Coway Sustainability Report

COMPANY CARING FOR BETTER EARTH.

2025

coway

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Company Caring for Better Earth.

Coway Creating a Better Planet for All

Coway Sustainability Report 2025

Coway upholds 'A Healthy Environment, Happy People' as the core value of its Environmental Management System.
Through the development of eco-friendly products and services, we reduce environmental impact across the entire value chain and continue to make tangible efforts to enhance resource circulation and energy efficiency.

Vision

Best Life Solution Company

Mission

We create a healthy and convenient living environment through continuous innovation.

Core Values

We think strategically with attention to detail and speed, and act proactively with responsibility and teamwork.

IDEAL Talent

We foster talents who never hesitate to learn, continuously take on challenges, and grow.

2025 ESG Highlights

KRW 4,963.6 billion	Revenue
KRW 878.7 billion	Operating Profit
11.88 million	Rental Accounts
5,591 cases	Intellectual Property Rights
5,677 plants	Biodiversity Conservation (cumulative)
62.0 %	Female Managers as a Percentage of Total Managers
137,766 hours	Total Employee Training Hours
95.7 points	Customer Satisfaction Survey Result

Environmental

Establishing a Carbon Neutrality Management Framework

- Environmental Management
- Climate Change Response
- Resource Circulation and Waste
- Eco-friendly Products and Technologies
- Environmental Impact Management

Social

Pursuing Sustainable Growth

- Employees
- Health and Safety
- Human Rights Management
- Supply Chain Management
- Local Community
- Customer-centric Management
- Customer Safety
- Information Security & Data Privacy

Governance

Operating Transparent and Sustainable Governance

- Governance
- Ethics Management
- Risk Management

ESG KEY ISSUES

Climate Change Response

Coway identifies key climate risks and opportunities and has taken proactive steps to reduce GHG emissions while lowering energy costs, thereby enhancing sustainable growth value.

Resource Circulation and Waste

Based on full product life cycle management, Coway is advancing its resource circulation framework and strengthening resource efficiency and sustainability by improving recycling rates and pursuing zero waste.

Supply Chain Management

Based on a Supplier Code of Conduct aligned with global standards, Coway supports its suppliers in fulfilling social and environmental responsibilities and ethical management, thereby strengthening sustainability across the supply chain.

Customer Safety

Grounded in customer-centric management, Coway strengthens safety management throughout the entire product and service process and delivers a trust-based customer experience through prompt complaint handling and systematic improvements.

Information Security & Data Privacy

Based on a global-level information protection management system, Coway securely manages the collection, use, and storage of customer personal data, and enhances customer trust through proactive security reinforcement and transparent information management.

APPENDIX

2025 Coway Sustainability Report

Coway discloses its ESG strategy and performance through its Sustainability Report. The report is available for download.

Korean Report

English Report

ESG Data

Coway provides a separate data section that allows users to view key ESG performance metrics and indicators at a glance.

Reporting Framework

Coway discloses sustainability information in accordance with major global disclosure standards, including GRI, SASB, and TCFD. Information linked to each framework is available on a separate page.

Policies and Initiatives

Coway transparently discloses its internal ESG policies and participation in global initiatives. Related information is available on a separate page.

Overview

About This Report

Reporting Overview

Coway publishes its Sustainability Report annually to transparently disclose its sustainability management activities, performance, and future plans.

Going forward, Coway will continue to actively use this report as a channel for stakeholder communication and consistently consider the social and environmental impact of our business while making continued efforts to address ESG-related issues.

1. Reporting Standards

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021, the international guidelines for sustainability reporting. It also reflects SASB (Sustainability Accounting Standards Board) Standards to disclose key issues relevant to industry characteristics. The report further incorporates the disclosure guidelines of TCFD (Task Force on Climate-related Financial Disclosures) Recommendations and ESRS (European Sustainability Reporting Standards) disclosure requirements.

2. Reporting Period

This report covers sustainability management activities from January 1, 2025 to December 31, 2025, based on the fiscal year-end closing date. For certain key issues and performance, information from the first half of 2026 has also been included.
To enhance comparability, quantitative performance data is provided for the most recent four years (2022 to 2025). Any restatements or revisions of historical data resulting from changes in calculation criteria or reporting boundaries are transparently disclosed via footnotes.

3. Reporting Cycle

Coway published its first Sustainability Report in 2006, and the most recent report was published in 2025. This is Coway's 21st Sustainability Report, and we plan to continue issuing reports annually.

4. Reporting Scope and Boundary

This report has been prepared on a Coway standalone basis, and key financial information has been prepared in accordance with the consolidated financial statements under the Korean International Financial Reporting Standards (K-IFRS). Changes in calculation scope or standards, or any restatements of previously reported data, are indicated in footnotes.

5. Report Assurance

To ensure the accuracy, objectivity, and reliability of the reporting process and the information presented, third-party assurance was conducted by an independent assurance provider. The assurance was performed in accordance with AA1000AS v3, an internationally recognized assurance standard, and the assurance statement is included in the Appendix.

Contact Information

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Department: ESG Team, Communications Office

Email: sustainability@coway.com

CEO Message

"Dear Stakeholders,
I am Jangwon Seo, CEO of Coway."

This report, marking our 21st edition, reflects Coway's ESG management performance and our commitment to future innovation. Building on the achievements of the past year, we aim to realize environmental and social value while concretizing practical strategies for sustainable growth.

Despite a challenging business environment marked by the prolonged global economic downturn and geopolitical uncertainties, Coway has achieved record-high revenue and continues to deliver solid growth. This represents more than top-line expansion. It reflects the result of integrating economic performance with ESG value through innovative product development and R&D investment, embedding sustainable corporate competitiveness into our operations.

The rapidly evolving global ESG landscape, including climate change response, strengthened supply chain management, and mandatory sustainability disclosures, is presenting both new challenges and responsibilities for businesses. Corporate sustainability has moved beyond social responsibility to become a key indicator that determines a company's survival and differentiated competitiveness in future markets.

Coway is responding proactively to these changes. It continues to demonstrate its capability to execute ESG management. Coway is achieving Net Zero by 2050. To this end, it is expanding solar power facilities and accelerating its transition to renewable energy. It is also advancing its closed-loop system for waste plastic resource circulation. This effort broadens the application of recycled materials in mass-produced products, thereby minimizing environmental impact. Coway is building a sustainable supply chain ecosystem with its suppliers. It is also expanding community engagement across a wide range of activities. Coway is reinforcing a decision-making process centered on an independent Board of Directors. This approach establishes transparent governance. It also strengthens the expertise and execution of responsible management.

Coway will continue to drive a virtuous cycle of environmental and social value creation through transparent and responsible management. We sincerely ask for your interest and support in Coway's sustainability journey.

Thank you.

Coway Co., Ltd.
Jangwon Seo, CEO 서 장 원

ESG Committee Chairperson's Message

"Dear stakeholders,
I am Gilyeon Lee,
Chairperson of the ESG
Committee at Coway."

I would like to express my deep appreciation to all stakeholders who continue to support Coway's sustainability management.

As ESG regulations, including mandatory global disclosures and supply chain due diligence, have grown more stringent, the Board of Directors' responsible decision-making and oversight role has become more important than ever. Building on the expertise and independence of its Board of Directors, Coway runs the ESG Committee, which deliberates and resolves key ESG-related issues. Going beyond mere status reporting, the ESG Committee serves as a control tower that drives meaningful change by reviewing the validity of mid- to long-term strategies and granting final approval for the execution of key initiatives.

In 2025, Coway will transparently disclose the performance of its priority initiatives in each ESG domain, along with its vision for sustainability, through this Sustainability Report.

In the Environmental domain, we have activated proactive governance to address environmental regulations. Beyond resource circulation, we continue to pursue a range of efforts, including product design aligned with strengthened global environmental standards such as the EU Packaging and Packaging Waste Regulation (PPWR) and the application of eco-friendly raw materials. We are also advancing our carbon neutrality through energy efficiency improvements and GHG reduction activities, while making strategic decisions that pursue sustainable growth amid the climate crisis.

In the Social domain, we are expanding a social ecosystem grounded in mutual growth and inclusion. We are spreading the values of diversity and inclusion by running a sports team and choir for people with disabilities, and we are focused on building a sustainable supply chain by hosting events such as the Supplier Mutual Growth Day.

In the Governance domain, we have advanced a Board-led responsible management framework. In 2025, Coway established a new Compensation Committee composed entirely of independent directors, which raised the independence and transparency of decision-making. We continuously manage our compliance with core corporate governance indicators, leading the way in enhancing shareholder value and establishing sound governance.

Going forward, the Coway ESG Committee will continue to strengthen the substance of ESG management through independent and professional oversight. Together with our stakeholders, we pledge to create positive impact on the environment and society and to grow into a more trusted company.

Thank you.

