outside directors and audit committee members)	4	722	180
Outside Director(except for audit committee members)	2	119	59
Audit Committee Member	3	171	57

^{*} The number of persons and the overall amount of pay include directors retired in current year.



Risk Management

Hanjin designates risk factors for the entire business, including sudden fluctuations in company assets or revenues due to financial and non-financial factors, and deterioration of the business environment. It systematically and comprehensively manages risks by classifying, identifying and establishing management plans for individual risks, measuring risk levels, and monitoring and responding to risks.

Basic Principles of Risk Management

Division	Basic Principles
1	Understand risks based on reasonable standards, establish management plans, evaluate management situations through risk measurement, and appropriately manage them in a cyclical structure of continuous improvement of response and management plans based on evaluation results.
2	Risk managers manage risks by preventing them in advance and responding in a timely manner to prevent them from developing into crisis situations.
3	The level of risk management that is in line with management goals and strategies should be set and managed to prevent management activities from being weakened by excessive control.
4	If necessary, the overall risk management can report major risk status and progress to the board of directors.

Risk Management System

Hanjin systematically and effectively responds to risks by classifying risk managers by level (overall risk management, risk management, risk management, risk management, risk management, risk management, and each department head and manager manages risks by department, monitoring and controlling risks through regular meetings. In the event that risks are expanded into crisis situations and require company-wide response, a disaster response system consisting of emergency response organizations for each department, including the representative director, is operated to systematically respond and minimize losses and achieve early normalization.

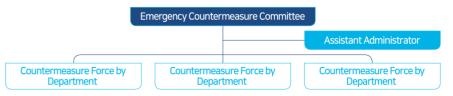
Risk Response Process

Hanjin establishes an effective response process for risk management and promotes proactive prevention through ongoing monitoring and management of risks. In the event of a crisis, it overcomes the crisis by operating a disaster response system and performing the role assigned to each department.

Procedure	Measures		
Crisis situation awareness	Immediate verification and analysis of facts on the spot or at each department in headquarters		
Reporting	The department head/manager in charge reports detailed situation and related information to the representative director		
Holding emergency countermeasure meeting	After the representative director convenes an emergency response meeting, the type of emergency situation and the transition to the emergency situation system are determined.		
Transition to emergency situation system	Transition to emergency situation system, activation of emergency countermeasure committee, and formation of countermeasure force		
Establishment of emergency countermeasure plan and response to emergency	Emergency countermeasure committee: review/approval of countermeasures and command control Countermeasure force by department: Establishing emergency countermeasure plan, reporting situation, and taking action		
Normalization	Announcement of the end of the situation by the chairman of the emergency countermeasure committee and return to original duties		

Composition of Emergency countermeasure Committee

Hanjin operates an emergency countermeasure committee if risk expands into a crisis that requires company-wide response or resolution.





Management by Risk Type

To respond to each crisis situations that may arise in business activities, Hanjin established risk management regulations in July 2022 and systematically manages two financial risk sectors and nine non-financial risk sectors.

> Type of Main Risks and Management Status

Management



We recognize liquidity risk that may occur when there is a temporary shortage of funds due to a mismatch between the period of fund operation and procurement, or an unforeseen situation, resulting in abnormal loss including raising funds at a high interest rate to alleviate the lack of funds or selling assets disadvantageously. We establish liquidity risk management plans and measure and analyze the degree of risk to manage it systematically. We also manage cash flow risks caused by business activities and fund management and procurement, and risks caused by fluctuations in exchange rates and interest rates.



We recognize credit risk that may arise in the financial structure due to an increase in borrowing costs and worsening conditions due to a decrease in the company's evaluation rating by credit rating agencies. We establish management plans for credit risk, periodically check credit rating results, and continuously review and manage financial indicators that may affect credit rating results.



We recognize the risk of distortion and decreased reliability of financial statements due to inadequate or non-compliant processes for creating and managing accounting information. Hanjin complies with relevant laws and regulations, designs and operates an internal accounting management system, identifies deficiencies through regular evaluation, and improves and manages them.



We recognize environmental risk that may lead to legal regulations, financial losses, and damage to the company's image, or intangible losses to the company due to pollution and industrial waste generated during business operations, causing air, water, ocean, and soil pollution, or natural disasters caused by climate change. We establish environmental regulations that must be complied with in business processes and operate them so that all employees can access them, and periodically evaluate and monitor the company's compliance with environmental regulations.



We recognize legal risk that may arise from contractual agreements entered into by the company, or legal disputes including civil, criminal, and administrative matters, or violation of relevant laws and government regulations. Through the board of directors, the appointed legal compliance officer implements compliance education and training programs for employees and regularly checks compliance with legal control standards. We monitor legal issues related to the company on an ongoing basis and report on legal risk and compliance activities to the board of directors and manage them.



> Type of Main Risks and Management Status

Type

Non-

financial

Risk

Management



We recognize the risks associated with legal/administrative regulations that may arise from failure to faithfully comply with disclosure obligations under the corporate disclosure system as disclosure risks. The company establishes and implements a disclosure system education plan to ensure that relevant employees understand the disclosure system and can perform their duties. We minimize risks through pre-disclosure review for all disclosure matters, and we constantly monitor and manage revisions/amendments to disclosure-related laws and regulations.



Safety Risks

We recognize the risks that may arise from personal/property damage caused by safety related accidents and legal responsibilities of the company and employees as safety risks. We conduct risk assessments in accordance with safety-related laws and regulations to identify and improve hazardous and risky factors in the workplace. We constantly monitor revisions/amendments to safety-related laws and regulations, regularly revise safety checklists, and reflect changes through continuous change management in safety assessments. We check whether the work of our contractors is being carried out in accordance with proper and safe procedures, and check and improve risk factors that may cause computer failures in the workplace in collaboration with the IT department. The board of directors checks important safety and health-related matters as needed and manages risks.



We recognize the risks of unethical behavior in the course of employees' job performance that may cause financial losses to the company or damage to the company's reputation as ethical risks. To enhance employees' ethical awareness, we conduct company-wide education on ethical management and engage in anti-corruption activities that may arise from transactions with contractors through internal reporting systems. The audit committee reviews and approves the company's annual audit plan and manages it.