Coway Co., Ltd.
Chair of the ESG Committee 이 길연

Business Overview

Coway Value

Value System

Vision — Best Life Solution Company

Mission — Creating healthy and convenient living environment through innovation

Ideal Talent — Top-class Talent

"People who are up for challenge and growth through ceaseless learning"

Core Values

- Way of Working: Detail | Strategic Thinking | Speed
- Working Attitude: Leadership | Responsibility | Organizational Power

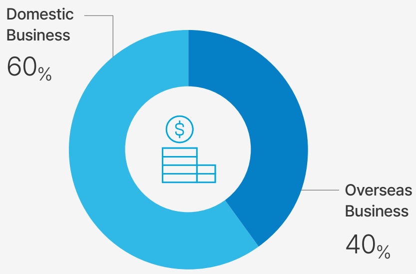
General Information

Corporate Overview and Key Indicators

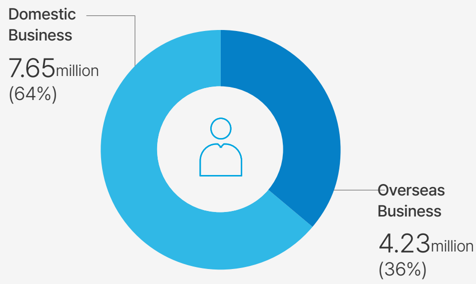
Company Name	COWAY Co., Ltd.		
Industry	Manufacturing, Sales, and Services for Environmental and Home Care Appliances		
Registered Headquarters	136-23, Yugumagoksa-ro, Yugu-eup, Gongju-si, Chungcheongnam-do		
Website	https://www.coway.com		
CEO	Jang-won Seo		
Date of Incorporation	May 2, 1989		
Seoul Office	G-Tower, 38 Digital-ro 26-gil, Guro-gu, Seoul		
Revenue	KRW 4,963.6billion	Net Profit (Margin)	KRW 617.5billion (12.4%)
Operating Profit (Margin)	KRW 878.7billion (17.7%)	Total Number of Accounts	11.88million

Coway Revenue Composition and Key Indicators

Sales by Segment



Numbers of Accounts by Segment



Business Model

WATER CARE

We provide new value and convenience with top-level water quality analysis and differentiated regular management services.

AIR CARE

We take care of healthy breathing with our filter technologies, in which the world's best air-quality research capabilities are concentrated.

BODY CARE

We create a comfortable bathroom culture with more sophisticated and perfected hygiene technologies.

SLEEP CARE

We offer a comfortable and pleasant sleep environment through a professional Homecare Doctor's mattress care rental service.

HEALING CARE

We deliver value that goes beyond pure relaxation.

LIVING CARE

We provide healthy and convenient household appliances that improve the quality of life.

Global Network

Domestic Network

Coway Headquarters Coway R&D Center Yugu Plant Incheon Plant Pocheon Plant Care Station

Overseas Network

Europe Coway Europe B.V.	Malaysia COWAY (Malaysia) SDN. BHD.	Thailand COWAY (Thailand) Co., Ltd.
China Coway China Co., Ltd.	USA Coway USA. Inc.	Vietnam COWAY VINA CO., LTD.
Indonesia PT COWAY INTERNATIONAL INDONESIA	Singapore Coway Singapore Pte. Ltd.	India COWAY INDIA PRIVATE LIMITED

Republic of Korea (HQ)

Established: 1989

Sales types: Rental/Membership/Lump-sum purchase

Main sales channels: Door-to-door sales/Retail (online & offline)

Products: Water Purifiers, Air Purifiers, Bidets, Mattresses, Massage Chairs

Malaysia

Established: 2006

Sales types: Rental/Membership/Lump-sum purchase

Main sales channels: Door-to-door sales

Products: Water Purifiers, Air Purifiers, Mattresses, Air Conditioners, Massage Chairs

United States

Established: 2007

Sales types: Rental/Membership/Lump-sum purchase

Main sales channels: Door-to-door sales/Retail (online)

Products: Water Purifiers, Air Purifiers, Bidets

Thailand

Established: 2003

Sales types: Rental/Membership/Lump-sum purchase

Main sales channels: Door-to-door sales

Products: Water Purifiers, Air Purifiers

Indonesia

Established: 2019

Sales types: Rental/Membership/Lump-sum purchase

Main sales channels: Door-to-door sales

Products: Water Purifiers, Air Purifiers

Vietnam

Established: 2020

Sales types: Rental/Membership/Lump-sum purchase

Main sales channels: Door-to-door sales/Retail (offline)

Products: Water Purifiers, Air Purifiers

Europe

Established: 2021

Sales types: Lump-sum purchase

Main sales channels: Retail (online)

Products: Water Purifiers, Air Purifiers

Value Creation Model

Coway is a life care solutions company committed to the healthy living of its customers and to a sustainable environment. It delivers wellness value in everyday life through core products such as water purifiers and air purifiers, along with its care services. Coway embeds sustainability across the entire value chain. This spans product planning, R&D, production, quality management, and customer management. It draws on six forms of capital, including financial, innovation, natural, human, intellectual, and social and relationship capital. Through these processes, Coway systematically identifies the positive impact its activities generate for stakeholders and society. Coway will continue to advance ESG-driven management. It will build a sustainable future together with diverse stakeholders.

INPUT

Financial Capital
- Total equity: KRW 3,613.7 billion
- Total liabilities: KRW 3,386.4 billion

Innovation Capital
- Number of R&D personnel: Approximately 300
- R&D expenditure: KRW 61.776 billion

Natural Capital
- Eco-friendly investment: KRW 2.7 billion
- Renewable energy usage: 2,310 Mwh

Human Capital
- Number of Employees: 6,352
- Number of Training Programs: Approximately 2,600

Intellectual Capital
- Intangible assets: KRW 190.4 billion

Social and Relationship Capital
- Number of employees participating in volunteer activities: 380
- Customer complaint resolution rate: 100%

BUSINESS MODEL

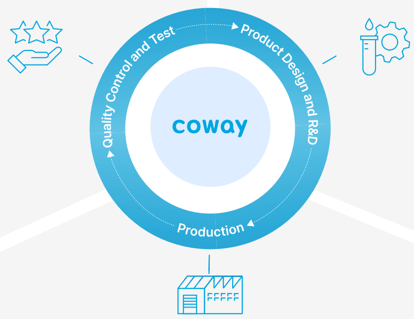
Upstream

1. Raw Material Procurement
   - PBA ASSY
   - Compressors
   - Membrane elements, etc.
2. Raw Material Transportation
   - Land
   - Marine

Own worksite

Quality Management Activities
- ISO9001:2015
- GMP compliance recognition
- Coway Integrated Certification System
- Internationally Accredited Testing Laboratories (9 labs)

Customer and Quality Division, Coway R&D Center, Design Lab, Production Technology Office
- R&D expenditures: KRW 61,776 million



Production Sites (Yugu, Incheon, Pocheon)
- Main products: Water purifiers, air purifiers, bidets, filters, etc.
- Product and filter production capacity: 47,537,649 units
- Average operation rate: 80.3%
- Product and filter production output: 37,995,910 units

Downstream

3. Sales Channels
   - Cody/Home Care Doctor
   - Coway Gallery
   - Online
   - B2B
   - Agency stores, etc.
4. Consumer Purchase
5. Product Recovery and Resource Circulation
   - Establishment of a closed-loop resource circulation system
   - Waste filter upcycling program
   - Refurbished product sales

OUTPUT

Financial Capital
- Revenue: KRW 4.9636 trillion
- Operating profit: KRW 8,787 billion

Innovation Capital
- Number of research projects: 27 cases
- Number of new product launches: 61 items

Natural Capital
- Number of models with recycled materials: 12 items
- Waste recycling rate: 100%

Human Capital
- Total employee training hours: 137,766 hours

Intellectual Capital
- Number of intellectual property rights owned: 5,591 cases
  - Patents: 2,427 cases
  - Trademarks: 2,366 cases
  - Utility models: 34 cases
  - Designs: 764 cases

Social and Relationship Capital
- Total social contribution activity hours: 932 hours
- Customer satisfaction score: 95.7 points

Approach to ESG

Sustainability Management System

Sustainability Management Governance

In August 2021, Coway established the ESG Committee under the Board of Directors. This strengthened its ESG management framework. The ESG Committee comprises three independent directors and convenes semi-annually. The Committee sets mid- to long-term goals and strategic direction for ESG management, develops response strategies for key risks, and deliberates and resolves material ESG matters. At the working level, the ESG Council convenes quarterly with participation from functional departments. It identifies core ESG initiatives and carries out execution plans.

Organizational Chart for Coway's ESG Governance Structure

Sustainability Management Strategy

Under the vision of becoming "A Company Creating a Better Planet," Coway establishes and carries out its ESG management strategy for sustainable growth. We define strategic directions for each of the environmental, social, and governance areas, select and execute priority initiatives accordingly, and manage effectiveness through periodic performance monitoring.