We recognize the risks of security, including loss, theft, leakage, forgery, alteration, or damage to information due to external attacks including hacking and inappropriate access to information, as well as system network failure and damage to company assets due to unauthorized intrusion by outsiders. We regularly conduct information security audits, check and improve the company's operating system security through mock hacking, and conduct information security/personal information protection education and in-house campaigns to enhance employees' security awareness. We also regularly check the access control system for business premises and the status of equipment for physical security including CCTV, and continuously monitor and manage amendments to relevant security-related laws and regulations.



We recognize the risks of business operation, which can cause significant damage to business operations due to external factors including loss or sharp decline in large customers, business operation suspension due to disasters or violations of laws and regulations, and supply chain instability. We secure stable supply through strengthening partnership with major customers, improving customer service quality, and establishing a contingency plan for crisis situations. We also strictly comply with laws and regulations that directly affect business operations and customer service sustainability, including labor standards and industrial safety and health laws, and continuously maintain and manage cooperative relationships with relevant stakeholders to stabilize the supply chain.



We recognize the risks of labor disputes that can cause disruption to daily business operations by exercising labor dispute rights guaranteed by relevant laws and regulations including strikes and workplace inspections by the company's workforce. We strive to create an environment and culture where mutual communication between company employees is possible, establish constructive labor-management relations through regular labor-management consultative body meetings and continuous communication, and manage them.



Fair Trade

Hanjin operates a fair trade voluntary compliance program that includes action standards and implementation plans related to fair trade regulations, so that all employees can comply with and practice fair trade laws and regulations.

Compliance Program (CP) Goals

Quantitative Goals

0%

violation of unfair joint acts including bid-rigging, violation of information exchange behavior

Zero

Qualitative Goals



- Establishment of corporate culture that complies with fair trade and practices ethical management
- Eradication of unfair joint acts including bid-rigging and pursuit of fair competition
- Promotion of mutual growth based on trust with partner companies

Voluntary Compliance Activities for Fair Trade

Hanjin has established a monitoring group to conduct compliance preventive monitoring activities through risk identification and analysis of the company. We also conduct online and offline compliance training for all employees, and once a year, we provide training on bid-related regulations including U.S. ethical codes, fair trade laws, and the U.S. National Contract Law for sales employees to ensure proper business processing as a global logistics company. We also provide guidance on prohibited items and sanctions for collusion when participating in bids for each bidding team in the business unit, and strictly instruct them to prevent collusion in the industry.

2022 Compliance Program Operational Status

January	 New/Experienced Employee Fair Trade Act and Subcontracting Act Training Monthly Bid Participation Department Guidelines for Preventing Unfair Joint Actions (Collusion) Email Sent
April	 「Special Emphasis on Ethical Behavior Compliance, Including Prohibition of Solicitation/Instructions for Recruiting Partner Companies」 CEO Message Notice Employee Fair Trade Act and Subcontracting Act Online Training
May	Online training on the prohibition of unfair joint actions for CEO and US government contract managers.
July	• CEO Message Notice on 「Special Emphasis on Compliance with Fair Trade Act and Corporate Ethics」 • Reappointment of Legal Support Officer at Board of Directors
August	Fair Trade and Ethical Compliance Pledge for Employees
September	 Online training on ethical management for employees and US Fair Trade Act Online training for the person in charge of US government contract law (FAR, DFARS) in each department Selection and Appointment of Autonomous Compliance Officers by Department
October	 Compliance Program Checklist for Related Laws (Compliance General, Fair Trade Act, and Subcontracting Act) for Business Unit Self-Inspection and Risk Analysis Notice on Compliance with Fair Trade Act and Corporate Ethics
November	Establishment of Monitoring Group under Auditing Team
December	Compliance Program training and Confirmation of Implementation Pledge for Officers



Ethical Management without Compromise

Hanjin's ethical management refers to a management policy that reflects the economic, legal, and ethical standards formed by social consensus, as well as the expectations of each stakeholder based on the foundation of transparent management, responsible management, and win-win management, which are the company's values. Since 2002, we have been striving for ethical management by introducing a corporate ethics program and implementing company-wide ethical management and training.

Ethical Management System

We have established an ethical management system based on the company's management philosophy and we are practicing ethical management. Based on the Code of Ethics, which is an ethical norm that the company and employees must comply with, we post specific ethical guidelines for the practice of ethical norms and decision-making criteria for ethical problem-solving on our internal network, and through periodic ethical emphasis, we encourage all employees to practice ethical norms.



Charter of Ethics

Hanjin shares the values of transparent and responsible management as its corporate philosophy, respects the order of the free competition market, complies with all regulations, and pursues public value by reflecting it back to society through corporate activities. To this end, we have established a Code of Ethics that serves as a principle of correct value judgment and action, and we are making active efforts to practice it.

1	We prioritize customer satisfaction and safety as our top value.
2	We do our best to maximize the value of investors' investments.
3	We respect each individual employee and strive to improve the quality of life.
4	We pursue mutual development based on trust with partner companies.
5	We respect the principle of free competition and take the lead in the sound development of the logistics industry.
6	We actively contribute to the healthy development of our country and society and to environmental preservation.
7	We empathize with the company's corporate philosophy and fulfill our obligations and responsibilities for it

Code of Conduct

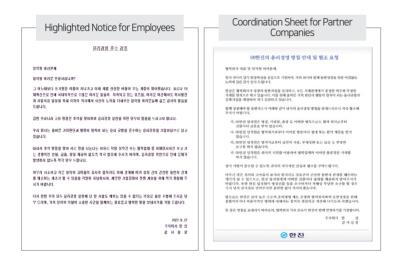
The ethical guidelines of Hanjin provide specific work procedures for resolving ethical issues between the company and employees, as defined in the ethical standards execution guidelines, in order to establish necessary provisions for making sound judgments and decisions. This code of conduct applies to all employees, including regular, temporary, and contractual employees.

Prohibition of money, gifts, and entertainment/ reception	Prohibition of accepting money or gifts, entertainment related to work from stakeholders Prohibition of accepting money, gifts, or entertainment through colleagues, family, relatives, or acquaintances
Prohibition of providing convenience	Prohibition of providing convenience or receiving money related to work from stakeholders Consideration of acts through family, relatives, or acquaintances as the acts of the informant.
Congratulatory Money	Prohibition of notifying the stakeholders of any family events of oneself or of one's colleague
Other legal/ ethical issues	Prohibition of illegal disclosure of company information Prohibition of protecting and using company property for purposes other than intended Prohibition of infringing on the others' property rights Prohibition of inappropriate conduct using the employee's position Prohibition of purchasing company stocks related to work and of hiring employees Prohibition of transactions with employee-operated businesses Prohibition of illegal acts both domestically and abroad Prohibition of illegal acts, including corruption, illegality, and contract violations related to overseas government contracts
Penalties for violations	The company will take appropriate disciplinary action, including dismissal, against employees or executives who violate relevant laws, regulations, or the basic principles of honesty and integrity in business.



Internalization of Ethical Management

Hanjin is making efforts to enable employees to internalize ethical management by conducting online ethical management training once a year and sending encouraging emails to those who have not completed the education. In addition, we spread ethical management and internalize ethical management practices by broadcasting ethical management compliance messages twice a year to all employees and partner companies.



Furthermore, the audit department emphasizes the importance of fair trade law compliance and corporate ethics by regularly posting content on the company bulletin board with the theme of 「Compliance with Fair Trade Law and Emphasis on Corporate Ethics」.

Lastly, Hanjin is conducting monitoring related to compliance with the Anticorruption Act after its enforcement and is making every effort to prevent ethical management risks by establishing management measures to establish a culture of proper corporate credit card usage.

Reporting System against Corruption

Whistle Blower System

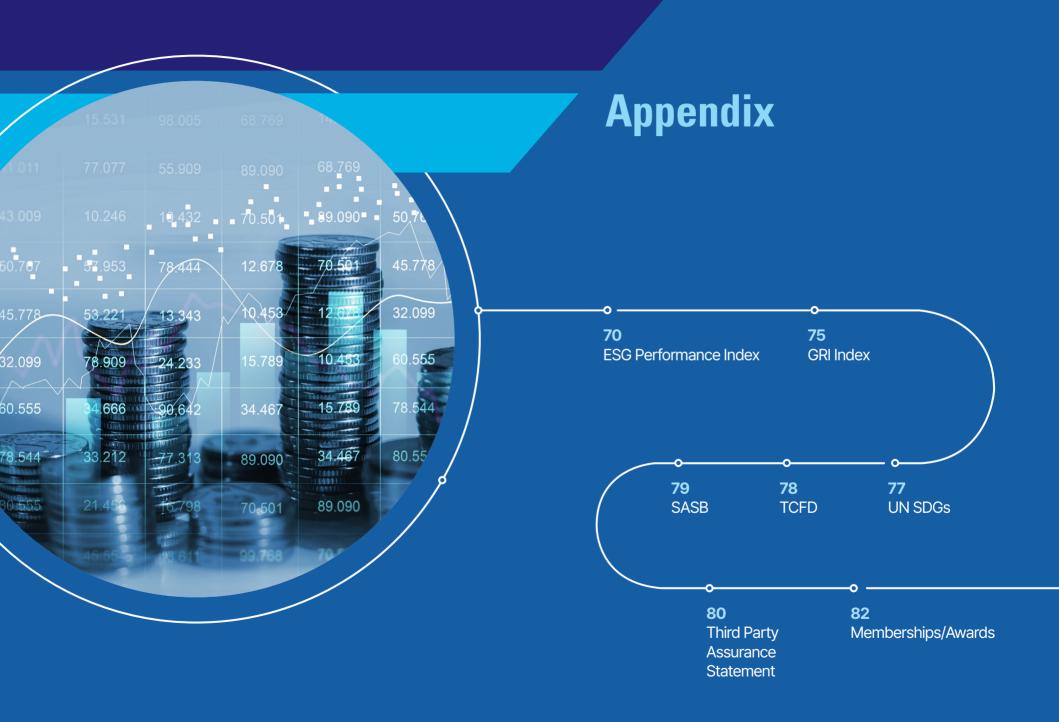
We operate a cyber audit office as a reporting channel for facts that violate corporate ethics, including corrupt acts by employees, unfair business processing, unreasonable demands, and unfair trade practices. As a publicly available system for detecting corruption that is carried out secretly, the received content is treated confidentially.

Category	Details			
Reporting Method	the principle of accepting reports with real names both online and offline and of allowing anonymous reports when it comes to reporting on immediate superiors.			
Treatment of Defendant	Aggravated Punishment through Strict Investigation(The standards for disciplinary actions are applied based on the personnel committee's evaluation criteria, with additional penalties imposed to augment the existing sanctions.)			
Reward to Informant	Giving Special Reward The reward will be given to the informant, in case the reported information proves true after investigating the information. The amount is given within 1% of the cost of corporate damage.(within 10 million KRW per person)			
Туре	2020	2021	2022	
Number of Registration at Cyber Audit Office	6	2	1	

Leniency System

Hanjin is inducing employees to voluntarily report bribery or work-related faults through the Leniency system, which allows for partial exemption, so that employees can resolve ethical issues through voluntary reporting when inevitably causing ethical problems.

King	Details
Reduction Range	 Acts contrary to ethical management Cases where work is processed in violation of the company's regulations and guidelines Other acts that cause damage to the company
Non-compliance with Ethical Problem Performance Guidelines	Partial exemption is possible in case of minor cases If the leniency applicant cooperates actively during the investigation process and faithfully executes management instructions, the reduction can be expanded In the case of intentional or serious faults, the degree of exemption is minimized
Non-compliance with Standard Business Processing Procedures and Regulations	If it is a minor matter and the amount of damage is recovered, exemption is possible. The degree of reduction is reduced if it is intentional or a serious fault. If more than 90% of the damage amount is not recovered, the degree of reduction is reduced.