ESG Vision House

ESG Management Vision	ESG Management Mission
A Company Creating a Better Planet	2030 Plan for a Better Planet

Strategic Goal | Sustainable New Coway with Constant Change and Innovation

	Environmental	Social	Governance
Strategic Direction	Establishing a carbon neutrality management system	Pursuing Sustainable Growth	Operating transparent and sustainable governance
Key Task	· Practicing carbon neutrality · Enhancing resource circularity · Minimizing environmental impact · Practicing environmental management	· Implementing human rights management · Strengthening information protection systems · Establishing a safe working environment · Managing sustainable supply chains · Expanding diversity · Practicing customer-centric management	· Securing soundness of governance · Strengthening stakeholder communication · Advancing ethical management
Imple-mentation Strategy and Target	· Setting and managing carbon emission reduction targets · Executing carbon neutrality strategy through investment in renewable energy and transition to low-carbon energy · Reducing environmental impact by establishing Coway's own closed-loop resource circulation system	· Advancing human rights management system and promoting a culture of human rights · Establishing a culture of diversity and inclusion by increasing employment of female leaders and persons with disabilities · Strengthening practice of fair trade and mutual growth · Achieving zero serious accidents through enhanced safety and health management system · Setting and managing goals to improve customer satisfaction	· Strengthening shareholder return policy · Enhancing governance independence and transparency · Sustaining communication with shareholders and investors · Practicing ethics management through corruption risk assessment
Alignment with UN SDGs	7, 12, 13	5, 8, 10	5, 16, 17

Stakeholder Engagement

Coway defines stakeholders as internal and external entities that influence its business activities. Coway segments them into seven groups for tailored engagement: customers, shareholders and investors, employees, partners, local communities, academia and media, and government. Communication channels designed to reflect the characteristics of each group are managed by dedicated units, through which Coway gathers diverse perspectives. By encouraging stakeholder participation and dialogue on key issues, Coway strengthens management transparency and builds cooperative relationships grounded in mutual trust.

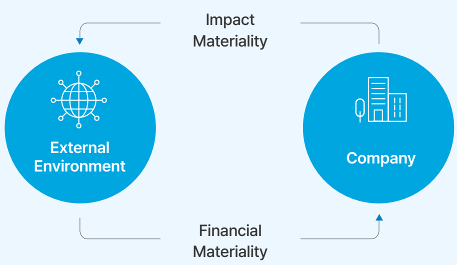
Stakeholder Engagement

Stakeholder	Channel	Frequency	Main communication topic
Customers	Corporate Website	As needed	· Responsibilities related to product stewardship, including safety and quality · Product and service experience · Receipt and resolution of customer complaints
	VOC/Customer Center	As needed	
	Service App	As needed	
Shareholders and Investors	Annual general meetings of shareholders	Once a year	· Corporate value creation · Enhancement of shareholder value · Sound corporate governance · Business opportunity and risk management · Financial performance management · Communication of sustainability performance
	Online Earnings Release	As needed	
	IR Meetings	As needed	
	IR Webzine	Once a month	
	Disclosure of Corporate Governance and Business Report	Regular	
	Disclosures to the Financial Supervisory Service (FSS)/the Korea Fair Trade Commission (KFTC)	As needed	
	Sustainability Report Disclosure	Once a year	
	Global ESG Rating Agencies	At least 6 times a year	
Employees	Labor-Management Council	4 times a year	· Fair performance evaluation and compensation · Competency development · Work-life balance · Diversity-based corporate culture
	Internal Portal	As needed	
Partners	Partner Meetings	At least once a year	· Mutual growth with partners · Support for partners' sustainability development
	Supply Chain ESG Due Diligence/Training	At least once a year	
	Integrated Purchasing System	As needed	
Local Communities	Meetings with Local Communities and NGOs	As needed	· Participation in social contribution and community activities · Job creation in local communities · Sustainable regional development
	Social contribution programs and projects	As needed	
Academia and Media	Media and Press Releases	As needed	· Enhancement of brand credibility
	Participation in ESG Academic Seminars and Initiatives	As needed	
Government	Legal/Regulatory Compliance	As needed	· Economic value distribution, including tax payments · Legal/regulatory compliance and ethical management
	Policy Roundtables	As needed	
	Public-Private Partnership Projects	As needed	

Double Materiality Assessment

Through the Double Materiality Assessment, Coway systematically identifies ESG issues that are material to its business operations and stakeholders, and uses the results to determine the key topics and overall structure of its Sustainability Report. Based on the double materiality methodology proposed by the European Sustainability Reporting Standards (ESRS), Coway conducted an assessment that considers both the impact of its business on society and the environment and the financial impact of the external environment on its business. Coway also proactively identifies mid- to long-term risks and opportunities requiring management, and uses the results to develop ESG strategic initiatives and monitor their execution.

Concept of the Double Materiality Assessment



Double Materiality Assessment Process

For the Double Materiality Assessment, Coway first analyzed its business model and entire value chain. It then built a universe of potential material issues that reflect industry characteristics. Coway prioritized ESG issues from a value chain perspective. This drew on global disclosure and rating standards. It also drew on benchmarking analyses of peers and leading companies. This approach enhanced the relevance and completeness of the issues subject to assessment. For each identified issue, Coway distinguished between environmental and social impacts and financial impacts. This allowed it to systematically map influencing factors as well as risks and opportunities. Coway strengthened its survey and review procedures by reflecting the professional expertise and practical experience of its employees. This further enhanced the objectivity and professionalism of the assessment results. Finally, Coway consolidated the assessment outcomes and selected its material issues. It strengthened the linkage with its decision-making framework through management review and a Board of Directors resolution.

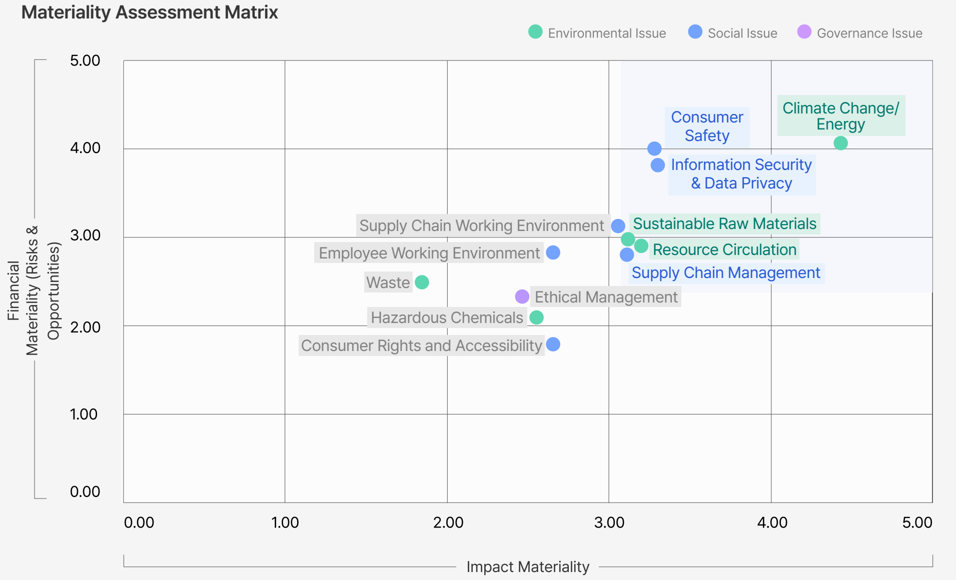
Double Materiality Assessment Process

STEP 01	STEP 02	STEP 03	STEP 04	STEP 05
Business Understanding and Composition of the ESG Universe of (Potential) Material Issues	Identification of Priority ESG Issues	Identification of Environmental, Social, and Financial Impacts	Assessment of Environmental, Social, and Financial Impacts	Material Issue Selection
Building a universe of (potential) material issues reflecting industry characteristics	Selecting priority issues from the universe of (potential) material issues based on materiality	Identifying the environmental and social impacts and financial risks/opportunities for each issue	Evaluating the identified environmental and social impacts and financial risks and opportunities	Selecting material issues based on assessment results
· **Analysis of Coway's business model and value chain** · **Composition of the universe of (potential) material issues** - ESRS amendments - Peer companies - Global disclosure/ rating standards	· **Analysis of global disclosure/rating standards requiring response** · **Analysis of material issues at peer and leading companies** · **Analysis of key ESG issues linked to industry factors withing the value chain** - Expanded scope of analysis to the entire supply chain · **Analysis of internal ESG data** - Previous year's materiality assessment results and agenda items discussed by the ESG Committee	· **Environmental and Social Impact:** Identifying the impact of company activities related to priority ESG issues on the environment and society · **Financial Impact:** Identifying the financial impact of external environmental and social factors related to priority ESG issues on Coway	· **Environmental and Social Impact** [Assessment Criteria] - Scale, scope, and irremediability (for negative impacts), and likelihood (for potential impacts) · **Financial Impact** [Assessment Criteria] - Scale and likelihood · **Surveys conducted reflecting the expertise of internal and external stakeholders**	· **Reviewing the appropriateness of material issues identified through the analysis of materiality assessment results** · **Material issues reviewed by management and resolved by the Board of Directors**
Universe of (Potential) Material Issues: 37 issues	Priority Issues Selected: 12 issues	Outcome: Identification and classification of impacts	Outcome: Confirmation of impact assessment results	Material Issues Selected: 6 issues

Materiality Assessment Results

Based on Coway's value chain and industry characteristics, a universe of (potential) material issues comprising 12 issues was prioritized through the Double Materiality Assessment, and 6 material issues were selected by applying threshold criteria. The assessment results show two key shifts. Issues centered on internal management, such as employee working conditions and ethics and compliance, have become less prominent. This reflects the fact that related systems have taken root. In contrast, issues related to consumers and the supply chain have grown in significance. This shift reflects the expanded impact on Coway at its points of contact with external stakeholders. Information security & data privacy, in particular, has emerged as an area requiring proactive risk management. Major data breach incidents have increased in recent years. This has heightened social sensitivity around the issue. Climate change and energy, resource circulation, and consumer-related issues are core issues structurally embedded in Coway's business model. Coway has confirmed these as priorities for continuous management from a long-term, strategic perspective, beyond short-term measures.