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ESG Performance Index

Environment

* Based on all workplaces

> Greenhouse Gas

* Calculated in accordance with the guidelines for reporting and certification of greenhouse gas emissions under the emissions trading scheme

Category		unit	2020	2021	2022
Greenhouse Gas Emissions	Scope 1 (Direct Emission)	tCO2eq	90,665	88,750	82,254
	Scope2 (Indirect Emission)	tCO2eq	17,439	20,046	21,931
	Combination of S1 and S2	tCO2eq	108,104	108,796	104,185
Concentration Degree of GGE	self-setting(sales)	tCO2eq/hundred million KRW	5.61	5.05	4.30

> Energy Use

Category		unit	2020	2021	2022
Energy Usage		TJ	1,642	1,683	1,630
	Electricity	TJ	359	419	458
Source of Energy	Fuel	TJ	1,283	1,264	1,172
	Steam	TJ	0.4	0.38	0.38
Concentration Degree of Energy Usage	Sales(own reference)	TJ/hundred million KRW	0.09	0.08	0.07

> Eco-friendly Purchase

Category	Unit	2020	2021	2022
Sales of Eco-friendly Logistics Service	Million KRW	100	210	281
Purchase of Eco-friendly goods and service	Million KRW	46	38	1,124
Eco-friendly investment	Million KRW	6,563	4,247	4,435

> Compliance

Category	Unit	2020	2021	2022
Overall Fine caused by the Violation of Environmental Law	Million KRW	0	2.7	0
Lawsuit caused by the Violation of Environmental Law	case	0	0	0
Number of Non-financial Sanctions caused by the Violation of Environmental Law	case	0	0	0

Implementation of preventive measures and post-monitoring related to violations of environmental regulations in 2021
 Completed installation of facilities to reduce fine dust emissions and strengthened management and supervision to prevent marine pollution

> Water Resource Usage

king	Unit	2020	2021	2022
Amount of Water Usage	ton	148,421	147,766	158,987

* Discharge volume is equivalent to water usage.

> Generating Waste and Disposal

Category		Unit	2020	2021	2022
	General Waste	ton	1,673	1,823	1,791
Amount of Generated Waste	Specific Waste	ton	161	109	219
	Total	ton	1,834	1,932	2,010
Waste Disposal	Recycling	ton		25.8	122.2

* The figures for 2020 and 2021 are confirmed values based on environmental information disclosure.

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Social

> Employee Status

	Category	Unit	2020	2021	2022
0 "	Male	persons	1,297	1,320	1,342
Overall Employees	Female	persons	145	164	168
Limployees	Total	persons	1,442	1,484	1,510
Executives+	Male	persons	1,229	1,197	1,302
Permanent	Female	persons	142	152	168
Employees	Total	persons	1,371	1,349	1,470
0	Male	persons	68	123	40
Contract Employees	Female	persons	3	12	0
LITIPIOYEES	Total	persons	71	135	40
Contract Employees	Handicapped Employees	persons	20	19	19
	Employee with National Merit	persons	28	27	27

X Except for domestic and overseas subsidiaries employees

> Talent Recruitment and Turnover

Category		Unit	2020	2021	2022
Status of Hiring New Recruits		persons	111	197	235
Status of Voluntary Resignation	Number of Voluntary Resignation *	persons	80	141	151
	Rate of Voluntary Resignation **	%	6%	10%	10%
Average Length of Employment		years	14.9	14.1	13.8

^{*} Number of resignation caused not by retirement or dismissal but by personal reason(turnover and study, etc.)

> Status of Female Executives

Category		Unit	2020	2021	2022
Female Status	Female Executives	persons	1	1	1
	Female Managers	persons	6	10	9

X Standard of female managers: Number of female managers determined by personnel appointments

> Parental Leave

Category		Unit	2020	2021	2022
Status of Parental Leave	Number of Parental Leave	persons	9	9	14
	Number of Returning Employees	persons	7	9	12
	Rate of work for 12 months after returning	%	78%	83%	86%

> Statistics about Employees' Industrial accidents/diseases

Category		Unit	2020	2021	2022
Rate of Accidents		%	_	0.07%	0.20%
Number of	Number of the Injured	persons	_	1	3
Accident Case	Number of the deceased	persons	_	_	_
Mortality Rate	Mortality Rate per Ten Thousand people		_	_	_
Lost Time Injury Frequency Rate(LTIFR)		_	_	0.32	0.84

^{**} Mortality Rate per Ten Thousand people: (number of the deceased/number of employees)*10,000
LTIFR: Number of Accidents(Injury/Disease/Death) per one million hours, (number of accidents/working hours)*1,000,000
Partner companies cannot be included to the working hours and to the number of employees

> Status of Employee Education

Contents	Unit	2020	2021	2022
Overall Education Time	hour	16,175	28,308	35,238
Education Time per Person*	hour	11.2	19.1	23.3
Overall Number of Employees Attending Education	person	1,489	1,511	1,564
Rate of Education Attendance	%	103%	102%	104%
Overall Education Fee	million KRW	204	280	474
Education Fee per person	million KRW	0.14	0.19	0.31

^{*}Standard of Calculation: (total education time) ÷(total number of employees)

^{**} Number of voluntary resignation ÷ Number of overall employees



> Ethical Management and Compliance Management

Ca	tegory	Unit	2020	2021	2022
Ethics Education	Education Time per Person	Hour	1.0	0.5	1.0
Ethics Education	Number of Attendees	Persons	941	977	1,266
Fair Trade Education	Education Time per Person	Hour	1.0	1.5	2.0
(General Employees)	Number of Attendees	Persons	996	1,994	2,221
Fair Trade Education	Education Time per Person	Hour	2.0	3.5	2.0
(Targeting the staff in charge of contract)	Number of Attendees	Persons	155	366	166
Violation of the Law on unfair trade	Amount of Financial Sanctions	10 thousand KRW	864,900	8,000	67,900
uman nade	Case of Non-financial Sanctions	Case	4	3	7
Other Violation of Social/ Economical Law	Amount of Violation	10 thousand KRW	28,264	264,347	38,736
	Case of Violation	Case	1	2	1

> Workplace Human Rights Education

Category		Unit	2020	2021	2022
0 111	Number of Education	Times	1	1	1
Sexual Harassment Prevention Education	Number of Attendees	Persons	1,442	1,484	1,510
1 TOVOITION Eddodtion	Rate of Attendance	%	100%	100%	100%
Education for Improving	Number of Education	Times	1	1	1
the Awareness of	Number of Attendees	Persons	1,442	1,484	1,510
Disability	Rate of Attendance	%	100%	100%	100%
	Number of Education	Times	1	1	1
Number of Education	Number of Attendees	Persons	1,442	1,484	1,510
	Rate of Attendance	%	100%	100%	100%

> ESG Education

Category		Unit	2020	2021	2022
ESG Education for new	Education Time	Hour	-	-	176
hires	Number of Attendees	Persons	_	_	44
ESG-related Online and	Education Time	Hour	-		158
External Education	Number of Attendees	Persons	_	_	56

> Collective Agreement

Ca	Category		2020	2021	2022
Employees Applied to Collective Agreement		Persons	1,442	1,484	1,510
Rate of Application	Rate of Application to Collective Agreement		100%	100%	100%
	Targeted Staff	Persons	1,230	1,282	1,310
Labor Union	Joined Staff	Persons	373	375	395
	Rate of Joining	%	30%	29%	30%

> Status of Employment in Overseas Workplace

Category	Unit	2020	2021	2022
Foreign Worker	Persons	351	358	388
Number of Resident Employees	Persons	17	17	17
Number of Local Employees	Persons	334	341	371
Rate of Local Employment	%	95%	95%	96%

^{*} Count of employees belonging to overseas branch and subsidiaries

> Social Contribution and Co-prosperity with Community

Category	Unit	2020	2021	2022
Cash Donation	Hundred Million KRW	22.4	0.2	9.4
Amount of Investment to Community	Hundred Million KRW	22.4	8.4	16.6
Sales of Agricultural, Livestock and Aquatic Products of Community*	Hundred Million KRW	0.1	2.3	2.8
Donation of Items	Items	6,900	_	461
Talents Donation/Attendees in Pro Bono	Persons	30	77	146

^{*} Sales of Agricultural, Livestock and Aquatic Products of Community through Gifts in My Wallet, platform, etc.

> Customer Satisfaction and Information Protection

Category		Unit	2020	2021	2022
	Case of Registering Complaints	Case	236,225	275,121	187,595
Customer	Case. Case of Handling Complaints	Case	236,225	275,121	187,595
Satisfaction	Rate of Handling Complaints	%	100%	100%	100%
	Incidence Rate of Complaints	%	0.06%	0.06%	0.04%
Staff with Certificate of Information Protection Education		Persons	1,442	1,484	1,494

^{**} Rate of Handling Customer Complaints: Drawing up the guideline of handling VOC within 24 hours and Handling with the Goal of 100% Answering

^{*} Incidence Rate of Customer Complaints: Case of Registering Customer Complaints/Delivery Volume



Governance

> Status of BOD Composition

Category		Unit	2020	2021	2022
BOD Composition	Internal Directors	Persons	3	3	3
	Outside Directors	Persons	5	5	5
Classification of Male and Female	Male	Persons	8	8	8
	Female	Persons	_	_	_

> Status of BOD Operation

Category		Unit	2020	2021	2022
Status of BOD	Holding Times	Times	15	12	10
	Number of Agenda	Case	41	33	26
Status of BOD Attendance	Rate of Attendance	%	100%	96%	95%

> Status of Committees Operation

	Category		Unit	2020	2021	2022
	Status of Committees	Holding Times	Times	16	14	17
		Number of Agenda	Case	22	23	30
	Status of Committees Attendance	Rate of Attendance	%	100%	100%	100%

Other Performance

> Summary Link Financial Information

Category	Unit	2020	2021	2022
Current Asset	Million KRW	577,928	702,239	615,211
Non-current Asset	Million KRW	3,210,726	3,175,381	3,477,987
Total Asset	Million KRW	3,788,654	3,877,621	4,093,198
Current Liability	Million KRW	755,214	865,859	799,783
Non-current Liability	Million KRW	1,795,515	1,637,791	1,759,032
Total Liability	Million KRW	2,550,729	2,503,650	2,558,815
Capital	Million KRW	74,738	74,738	74,738
Capital Surplus	Million KRW	182,263	182,263	182,263
Other Components of Equity	Million KRW	256,702	238,805	360,138
Related Earnings	Million KRW	577,700	727,329	778,715
Non-controlling interests	Million KRW	146,522	150,837	138,529
Total Equity	Million KRW	1,237,925	1,373,971	1,534,383

> Summary Link Income Statement

Category	Unit	2020	2021	2022
Sales	Million KRW	2,215,687	2,504,131	2,849,421
Sales Cost	Million KRW	2,026,899	2,310,958	2,633,571
Gross Margin	Million KRW	188,787	193,174	215,850
Business Profits	Million KRW	105,917	99,433	114,502
Profit before Corporate Tax	Million KRW	10,819	215,925	38,291
Net Profit	Million KRW	9,097	161,833	51,760
Other Comprehensive Income	Million KRW	73,771	3,490	135,405
Gross Comprehensive Income	Million KRW	82,868	165,323	187,165



> Creation and Distribution of Economic Value

Category		Unit	2020	2021	2022
Creation of Econor	mic Value	'			
	Sales	Million KRW	1,928,150	2,155,710	2,424,483
Profit b	efore Taxes	Million KRW	5,373	209,089	6,360
Ne	et Profit	Million KRW	1,762	150,635	12,169
Distribution of Eco	onomic Value				
Shareholder/ Investor	Dividend and Interest	Million KRW	30,415	30,532	35,235
Enonloyee	Pay	Million KRW	94,448	102,425	101,541
Employee	Welfare Benefit	Million KRW	20,812	22,521	24,779
Government	Corporate Tax	Million KRW	4,320	58,160	1,763
Community	Investment for Social Contribution	Million KRW	2,244	842	1,657
Partner Company	Purchasing and Expense of Service	Million KRW	1,641,914	1,886,983	2,111,670

> Corporate Tax by Country

	Category	Unit	2020	2021	2022
Republic of	Income before Taxes	Million KRW	5,373	209,089	6,360
Korea	Corporate Tax	Million KRW	4,320	58,160	1,763
USA	Income before Taxes	Million KRW	744	318	902
USA	Corporate Tax	Million KRW	248	97	223
China	Income before Taxes	Million KRW	-393	-445	447
China	Corporate Tax	Million KRW	5	2	8
Vietnam	Income before Taxes	Million KRW	355	933	1,356
vietnam	Corporate Tax	Million KRW	82	251	326
Myanmar	Income before Taxes	Million KRW	408	-231	-181
iviyariiriai	Corporate Tax	Million KRW	0	40	0
Uzbekistan	Income before Taxes	Million KRW	94	69	38
UZDEKISIAN	Corporate Tax	Million KRW	10	9	6
The Czech	Income before Taxes	Million KRW	1,337	793	2,724
Republic	Corporate Tax	Million KRW	80	196	626
Canabadia	Income before Taxes	Million KRW	0	552	476
Cambodia	Corporate Tax	Million KRW	0	0	0
Indonesia	Income before Taxes	Million KRW	0	0	44
iriuonesia	Corporate Tax	Million KRW	0	0	0

**Figures on Link Financial Statements

> Status of Intellectual Property

Category	Unit	2020	2021	2022
Number of New Application	Case(Domestic)	3	13	11
Number of Possessed Patents	Case(Domestic)	7	8	7