Materiality Assessment Matrix



Environmental and Social Impacts by Material Issue

High Impact ●●● Medium Impact ●●○ Low Impact ●○○

Pillar	Issue	Value Chain	Impact	Type	Impact Level	Reporting Section
E	Climate Change/ Energy	Across the value chain	· An increase in emissions could raise the average global temperature and accelerate climate change, leading to negative environmental impacts such as extreme weather and flooding	Negative/ Actual	●●●	Climate Change Response
		Across the value chain	· Contributing to climate change mitigation by reducing GHG emissions and electricity consumption	Positive/ Actual	●●●	
	Sustainable Raw Materials	Upstream, Own Operations	· The use of non-renewable raw materials may deepen resource depletion. In particular, plastics accumulate in all living organisms, including humans, causing endocrine disruption and weakened immune function	Negative/ Potential	●●○	Resource Circulation and Waste
	Resource Circulation	Downstream	· The volume of municipal waste and industrial waste may increase, and waste disposal through landfilling and incineration may cause air, soil, and water pollution	Negative/ Potential	●●○	Resource Circulation and Waste
		Downstream	· Enhancing resource efficiency and reducing waste generation to minimize negative environmental impacts that may arise in the waste generation process	Positive/ Actual	●●○	
S	Information Security & Data Privacy	Downstream	· In the event of a personal data breach, secondary risks to consumers, such as financial fraud, spam, and phishing attacks, may increase	Negative/ Potential	●●●	Information Security & Data Privacy
		Downstream	· Providing appropriate information lowers the likelihood of incidents, recalls, and complaints, thereby reducing social costs	Positive/ Actual	●●○	
	Consumer Safety	Downstream	· Directly affects consumer rights (safety and health) in a negative way, with the potential to undermine trust across the industry	Negative/ Potential	●●○	Customer-Centric Management
	Supply Chain Management	Downstream	· Through shared growth, contributing to partners' competitiveness and sustainable growth, thereby enhancing the employment stability of partners' workers and improving working conditions across the industry	Positive/ Potential	●●○	Supply Chain Management

Financial Risks and Opportunities by Material Issue

High Impact ●●● Medium Impact ●●○ Low Impact ●○○

Pillar	Issue	Financial Impact				Reporting Section
		Value Chain	Value Chain	Type	Impact Level	
E	Climate Change/ Energy	Own Operations	· Higher electricity costs within manufacturing overhead due to rising energy prices · Increased operating costs from the development of renewable energy facilities at production sites, energy efficiency improvements, and sustainable power purchase agreements (PPAs)	Risk	●●●	Climate Change Response
E	Climate Change/ Energy	Upstream, Own Operations	· Risk of higher direct operating costs due to rising electricity unit prices driven by stricter GHG emissions regulations	Risk	●●●	Climate Change Response
E	Climate Change/ Energy	Own Operations	· Damage to worksites caused by natural disasters, leading to higher recovery costs and increased insurance premiums	Risk	●●●	Climate Change Response
E	Sustainable Raw Materials	Upstream	· Reduced procurement costs for raw materials such as plastics through the use of circular raw materials	Opportunity	●●○	Resource Circulation and Waste
E	Sustainable Raw Materials	Upstream	· Increased R&D and eco-friendly product marketing costs to apply circular raw materials	Risk	●●○	Resource Circulation and Waste
E	Resource Circulation	Downstream	· Higher revenue from rental and professional care services for products such as mattresses and air purifiers · Higher revenue through new income streams generated by establishing a refurbishment business model for recovered products	Opportunity	●●○	Resource Circulation and Waste
S	Information Security & Data Privacy	Own Operations, Downstream	· In the event of a personal data breach or IoT-related hacking incident, fines and administrative penalties under the Personal Information Protection Act, as well as class action costs · Information breach incidents may lead to revenue loss due to reputational damage and a decline in corporate value	Risk	●●●	Information Security & Data Privacy
S	Consumer Safety	Own Operations, Downstream	· In the event of safety incidents caused by products that fail to meet safety standards or contain defects, large-scale recall costs, fines, and damages litigation under the Electrical Appliances and Consumer Products Safety Control Act	Risk	●●●	Customer-Centric Management
S	Supply Chain Management	Upstream	· Increased working capital burden due to shortened payment terms for SME partners · Legal costs, such as fines from the Korea Fair Trade Commission (KFTC), in the event of violations of the Subcontracting Act or the Fair Trade Act	Risk	●●○	Supply Chain Management

Material Issue Management

Analysis of Material Issues for Corporate Value Creation

	Climate Change/ Energy	Sustainable Raw Materials	Resource Circulation	Information Security & Data Privacy	Consumer Safety	Supply Chain Management
Risk and Opportunity Factors	· Damage to worksite assets and production disruption from extreme weather such as heavy rain and flooding · Higher heating and cooling demand from abnormal weather, leading to higher energy costs · Escalating operating expenses from the expansion of the emissions trading scheme and carbon taxes · Reduced electricity costs achieved through the transition to renewable energy and energy efficiency improvements	· Tightening environmental regulations surrounding the use of fossil fuel-based raw materials · Risk of reduced competitiveness for eco-friendly products in the event of failing to adopt circular materials · Growing market preference and demand for products incorporating sustainable and eco-friendly materials	· Rising waste disposal costs combined with stricter regulatory constraints on landfilling and incineration · Environmental fees if product recovery and recycling systems are inadequate · Reduced raw material procurement costs through the remanufacturing and recycling of recovered rental products	· Exposure to severe financial compensations, regulatory sanctions, and the critical loss of customer trust in the event of a data breach	· Brand damage from large-scale recalls and damages claims in the event of product defects · Negative impact on consumer safety and health from safety incidents caused by products that fail to meet safety standards	· Reputational damage to Coway and supply disruption in the event of partner-related environmental pollution or human rights violations · Violations of global regulations and trade restrictions associated with the use of conflict minerals

Analysis of Material Issues for Corporate Value Creation

	Climate Change/ Energy	Sustainable Raw Materials	Resource Circulation	Information Security & Data Privacy	Consumer Safety	Supply Chain Management
Business Case	· Carbon costs from energy use at production plants and logistics centers, as well as fuel use by in-home care service vehicles, affect profitability	· Plastics account for a high share of major products such as water purifiers and air purifiers, making the stability of raw material sourcing and environmental impact material to the business · Lower dependence on raw material procurement and stronger eco-friendly product competitiveness through a closed-loop system that converts in-house recovered plastics into recycled materials	· The rental business model is well-suited to resource circulation as it has a structured product recovery process · The refurbishment program has been in place since 2007, and the closed-loop system established in 2024 has further reinforced the circular economy model	· Through rental services, Coway holds large volumes of customer information, with real-time usage data collection growing as the use of IoT products such as smart water purifiers expands	· Water, air, and hygiene-related products have a sensitive impact on consumer health · Continuous safety inspections through in-home care services enhance customer satisfaction · Safety incidents may reduce new contract acquisition and impact revenue	· ESG risks at partners can affect Coway's production continuity and brand image · With a high proportion of SME partners, supply chain stability requires support for strengthening their ESG capabilities
Business Impact	Cost	Cost	Cost	Risk	Risk	Risk
Response Strategy	· Expanding renewable energy: installing solar power facilities at worksites and securing renewable energy certificates · Transitioning service vehicles to EVs · Replacing aging equipment and conducting maintenance · Transitioning to eco-friendly refrigerants: phased switch to low-GWP refrigerants	· Expanding the use of circular raw materials: participating in the Ministry of Environment's circular utilization assessment, and applying PCR resins to bidets, water purifiers, and other products · Operating the closed-loop system: shredding and pelletizing plastics from recovered products for reuse as raw materials in new products · Expanding product models that incorporate circular raw materials	· Refurbishment program: replacing components in returned and display products for resale · Used filter upcycling program: collecting used water purifier filters and recycling them into materials for tool bags, automobile bumpers, and other items · Applying circular design principles from the product planning stage	· Advancing the information protection management system: maintaining and renewing ISMS-P, ISO27001/27701 certifications · Preventive activities: regular monitoring including security reviews at the system planning stage, drills against malicious emails, and security inspections of subcontractors · Establishing an incident response framework · Strengthening company-wide training and awareness	· Applying internal verification standards that exceed legal requirements at the product design and manufacturing stages · Conducting safety training for service managers during product installation and verifying compliance with installation guidelines · Managing consumer safety through 24/7 chatbots, IoCare+ app smart diagnostics, and customer care instructional videos · Building in-house testing infrastructure	· Conflict mineral management: reviewing CMRT reports, recommending the transition to RMAP-certified smelters, and signing non-use commitments · Conducting partner assessments · Fair trade compliance: holding monthly review committees and operating a dispute resolution body
Mid- to Long-Term Plan	· Reducing Scope 1 and Scope 2 emissions - 50% reduction by 2033 compared to - 2023 (base year) Achieving Net Zero by 2050	· Expanding the product portfolio applying circular raw materials	· Maintaining a 100% waste recycling/resource recovery rate	· Advancing company - wide information protection and personal data management processes · Establishing a globally integrated security management system	· Advancing the UX of the product self-management guide	· Expanding the supply chain scope subject to non-use of conflict minerals
Key Performance	· Renewable energy use ratio: 2.9% · Eco-friendly vehicles ownership ratio: 4% · Eco-friendly refrigerant use ratio: 96% achieved	· Use of 2,030 tons of recycled ABS material (127% of the target) · Attained a 17% share of recycled plastics relative to total plastic consumption · Certified under the Circularity Assessment for seven bidet models and one water purifier model	· 90% reduction rate in environmental fees maintained · 100% waste recycling/resource recovery rate achieved · Maintained a product recyclability rate of 75% or higher per unit	· ISMS-P certification, ISO27001:2022, and ISO27701:2019 certifications maintained · Information protection investment: KRW 3.49 billion (4.6% of IT budget)	· Medical device GMP certification (BEREX medical device massage set/core set product groups, Therasol product group) · ISO9001:2015 certification maintained	· Number of RMAP-conformant (3TG) smelters: 383 · Legal violations of the Subcontracting Act: 0 cases · Completed ESG assessment of tier-1 significant partners (35 companies via document review, 5 via on-site assessment)
KPI	· GHG emissions · Energy consumption · Renewable energy use	· Establishment of recycled resin management infrastructure	· Development of eco-friendly/recycled components and expansion of product applications	· Maintenance of information protection certifications (ISMS-P, ISO27001:2022, ISO27701:2019)	· Acquisition of product safety certifications	· Number of Subcontracting Act violations

Material Issue Analysis from an External Stakeholder Perspective

Issue	External Impact Factors (Coverage, %)	Stakeholders	Impact on External Stakeholders	Output Metric	Impact Metric
Climate Change/ Energy	· Own Operations (100%) · Products/ Services (100%)	· Environment · Customers	· (Positive) High energy efficiency in product manufacturing and consumption alleviates the overall burden of climate change and environmental impact · (Negative) Products with low energy efficiency escalate long-term utility cost burdens for customers	· GHG emissions reductions · Renewable energy use	· [Scope 1 and Scope 2 Emissions] - 2025 emissions: 16,364 tons - 2025 emissions intensity: 0.472 tCO_2eq/KRW 100 million · [Renewable Energy Use] - Renewable energy use ratio: 2.9% · [Eco-friendly Vehicles] - Eco-friendly Vehicles ownership ratio: 4%
Sustainable Raw Materials	· Supply Chain (100%) · Products/ Services (100%)	· Environment · Supply Chain	· (Positive) Selecting sustainable alternatives (e.g., eco-friendly plastics, advanced filter materials) reduces virgin resource extraction and mitigates the risk of ecological degradation · (Neutral) The integration of sustainable materials necessitates structural shifts in suppliers' production and sourcing methodologies	· Recycled plastic use · Number of products with eco-friendly certifications	· [Recycled Plastic Use] - Recycled plastic use: 2,030 tons · [Eco-friendly Product Certifications and Revenue] - Number of eco-label certifications: 8 - Eco-friendly product revenue: KRW 958.8 billion · Green purchasing ratio: 3%
Resource Circulation	· Supply Chain (100%) · Products/ Services (100%)	· Environment · Customers	· (Positive) The recovery, reuse, and recycling structure of rental products lowers waste generation and enhances resource efficiency · (Positive) The introduction of a systematic product recovery system improves customer convenience and environmental awareness	· Achievement of waste discharge targets · Achievement of waste recycling rate targets	· [Waste Generation and Treatment] - Waste discharge: 24,958 tons – Waste recycled: 24,958 tons
Information Security & Data Privacy	· Products/ Services (100%)	· Customers	· (Negative) Data breaches or cybersecurity incidents infringe upon consumer data privacy rights and negatively impact the continuous availability and trust of the services	· Number of data breaches and information security violations	· [Information Security Incidents] - Number of data breaches: 0 - Number of information protection and cybersecurity violations: 0 - Number of violations involving customer information: 0 - Number of customers affected by data breaches: 0
Consumer Safety	· Products/ Services (100%)	· Customers	· (Positive) The safety and high quality of in-home management services, including regular inspections and filter replacements, are directly linked to customer health and enhance product reliability and satisfaction	· Total number of product recalls · Number of product safety law violations	· [Recall Management] - Number of product lines recalled: 0 · [Product Safety Incidents] - Number of product and service health and safety law violations: 0
Supply Chain Management	· Supply Chain (100%)	· Supply Chain	· (Negative) Non-compliance with environmental, safety, and labor standards in the supply chain has a negative impact on the working conditions and safety of supply chain workers	· Improvement completion rate among high-risk partners · Partner industrial accident rate	· [Supply Chain ESG Assessment] - Tier-1 significant partners subject to ESG risk assessment: 35 - Tier-1 significant partners classified as high-risk: 0 - Tier-1 partners agreeing to corrective actions/plans: 24 · [Partner Health and Safety] - Number of partners assessed for health and safety capabilities: 31 - Number of industrial accidents at partners: 0

Environmental

Environmental Management

Environmental Management Governance

Environmental Management Organization

The Board of Directors holds the highest decision-making authority over Coway's environmental management. Under the Board, the ESG Committee regularly reviews and pre-deliberates key agenda items across sustainability management, including environmental management. In 2025, items such as the recalibration of GHG emission reduction targets and a report on the establishment of a biodiversity policy were approved and reported through the ESG Committee.

The ESG Council regularly discusses agenda items, action plans, and performance, and the ESG Team oversees company-wide sustainability management performance. Strategies and improvement initiatives are reported to the Board of Directors twice a year. Representatives from relevant departments participate to review execution status and discuss future direction.

Coway operates the Environment, Safety and Certification Team as the company-wide unit dedicated to environmental management, carrying out tasks such as developing GHG reduction strategies, measuring and analyzing environmental data, and building internal and external ESG environmental infrastructure.

Environmental Management Reporting Structure

Environmental Management Policy

Guided by the core value of "A Healthy Environment, Happy People," Coway provides eco-friendly products and services and works to reduce its environmental impact across all business activities. Coway formalized its commitment by issuing an Environmental Management Declaration in 2006, and in 2012 established its Environmental Management Policy, focusing on legal compliance and building stakeholder trust. The Policy applies to all worksites, and Coway also encourages subsidiaries and partners to participate.

Coway Environmental Policy

Environmental Policy

01. Overview
1. Purpose of Establishment
2. Scope of Application

02. Basic Principles
1. Eco-friendly Business Investment and Innovation
2. Compliance with Environmental Laws and Creation of Value
3. Compliance with Precautionary Principles
4. Development of Sustainable Technology
5. Transparent Disclosure of Information

03. System Implementation
1. Governance
2. Training and Promotion

04. Risk Management
1. Identification of Risks
2. Assessment and Analysis of Risk
3. Risk Reduction
4. Disclosure of Risk Status and Results

Environmental Management System Certification

All of Coway's domestic worksites hold ISO14001 certification, enabling Coway to manage its Environmental Management System in line with international standards. Surveillance audits are conducted annually and renewal audits every three years, providing regular reviews of environmental performance. Through this management system, Coway identifies and assesses environmental impacts arising from its business activities and manages environmental risks through continuous improvement activities.

ISO14001 Certification by Site

Certified Sites	Seoul Office, Yugu Plant, Incheon Plant, Pocheon Plant, Coway R&D Center
Certification Validity Period	June 24, 2023 to June 23, 2026 (Renewal audit: every 3 years/ Surveillance audit: annual)

Environmental Management Strategy

Environmental Management Framework

Beyond providing eco-friendly products and services, Coway has established a strategy to reduce environmental burden across our entire value chain. Coway aims to achieve net zero by 2050. To this end, it is progressively pursuing RE100. Coway has also defined four core initiatives: maximizing environmental brand value, managing environmental impact, promoting resource circulation, and encouraging communication and participation. Coway will embed these initiatives into its company-wide environmental management framework by 2030. Coway also links them to each department's Key Performance Indicators (KPIs) to ensure they translate into tangible outcomes.

Environmental Management Strategy Framework

VISION

Best Life Solution Company

Mid- to Long-Term Target	Strategy
Achieve net zero by 2050 through a phased implementation of RE100 (Renewable Electricity 100%)	Building a future that expands eco-friendly policies and ecosystems, enhances corporate value, and integrates sustainability into customers' daily lives

Core Strategic Pillars

Elevating Eco-Brand Value	· Developing & Implementing Eco-friendly Technologies - Applying high-efficiency, energy-saving technologies (water purifiers, air purifiers, bidets) · Expanding Sustainable Packaging - Developing reusable packaging materials (massage beds) - Reducing waste through packaging minimization and simplification
Managing Environmental Impacts	· Activities to reduce environmental impact - Accelerating the voluntary transition to renewable energy sources · Managing Supply Chain Environmental Impacts - Managing Scope 3 greenhouse gas emissions - Providing ESG consulting for partners and monitoring corrective improvement metrics
Advancing Resource Circularity	· Proliferating the Circular Economy Model - Expanding closed-loop integration models - Expanding officially certified recyclable items to increase total recycling volume
Communication and Participation	· Driving Community Environmental Improvements - Enhancing strategic communication with local stakeholders across operational sites

Environmental Management KPI

Evaluation Target[1]	Key Performance Indicators (KPIs)	Evaluation Methodology
Executive Management	Expanding the use of recycled resins (closed-loop)	Differentiated evaluation based on each department's performance against established targets
Senior Executives	Expanding the use of recycled resins (closed-loop)	
	Sourcing and integrating hazardous substance-reducing materials in filters	

1) Executive Management: Officers; Senior Executives: C-Suite (CTO, CFO, etc.)