> Improvement of Customer Service(Courier Business)

Category	Unit	2020	2021	2022
Incidence Rate of Claims*	%	0.86	1.13	0.81
Incidence Rate of VOC**	%	0.06	0.06	0.04
Rate of Pickup on the Day (Standard of 21 o'clock on the day)***	%	88	85.7	82.9
Rate of Delivery on the Day (Standard of 21 o'clock on the day)****	%	96.7	95.3	94.7

^{*} Calculation Standard: (Amount of Claims on the Year ÷ Sales on the Year) X 100

^{**} Calculation Standard: {Gross VOC Registration cases on the year ÷ Handling Quantity(Shipping Quantity) on the Year} X 100

^{***} Calculation Standard: Cases of Parcel Pickups on the Day/Cases of Targeting Parcels (Parcel pickups on the day is determined with the standard of 21 o'clock according to social consensus.)

^{****} Calculation Standard: Cases of Delivery on the Day/Cases of Targeting Parcels (Delivery on the day is determined with the standard of 21 o'clock according to social consensus.)

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Hanjin Logistics Corporation publishes ^r2023 Hanjin ESG Report_J with the reference in GRI Standard 2021 regarding ESG operation and performance in 2022.

GRI Index

> Universal Standards(General Disclosures)

Topic		Disclosure	Report page
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	2-2	Entities included in the organization's sustainability reporting	2, About This Report
	2-3	Reporting period, frequency and contact point	2, About This Report
	2-4	Restatements of information	For restating information, we made a footnote at the related item.
	2-5	External assurance	2, About This Report, 80~81
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Governance	2-11	Chair of the highest governance body	60~61
	2-12	Role of the highest governance body in overseeing the management of impacts	60~62
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material topics	3-3	Management of material topics	19~31

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Topic		Disclosure	Report page
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	303-5	Water consumption	70
	305-1	Direct (Scope 1) GHG emissions	70
GRI 305:	305-2	Energy indirect (Scope 2) GHG emissions	70
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	305-5	Reduction of GHG emissions	24~26, 35
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Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	54~55
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051.400	403-3	Occupational health services	27~31, 50
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Hoalth and Jaiety	403-5	Worker training on occupational health and safety	27~31
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Occupational Health and Safety	403-9	Work-related injuries	71
r lealth and Salety	403-10	Work-related ill health	71
	404-1	Average hours of training per year per employee	71
GRI 404 : Training and	404-2	Programs for upgrading employee skills and transition assistance programs	48~49, 71~72
Education	404-3	Percentage of employees receiving regular performance and career development reviews	47
GRI 405:	405-1	Diversity of governance bodies and employees	47, 71
Diversity and Equal Opportunity	405-2	Ratio of basic salary and remuneration of women to men	47
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No corporation nor suppliers applicable
GRI 408 : Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	No corporation nor suppliers applicable
GRI 409 : Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No corporation nor suppliers applicable
GRI 411 : Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	No corporation nor suppliers applicable
GRI 413 : Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	57~59
GRI 414:	414-1	New suppliers that were screened using social criteria	54~55
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	54~55
GRI 416 : Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non- compliance
001.447	417-1	Requirements for product and service information and labeling	42
GRI 417 : Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	No incidents of non- compliance
Luboling	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	45



UN SDGs

Number	Goal	Details of UN SDGs
1	1 Harr Po PPoP	End poverty in all its forms everywhere
2	2 mm ((((End hunger, achieve food security and improved nutrition and promote sustainable agriculture
3	3 ::::::::::::::::::::::::::::::::::::	Ensure healthy lives and promote well-being for all at all ages
4	4 ************	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5	5 tenutr	Achieve gender equality and empower all women and girls
6	Q so red red in	Ensure availability and sustainable management of water and sanitation for all
7	7 STREET, INC.	Ensure access to affordable, reliable, sustainable and modern energy for all
8	8 HORST MORELAND	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9	9 metricination	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
10	10 linguarius	Reduce inequality within and among countries
11	11 service des	Make cities and human settlements inclusive, safe, resilient and sustainable
12	12	Ensure sustainable consumption and production patterns
13	13 canar.	Take urgent action to combat climate change and its impacts
14	14 ## AUTH	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15	15 th mine	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16	16 MAC HOTES AND STREET	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
17	17 PREPARADES	Strengthen the means of implementation and revitalize the global partnership for sustainable development

Strategic Direction	Strategic Task	Connection with UN SDGs	Page
	Response to Climate Change		24~26, 35
Establishment and	Enhancement of Environment Management System		33~34
Realization of Eco-friendly Logistics System	Expansion of Eco-friendly Logistics Business	7, 9, 12, 13	26, 35~38
	Establishment of Eco-friendly Logistics Infrastructure		26, 35~38
	Introduction of Human Rights Management		53
Shared Growth with Stakeholders through Creation of Shared Value	Formation of Safe and Quality Working Condition		27~31
	Management of Sustainable Supply Chain	3, 4, 5, 8, 10, 12	54~55
	Enhancement of Customer Satisfaction and Service		39~43
	CSV Activities for Company and Society		56~59
	Establishment of Organization Governance in Global Level		15, 60~62
Establishment of Responsible	Enhancement of Ethics and Compliance Management	F 10 17	66~68
Corporate Governance Structure	Implementation and Internalization of ESG Management	5, 16, 17	15~16
	Establishment of Stakeholder's Participation Process		17~18



TCFD Suggestion and Status of Responding to Climate Change



TCFD Framework

The Financial Stability Board (FSB), an international financial institution, established the Task Force on Climate-Related Financial Disclosures (TCFD) in 2015 to respond to global climate change risks. In 2017, it presented recommendations for disclosing climate-related information and demanded active participation from companies and countries in responding to climate change. TCFD recommends that companies reflect climate change risks and opportunities in their risk management and decision-making. Hanjin is participating in these international efforts and expanding its disclosure of climate change-related information in accordance with TCFD recommendations to strengthen sustainability.