Environmental Management Activities

Employee Environmental Training

Coway runs environmental management training programs for employees covering topics such as climate change, environmental regulations, and ESG. By participating in regular CDP Climate Change training, Coway monitors the latest trends in GHG emissions calculation. Coway also engaged external experts to train ESG Council members on Life Cycle Assessment (LCA) to prepare for the EU's Carbon Border Adjustment Mechanism (CBAM) and Digital Product Passport (DPP). To raise overall awareness of ESG, the "ESG Insight: Environmental Impact of Climate Change" course was offered to ESG-related departments. Going forward, Coway plans to expand the scope of training beyond employees to include partners, thereby driving company-wide environmental capabilities.

Employee Environmental Training Results

Category	Training Program	Participants	Training Hours	Method
Climate Change	CDP Climate Change Training	1	24 hours per person	In-person
	CDP Scope 3 Training	1	8 hours per person	In-person
Environmental Regulations	Environmental Design Standards Training (RoHS technical documentation, separate disposal labeling, etc.)	17	1.5 hours per person	In-person
	Overseas Environmental Regulation Response Strategy (EU-CBAM/DPP Response, Understanding LCA)	22	ESG Council	Online (video)
ESG Training	Employee ESG Training, ESG Insight: Environmental Impact of Climate Change (ESG Basics/Climate Change)	46	1.5 hours per person	In-person

Employee Campaigns

In observance of World Water Day, designated by the United Nations on March 22 each year, Coway conducts an annual employee-led water environment protection campaign to raise awareness of water scarcity and water pollution. As part of its ESG environmental management activities, Coway runs the Blue Water Keeper Challenge, encouraging water-saving practices that can be incorporated into daily life. Through small everyday actions—such as using a cup when brushing teeth, using a basin for washing dishes, running full loads of laundry, and turning off the faucet while washing hands—Coway fosters a company-wide culture of water resource conservation.

Blue Water Keeper Challenge

Environmental Regulation Monitoring

Coway has built and continuously enhanced its environmental regulation management system to address global product environmental regulations. Through the Environment Regulation Information Management System (ERIMS[1]), Coway systematically monitors, analyzes, classifies, and disseminates applicable regulations. This framework enables each department to respond to regulatory changes swiftly and accurately. To minimize regulatory risks, Coway continues to expand the countries and scope of regulations under monitoring while strengthening its analytical and response capabilities.

1) ERIMS: Environment Regulation Information Management System

Environmental Regulation Information Management System (ERIMS)

Preliminary research and analysis of domestic and international environmental regulations and laws

01. Global RoHS (EU/K-RoHS, etc.)
02. Product Resource Circulation (Recovery & Recycling, etc.)
03. Product Chemical Safety
04. Globally Regulated Substances (PFAS, REACH SVHC, etc.)
05. Product Energy Efficiency (Energy Efficiency Grade, Energy Star, etc.)
06. Other Product-related Environmental and Safety Matters

Environmental Regulation Response Process

STEP 01 → STEP 02 → STEP 03 → STEP 04 → STEP 05

STEP 01	STEP 02	STEP 03	STEP 04	STEP 05
Monitoring Regulatory Information	Establishing Response Strategies by Country/ Regulation	Developing/Improving Products and Components	Testing Suitability	Monitoring and Follow-up Management

Climate Change Response

Governance

Roles and Responsibilities of the Board of Directors

Coway's Board of Directors serves as the highest decision-making body. It deliberates and resolves on overall sustainability management strategies and policies, including climate change issues. The Board also oversees their execution by management. The Board addresses related matters as key decision-making items, taking into account how the risks and opportunities from climate change affect mid- to long-term business performance.

To carry out this oversight function, Coway has established and runs the ESG Committee under the Board of Directors, composed of three independent directors. The ESG Committee Regulations clearly define the responsibilities and authority of the ESG Committee with respect to key ESG issues, including climate change. The ESG Committee regularly receives reports on strategy development and execution status, centered on key climate-related risks and opportunities. It also holds the authority to review and approve core climate-related initiatives, including GHG reduction targets, resource circulation strategies, and eco-friendly technology development.

In 2025, Coway recalculated its base year for GHG emissions and reduction targets to reflect changes in organizational boundaries. Coway also reviewed progress toward its net zero target. Through this governance framework anchored in the Board of Directors and the ESG Committee, Coway maintains a consistent management and oversight system spanning the development of climate-related strategies through the review of performance.

ESG Committee Meetings held

Date	Classification	Agenda Items
May 8, 2025	Deliberation & Approval	1. Establishment of ESG policies (supply chain sustainability, biodiversity)
		2. Resetting of GHG Emission Reduction Targets and Revision of Base Year
	Report	3. Reporting on 2025 Double Materiality Assessment results
		4. Reporting on the status of 2025 ESG priority initiatives
November 6, 2025	Deliberation & Approval	1. Establishment of the ethical marketing and advertising policy
		2. Establishment of the Corporate Governance Charter

Roles and Responsibilities of Management

Coway clearly defines management's responsibilities for climate change response, centered on the CEO and the Chair of the ESG Committee. The CEO recognizes climate change as a major management issue affecting Coway's business operations and stakeholders, and regularly receives reports on policy direction and the execution status of core environmental issues, including the implementation of carbon neutrality and the management of climate risks. This ensures that climate-related matters are reflected in company-wide business decisions and strategic planning.

The Chair of the ESG Committee oversees the formulation and execution of the overall ESG strategy and runs the ESG Council to coordinate the execution of key climate-related initiatives. The ESG Council comprises the ESG Team and functional leaders from key operational units. Its members collaboratively deliberate on execution strategies and monitor progress across major climate change response initiatives, including GHG reductions, resource circulation, and eco-friendly technology development.

Serving as the dedicated execution unit, the ESG Team oversees functional working groups spanning Environment, Safety & Certification, Technology Strategy (R&D), and Plant Management. The team manages climate-related data, monitors reduction performance, and reviews the execution of initiatives. Coway also continuously refines how it responds by reflecting regulatory changes and social expectations through collaboration with external experts and stakeholder advisory groups. Grounded in this governance framework, management effectively supports climate-related decision-making by the Board of Directors, maintaining an integrated, consistent management framework across strategy formulation, execution, and monitoring.

ESG Council Climate Change Agenda

Date	Classification	Agenda Items
April 16, 2025	Report	Plan for the Net Zero consulting initiative
July 24, 2025		Interim report on the Net Zero consulting initiative
October 15, 2025		Reporting on the results of Net Zero scenario analysis
October 15, 2025		Sharing of the installation plan for Solar Power Plant No. 3

Strategy

Risks and Opportunities

Coway recognizes that physical and transition risks from climate change may affect its business operations and financial performance over the short, medium, and long term. On the physical risk side, there is the potential for asset damage and production disruption from extreme weather events such as heavy rainfall and flooding, as well as for higher energy consumption and electricity cost burden due to temperature extremes. Transition risks are anticipated to emerge from shifts in the market and policy environment. Such risks include rising transportation costs and increased operating expenses (OPEX) driven by the expansion of the Emissions Trading Scheme (ETS) and carbon tax. They also include additional costs for hiring and technology investment required to strengthen ESG management.

At the same time, Coway expects to capture new business opportunities in the course of responding to climate change. The transition of electricity sources and improvements in energy efficiency are expected to deliver long-term reductions in energy costs, while expanding the use of eco-friendly energy through measures such as additional solar power facilities can lower reliance on externally purchased electricity. The development of eco-friendly technologies and the strengthening of ESG management are also expected to enhance brand credibility and corporate image, contributing to investor confidence and corporate value enhancement.

Linkage with Strategic Planning Horizons

Coway defines short-, medium-, and long-term time horizons for assessing climate-related risks and opportunities. These time horizons are aligned with the Company's actual decision-making structure. Short-term is defined as up to one year and is applied to annual business planning, budgeting, and the review of short-term execution initiatives. Medium-term covers two to five years and is linked to medium-term business planning, key investment and facility plans, and the review cycle for core strategic initiatives. Long-term is defined as five years or more and is used to comprehensively review mid- to long-term growth strategies, the structural impact of climate change on the business, and long-term risk and opportunity factors. Coway consistently applies these time horizons across its climate strategy, investment decisions, and overall corporate management. This approach ensures that Coway's climate change response extends beyond short-term initiatives. It is systematically embedded in mid- to long-term management strategy.