TCFD Suggestion Hanjin Governance • The ESG committee under the board of directors reviews and deliberates on ESG-related matters, and if necessary, the board of directors reviews and deliberates on ESG major issues. · Hanjin has established and operated a green environment group as a dedicated department for environmental management. · Hanjin has planned and implemented environmental management activities on-site centering around the department dedicated to environmental management and each business headquarter. • Hanjin has established an enterprise-wide environmental management system by improving greenhouse Strategy gas management and enhancing employee awareness of environmental friendliness - Hanjin has enhanced the enterprise-wide environmental management system based on ISO 14001. - Hanjin has established a mid-to-long-term greenhouse gas management plan and implemented - Hanjin has strengthened training for cost management and employee awareness of environmental friendliness. • Hanjin has minimized environmental pollution factors through the establishment of an eco-friendly logistics infrastructure. - Hanjin has expanded eco-friendly vehicles/supply chains and eco-friendly equipment including LED · Hanjin has expanded eco-friendly businesses including joint purchase/sale platforms for eco-friendly products and electric vehicle charging stations. • Hanjin has identified risk/opportunity factors for major issues by dividing risks by risk factors, analyzed Risk impact and solution. Management · Hanjin has confirmed and evaluated climate change risks through environmental impact assessments when investing in new facilities/equipment. • Hanjin has managed GHG emissions Scope 1, 2 (Scope 3 measurement/management to be pursued in the future). · Hanjin plans to achieve a 37.8% reduction in emissions by 2030 compared to 2018, and carbon neutrality • Hanjin plans to convert 100% of delivery vehicles to eco-friendly vehicles by 2030. · Hanjin plans to actively introduce large eco-friendly freight vehicles. · Hanjin plans to apply energy management systems to newly constructed self-operated business facilities in the future and to actively introduce new greenhouse gas reduction technologies.



SASB

SASB Framework

SASB (Sustainability Accounting Standard Board), which is the institution for establishing sustainability accounting standards in the United States, recommends voluntary adoption of the standards by companies by providing disclosure standards for industry-specific sustainability information and accounting standards information. Hanjin is managing and providing industry-specific sustainability information in accordance with SASB standards by disclosing and managing relevant information.

Category	Index	Unit		Page
	Direct emissions of greenhouse gas in domestic workplace (Scope 1)	Quantitative	tCO2eq	70
Greenhouse Gas Emissions	Indirect emissions of greenhouse gas in domestic workplace (Scope 2)	Quantitative	tCO₂eq	70
Greenhouse das Emissions	Scope 1 Discussion on reduction targets, performance analysis, and management plans or long-term strategies in relation to emission reduction goals	Qualitative		24, 34
Air Quality	(1) Total weight (metric tons) of generated waste and classification of this total by waste composition			70
- ,	(2) Context information needed to understand data and way of compiling the data			Not reported
	Proportion of drivers classified into independent suppliers	Quantitative	%	Not reported
Labor Practices	Gross monetary loss caused by legal proceedings related to Labor Law	Quantitative		No penalty caused by non-compliance with Labor Law (Handicapped employment levy was about 280 million KRW in 2020, about 280 million KRW in 2021, and about 320 million KRW in 2022)
F 1 11 11 0 C (.	(1) Rate of employees' industrial accidents and mortality	Quantitative	%	71
Employee Health & Safety	(2) Rate of partner companies' employees' industrial accidents and mortality	Quantitative		Not reported
Supply Chain Management	The return-to-origin rate with a baseline percentile exceeding the intervention threshold of FMCSA	Quantitative		Not reported
	Gross greenhouse gas(GHG) footprint emitted from overall means of transport	Quantitative		Not reported
	Realization of safety management system and explanation of the result	Qualitative		27-31
	Case of aviation accidents	Quantitative		Not reported
Accident & Safety Management	Case of road accidents	Quantitative		Not reported
	Safety measurement system: (1) Rate of unsafe driving, (2) Rate of complying with service time, (3) Drivers' health, (4) Restricted materials/alcohol, (5) Rate of vehicle maintenance (6) Rate of complying with rules to handle harmful materials	Quantitative		Not reported



Third Party Assurance Statement

Assurance Statement on The Sustainability Report for HANJIN LOGISTICS CORPORATION

Dear Stakeholders of HANJIN LOGISTICS CORPORATION,

KFQ has been engaged by HANJIN LOGISTICS CORPORATION to provide independent assurance on the 2023 ESG Report for HANJIN LOGISTICS CORPORATION (the 'Report'). It is our responsibility to provide an independent assurance statement in accordance with the standards and scope of assurance as specified below. HANJIN LOGISTICS CORPORATION has sole responsibility for the preparation of the Report.

Standards and Scope of Assurance

- Standards: AA1000AS(v3) and AA1000AP(2018)
- Type: Type 1, covers the assessment of adherence to the Accountability principles of inclusivity, materiality, responsiveness and impact.
- Level: Moderate, limited evidence has been obtained to support our assurance statement
- Scope: Reporting requirements of the Standards (2021)
- Reporting Principles
- Universal Standards

Principles of reporting with reference to the GRI Standards (2021)

Requirements	Compliance	Page(s)
Publish a GRI content index	0	75
Provide a statement of use	0	75
Notify GRI	0	_

- Topic Specific Standards

Requirements	Topic Disclosures	
Reporting by Material Topics	GRI 201: Economic Performance	
	GRI 205: Anti-Corruption	
	GRI 206: Anti-competitive Behavior	
	GRI 305: Emissions	
according to GRI Topic Standards	GRI 403: Occupational Health and Safety	
Otaridards	GRI 404: Training and Education	
	GRI 406: Non-discrimination	
	GRI 418: Customer Privacy	

Methodology

In order to assess the reliability of disclosures about the sustainability performance in the Report by applying the standards, we reviewed sustainability-related processes, systems, internal control procedures, and available data. The documentation reviewed during the assurance engagement includes:

- Non-financial information e.g.: data provided to us by HANJIN LOGISTICS CORPORATION, disclosed Business Reports, and information obtained from media and/or the internet; and
- Financial information i.e.: Financial statements reported on the DART (Data Analysis, Retrieval and Transfer System, https://dart.fss.or.kr), the Electronic Disclosure System managed by Financial Supervisory Service.

The assessment was performed by document review and onsite inspection. We interviewed employees who are responsible to prepare the Report, where we evaluated the validity of the materiality assessment processes, a stakeholder-centric approach to select material issues, data collection and management procedures, report preparation procedures, and validation of claims stated in the Report. It was confirmed that errors, inappropriate information, and ambiguous expressions identified during the assessment were properly corrected prior to the Report being published.