Key Climate-related Risks and Opportunities

Category	Type	Classification	Content	Potential Financial Impact	Period		
					Short-term (≤1 year)	Medium-term (2–5 years)	Long-term (5+ years)
Risk	Physical	Acute	Flooding due to heavy rainfall	· Capital loss due to flooding, power outages, and facility damage caused by heavy rainfall		●	●
		Chronic	Abnormal weather conditions	· Surge in energy consumption and electricity costs due to chronic temperature increases		●	●
	Transition	Market	Increase in transportation and logistics costs	· Increase in logistics costs due to carbon pricing on CO_2 emissions from mobile combustion sources that occur during transportation and logistics		●	●
		Policy/Law	Expanding carbon credit purchases and carbon tax imposition	· Increase in operating costs resulting from rising carbon credit prices	●	●	●
		Reputation	Securing personnel to respond to ESG disclosure requirements	· Costs associated with securing human resources and operational expenses	●	●	
		Technology	Building in-house renewable energy facilities in response to technological shifts	· Capital expenditures for facility investment and rising electricity costs		●	●
Opportunity	Transition	Resource Efficiency	Transition to EVs (replacement of mobile combustion sources) and improvement of energy efficiency	· Incurring initial investment costs for the transition to EVs, while achieving mid- to long-term operational cost savings through reduced fuel and maintenance expenses (including repairs and replacements)		●	●
		Market	Reducing dependence on external electricity purchase by expanding renewable (solar) energy generation facilities	· Cost reduction through avoidance of increased electricity purchase costs due to rising power rates		●	●
		Reputation	Anticipation for enhanced brand trust and corporate image through strengthened ESG	· Enhancing corporate value by boosting investor confidence and stock price through improved ESG performance	●		

Impact on the Business Model and Value Chain

The climate-related risks and opportunities identified by Coway affect the entire business model and value chain, including production and worksite operations, logistics and service delivery, procurement and technology investment, and access to markets and capital.

At the worksite operations stage, including manufacturing facilities and logistics centers, there is the potential for facility damage and operational disruption from extreme weather events such as heavy rain and flooding, while heightened cooling and heating demand from temperature extremes is driving up electricity consumption and energy costs. These factors weigh on operational stability and cost structure in the short term.

At the logistics and service operations stage, rising fuel costs and increasing carbon costs related to the use of mobile combustion sources in transportation are adding to the logistics cost burden. The expansion of the carbon emissions trading scheme and carbon taxes is structurally pushing up the costs of service operations, including delivery, installation, and inspection, and is heightening the need for cost management strategies and operational efficiency improvements over the medium to long term.

In terms of procurement and technology infrastructure, the need to build proprietary renewable energy facilities and transition to EVs is driving costs related to securing specialized personnel and initial facility investment. However, over the medium to long term, this can translate into lower electricity costs and reduced exposure to energy price volatility, contributing to an improved cost structure and greater operational stability.

These climate response efforts are also affecting how value is created and how Coway engages with the market. The introduction of eco-friendly technologies and the expanded use of renewable energy can deliver energy cost savings while improving ESG assessment outcomes, supporting investor confidence and access to capital. Stronger ESG management is also expected to enhance brand credibility and corporate image, reinforcing the foundation for long-term corporate value enhancement and sustainable revenue generation.

Business Model and Value Chain	Description	Affecting Risks and Opportunities
Production and Worksite Operations	· Core business foundation for product manufacturing, storage, and shipping	· Facility damage and operational disruption from heavy rain and flooding · Higher electricity consumption and energy costs due to temperature extremes
Logistics and Service Operations	· Frequent on-site service activities including product delivery, installation, and inspection · Service vehicle operations and the use of mobile combustion sources are inherently required	· Higher costs in transportation and logistics
Procurement and Technology Infrastructure Build-out	· Raw material procurement and facility investment underpin product competitiveness and operational stability	· Costs from establishing renewable energy facilities and transitioning to EVs · Operating cost savings driven by mid- to long-term cost reductions
Market, Brand, and Capital Access	· Influences market and capital access through ESG assessments, brand credibility, and investor perception	· Stronger external credibility and value creation through enhanced reputation

Strategy and Decision-making

Response Plans for Key Risks and Opportunities

Category	Type	Classification	Description	Direct and indirect climate mitigation and adaptation actions
Risk	Physical	Acute	Flooding due to heavy rainfall	· Regular inspection and maintenance of leak-prone areas including rooftops, exterior walls, and windows · Regular inspection and maintenance of culverts and manholes to prevent and minimize flooding
		Chronic	Temperature extremes	· Replacement and maintenance of aging cooling and heating equipment · Adjustment of working hours during heatwaves and cold spells
	Transition	Market	Increase in transportation and logistics costs	· Introduction of high-efficiency mobility solutions
		Policy/Law	Expanding carbon credit purchases and carbon tax imposition	· Expansion of renewable energy
		Reputation	Securing personnel to respond to ESG disclosure requirements	· Tracking trends related to mandatory climate disclosure and systematizing internal processes
		Technology	Building in-house renewable energy facilities in response to technological shifts	· Expansion of renewable energy
Opportunity	Transition	Resource Efficiency	Transition to EVs (replacement of mobile combustion sources) and improvement of energy efficiency	· Introduction of eco-friendly vehicles
		Market	Reducing dependence on external electricity purchase by expanding renewable (solar) energy generation facilities	· Expansion of renewable energy
		Reputation	Anticipation for enhanced brand trust and corporate image through strengthened ESG	· Disclosure of carbon emissions and reduction targets through CDP participation · Tracking trends related to mandatory climate disclosure and establishing internal compliance systems

Key Activity 1. Expanding Renewable Energy

In response to the global push for carbon neutrality, Coway has installed and operates solar power facilities on idle land at its worksites as part of its ESG management.

Small-scale solar power facilities have been built on the rooftops of major worksites, including Yugu Plant (49.5 kWp), Yugu Logistics Center Office Building (48.8 kWp), Incheon Plant (39 kWp), and Pocheon Plant (45 kWp), and the electricity generated is used for self-consumption.

The electricity generated by commercial-scale solar power facilities at the Yugu Logistics Center (993.6 kWp) and at BEREX Tech, a Coway subsidiary (802.35 kWp), totaling approximately 2,124 MWh as of 2025, is sold in full to Korea Electric Power Corporation (KEPCO), with the proceeds used to secure Renewable Energy Certificates (RECs). The RECs obtained were converted into renewable energy use records through the Korea Energy Agency and applied to annual GHG reduction performance.

In 2025, to further expand its renewable energy use, Coway, following ESG Committee approval, completed the No. 003 solar power plant with a capacity of 532 kWp on idle parking lot land at the Yugu Plant. Operated under a self-consumption model, this plant is expected to deliver an additional reduction of approximately 320 tCO_2e in GHG emissions per year.

Coway continues to develop plans to expand its renewable energy use as part of its climate change response. In doing so, it puts its ESG management into practice.

Renewable Energy Use Performance

	Unit of Measurement	2023	2024	2025
Total renewable energy use	MWh	2,178	2,366	2,310[1]
Retirement of RECs for Renewable Energy Claims[2]	MWh	1,993	2,181	2,124
Other renewable energy use[3]	MWh	185	185	186
Renewable energy use record (renewable energy use ratio)[4]	%	2.6	2.8	2.9

1) Slight decrease in renewable energy use due to differences in solar irradiance
2) RECs secured from solar power generation at the Yugu Logistics Center and BEREX Tech, our subsidiary, were converted into renewable energy use records through the Korea Energy Agency RE100 system
3) Small-scale electricity generated and directly used at four worksites (Yugu Plant, Yugu Logistics Center Office Building, Incheon Plant, and Pocheon Plant)
4) Renewable energy use record (renewable energy use ratio) = (Renewable energy use × 3.6) ÷ Total energy × 100

Key Activity 2. Introduction of High-efficiency Mobility

To reduce GHG emissions from mobile fuel use, Coway is transitioning its business vehicles to high-efficiency mobility solutions. Starting in 2024, technical service managers were provided with leased vehicles with a certified fuel efficiency of 11.6 km/L, significantly higher than the approximately 9.3 km/L of the personal vehicles previously used. This transition has achieved meaningful GHG emissions reductions on an equivalent mileage basis.

As an outcome of high-efficiency mobility adoption, GHG emissions per service decreased by approximately 19.5%, from 2.84 $kgCO_2e$ in 2024 to 2.29 $kgCO_2e$ in 2025, demonstrating that emission intensity was lowered through improved mobility efficiency despite the expansion of services driven by revenue growth. Going forward, Coway plans to phase in the transition of business vehicles to high-efficiency mobility and continue to deliver on its mid- to long-term emissions reduction targets, including reductions in the logistics and service operations stage.

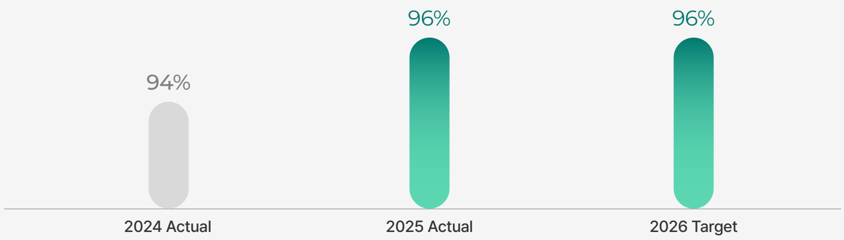
Eco-friendly Vehicle Transition Performance

	Unit of Measurement	2023	2024	2025
High-efficiency mobility transition ratio (cumulative)	%	27	78	100
GHG emissions per service	$kgCO_2e$/service	2.96	2.84	2.29

Key Activity 3. Transition to Eco-friendly Refrigerants

To reduce the environmental impact of compressor refrigerants with a high Global Warming Potential (GWP), Coway is gradually expanding the transition to eco-friendly refrigerants. Through the broader adoption of eco-friendly refrigerants, Coway will continue to develop products that respond to climate change and lower environmental impact.