Competency and independence

The assurance team was organized in accordance with KFQ's internal regulations. KFQ has no conflict of interest which could threaten the independence and impartiality of verification, other than providing third-party audit services to the HANJIN LOGISTICS CORPORATION business.

Limitations

The completeness and responsiveness of sustainability performance represented in the Report have inherent limitations due to its nature and the methodology used to determine, calculate and estimate its performance. In accordance with the terms of the contract, we assessed the information and evidence provided by the company. We did not perform any further assessment procedures on raw data.

Findings and Conclusions

As a result of the assessment, we confirm that the 2023 ESG Report for HANJIN LOGISTICS CORPORATION reports in accordance with the GRI Standards, adheres to the AA1000AP(2018)'s Accountability principles, and demonstrates a Type 1 assurance level, as evidenced by reviewed data and information. Based on the assessment, nothing has come to our attention to suggest that the Report provides material errors or misstatements and does not properly describe the adherence to the Accountability principles.

Inclusivity

HANJIN LOGISTICS CORPORATION is gathering opinions from various stakeholders including customers, shareholders, investors, partner companies, employees and local communities through communication channels such as customer service center, general shareholders' meeting, SNS channel, and partner portal. Nothing came to our attention to suggest that the main stakeholders are not stated in the Report.

Materiality

We confirmed that HANJIN LOGISTICS CORPORATION have established ESG management strategy system and have implemented practical and value-oriented ESG management activity for sustainable operation and performance creation.

In an effort to identify internal and external stakeholders' interests and their impacts, HANJIN LOGISTICS CORPORATION identified 28 issues from economic, environmental, and social perspectives and determined 9 material topics by conducting a materiality assessment. It was confirmed that the identified issues resulting from the materiality assessment were fully described in the Report without any omission.

Responsiveness

HANJIN LOGISTICS CORPORATION consistently engages with stakeholders to respond to their feedback and main interests. Nothing came to our attention to suggest that its responses and performance are inappropriately described in the Report.

Impact

We found during our assessment that HANJIN LOGISTICS CORPORATION is identifying and monitoring impacts relating to stakeholders and reporting them to the extent possible. Nothing came to our attention to suggest that it does not properly assess and report impacts relating to material issues.

Recommendation for improvement

KFQ recommends following developmental approaches in order to internalize sustainability management in the future and to disclose the results of the report effectively.

- HANJIN LOGISTICS CORPORATION is communicating with stakeholders through ESG reports which
 have disclosed ESG strategy, activity and performance every year. We hope that HANJIN LOGISTICS
 CORPORATION is documenting and implementing internal processes and procedures, which contain
 compiling, analyzing and reporting ESG information, to ensure quality and reliability of information and
 data by oneself which is disclosed through the Report.
- We look forward to seeing HANJIN LOGISTICS CORPORATION will report additional disclosures from the GRI Topic Standards beyond information related to selected material issues in response to stakeholders' needs and expectations.

June 2023

Seoul, Republic of Korea









Memberships and Awards

Status of Memberships

Category	Organizations		
Logistics	Korea Integrated Logistics Association Korea Port Logistics Association Korea Customs Logistics Association Korea Shipowners' Association Korea International Freight Forwarders Association Korea AEO Promotion Association Korea International Trade Association Korea Shipping Union Korea Shipping Association		
Economy/ Society	The Federation of Korean Industries Korea Enterprises Federation Korea Listed Companies Association Korea Chamber of Commerce and Industry Korea Economic Research Institute Korea Management Association		

ESG Ratings Awarded by the Korea Institute of Corporate Governance and Sustainability (KCGS)

Year of Evaluation	Overall Rating	Environment (E)	Social (S)	Governance (G)
2022	B+	B+	А	B+
2021	А	А	B+	А
2020	В	В	С	B+

Awards

Category		Content	Host Organization
	Dec.2022	Recognized company for local community contribution	Ministry of Health and Welfare, Korea National Council on Social Welfare
	Dec.2022	CSV Process, Greatest Process Award, Porter Prize for Excellence in CSV Awards	Institute for Industrial Policy Studies, Channel A, Dong–A Daily News
	Feb.2022	Living Safety category, Award by the Minister of Ministry of Public Administration and Security for social contribution campaign titled Addition of Happiness	Journalists Association of Korea, Korea Enterprises Federation
Awards	Dec.2021	CSV Project, Greatest Partnership Award, Porter Prize for Excellence in CSV Awards	Institute for Industrial Policy Studies, Channel A, Dong–A Daily News
	Jan.2021	Letter of appreciation by the Commissioner of the National Police Agency (in recognition of contributions in finding long-term missing children through the Hope-Tape Campaign)	National Police Agency
	Nov.2020	Grand Prize in the print/outdoor advertising category at the Korea Advertising Awards 2020 (Hope-Tape Campaign)	Korea Federation of Advertising Associations
N	Nov.2020	Merit Award, Communication Design at the Design for Asia Awards (Haman watermelon CSV activity)	Hong Kong Design Centre (HKDC)
	Dec.2022	Family-friendly certification	Ministry of Gender Equality and Family
	Oct.2022	Renewal of Authorized Economic Operator (AEO) Certificate : Ground Handler	Korea Customs Service
	Oct.2022	Renewal of Authorized Economic Operator (AEO) Certificate: Transporter	Korea Customs Service
	Oct.2022	Renewal of Authorized Economic Operator (AEO) Certificate: Freight Forwarder	Korea Customs Service
	Jul.2022	Renewal of the excellent total logistics service company certification	Ministry of Land, Infrastructure and Transport
	Jun.2022	Renewal of the ISO 14001 environment management system certification	Korea Productivity Center Quality Assurance
Certification	Jun.2022	Renewal of the ISO 45001 occupational health and safety management system certification	Korea Productivity Center Quality Assurance
	Jan.2022	Renewal of the excellent green logistics company certification	Ministry of Land, Infrastructure and Transport
	Oct.2021	Renewal of Information Security Management System(ISMS) certification	Korea Internet and Security Agency (KISA)
	Oct.2021	Achieving the highest rating of AAA for the Guidelines for Reducing Plastic waste (GRP)	Association for Supporting the SDGS for the UN
	Jul.2021	Achieving grade 1 in preliminary certification for smart logistics centers (Smart Mega Hub Terminal in Daejeon)	Korea Transport Institute
	Jul.2021	Renewal of the ISO 9001 quality management system certification	Korea Productivity Center Quality Assurance

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