Eco-friendly Refrigerant Use Ratio[1]



1) Applies to new products scheduled for launch in the corresponding year

Scenario Analysis

Physical Risk Scenario Analysis

Analysis Overview

Physical Risks Analyzed	· Temperature extremes, heavy rainfall and flooding
Analysis Period and Scope	· Period - 2024 to the 2050s · Scope - Temperature extremes: Headquarters, Coway R&D Center, Yugu Plant, Incheon Plant, Pocheon Plant, logistics operations, solar power plants, and service personnel - Heavy rainfall and flooding: Coway Yugu Plant (136-23, Yugumagoksa-ro, Yugu-eup, Gongju-si, Chungcheongnam-do)
Scenarios and Sources	· SSP1-2.6 - A scenario in which GHG reduction policies are effectively implemented and the energy transition accelerates, achieving Net Zero by 2050 and limiting global warming to below 2°C below 2°C by 2100 · SSP5-8.5 - A scenario in which GHG reduction policies are less effective and the energy transition is delayed, representing the most severe climate change impacts, with the temperature rise projected to exceed 4°C · Scenario Source - Based on the SSP (Shared Socioeconomic Pathways) scenarios presented in the IPCC Sixth Assessment Report
Scenario Appropriateness	· All scenarios applied are sourced from authoritative bodies, and these scenarios are aligned with the latest international agreements, including the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement
Key Assumptions and Uncertainties	· Inherent uncertainties exist in climate change pathways under the IPCC scenarios and the resulting analysis outcomes due to the complexity of natural phenomena and the limitations of forecasting. The models used to derive financial impacts also involve simplifications and assumptions, which may result in differences from actual losses. · For temperature extremes, the analysis used the daily average electricity consumption for summer (June to September) based on total electricity use in 2024, together with the NDC-based retail electricity prices provided by KEPCO Management Research Institute. · The number of heavy rainfall days is defined as the annual number of days with daily precipitation of 80 mm or more, and the number of heatwave days is defined as the annual number of days with a daily maximum temperature of 33°C or higher.

Analysis Results

Analysis Results for Temperature Extremes

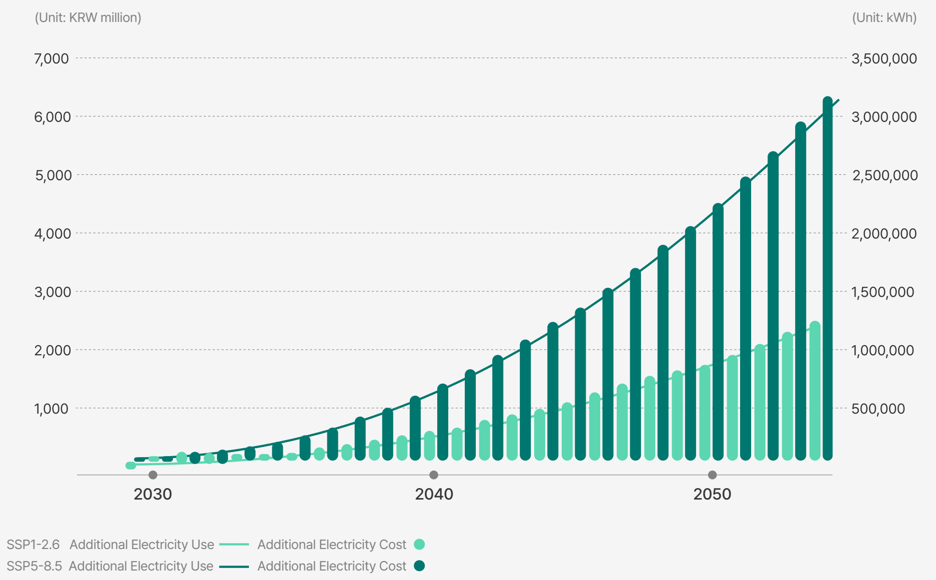
Building on the IPCC Sixth Assessment Report and Korea's national climate change standard scenarios, Coway applied the SSP1-2.6 (low-carbon) and SSP5-8.5 (high-carbon) scenarios to analyze the financial impact of higher energy use driven by temperature extremes. The analysis focused on quantitatively deriving the increase in electricity demand from rising temperatures and the resulting changes in electricity costs by combining trends in the number of summer days with historical electricity consumption data.

In particular, the analysis model was redesigned by drawing on the KEPCO Management Research Institute's outlook in "Power Market Implications of 2050 Carbon Neutrality," reflecting projected increases in the number of summer days and daily average electricity consumption resulting from temperature changes. This enabled a more granular assessment of differences in electricity demand growth and medium- to long-term financial impacts across scenarios.

The results indicate that under both scenarios, the number of summer days is expected to increase as temperatures rise. However, under the SSP5-8.5 scenario, summer is projected to last approximately 12 days longer by 2050 than under the SSP1-2.6 scenario. The number of heatwave days is also projected to increase by up to about 37 days, identifying expanded electricity use driven by higher cooling demand as a key impact factor. Energy demand growth from rising temperatures is expected to start at approximately 1% of total electricity consumption in 2030 and rise to about 5% by 2050.

Cumulative electricity costs were estimated at approximately KRW 2.1 billion under the SSP1-2.6 scenario and up to approximately KRW 6.2 billion under the SSP5-8.5 scenario, indicating a significantly heavier electricity cost burden under the high-carbon scenario. Even under the same extreme temperature risk, the magnitude and intensity of medium- to long-term financial impacts vary clearly depending on the scenario-specific temperature pathway.

Financial Impact by Scenario



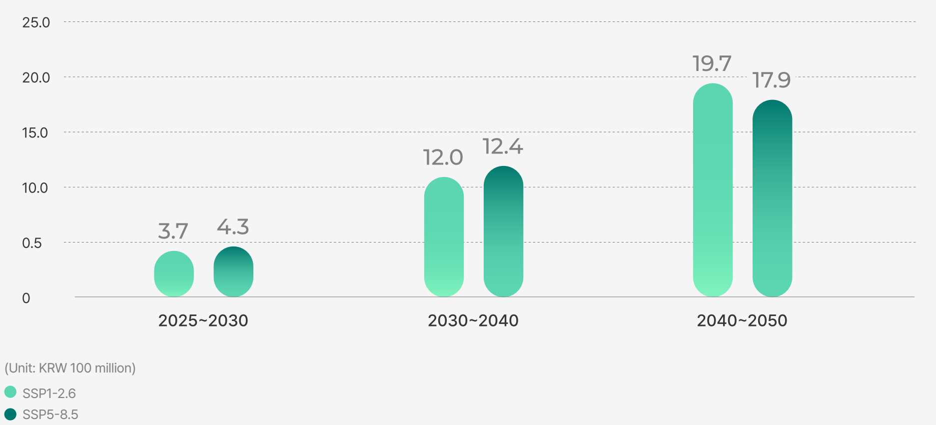
Analysis Results for Heavy Rainfall and Flooding

Coway estimated the financial impact by focusing on the potential effect of business interruptions due to heavy rainfall on revenue. From 2021 to 2050, the annual average number of heavy rainfall days is comparable under both the SSP1-2.6 and SSP5-8.5 scenarios at approximately 2.1 days, and projected precipitation differences between the two scenarios were also found to be limited.

Specifically, based on the annual average probability of heavy rainfall and gross profit by period, the estimated revenue loss from heavy rainfall is projected at approximately KRW 0.3 to 0.4 billion from 2025 to 2030, expanding to approximately KRW 1.2 billion to KRW 1.24 billion from 2030 to 2040. From 2040 to 2050, revenue loss is projected to reach approximately KRW 1.79 billion to KRW 1.97 billion.

The Korea Meteorological Administration has also indicated that under the high-emission scenario, the intensity of extreme precipitation with a 100-year return period is expected to increase, potentially raising the likelihood of flooding. Considering the possibility that the impact of heavy rain and extreme precipitation on revenue may grow in the future, Coway will continue to monitor changes in related regulations and policies, as well as societal and administrative response trends.

Financial Impact by Scenario



Scenario Analysis

Transition Risk and Opportunity Scenario Analysis

Analysis Overview

Transition Risks and Opportunities Analyzed	· Risks - Market Risk: Carbon emissions from the use of vehicles for service delivery - Regulatory Risk: Higher costs from rising emission allowance prices - Reputational Risk: Decline in brand credibility due to insufficient low-carbon management - Technology Risk: Higher costs from investments to transition facilities to low-carbon operations · Opportunities - Resource Efficiency: Maintenance cost savings from transitioning headquarters, plant, and business vehicles to EVs - Market: Electricity cost savings from the transition to renewable energy (solar power generation) - Reputation: Higher market trust and corporate value enhancement through the maintenance of strong ESG ratings
Analysis Period	· Period - 2024 to the 2050s
Scenarios and Sources	· NGFS Below 2°C and Net Zero 2050 Scenarios - Climate scenarios proposed by the Network for Greening the Financial System (NGFS) under the Financial Stability Board - Net Zero 2050: Assumes the achievement of net zero global CO_2 emissions by 2050 by limiting global warming to 1.5°C through stringent climate policies and innovation - Below 2°C: Assumes a gradual tightening of climate policies, limiting global warming to below 2°C · IEA NZE (Net Zero Emissions by 2050) Scenario - A scenario provided by the International Energy Agency (IEA) - Assumes a pathway to achieve net zero carbon emissions in the global energy sector by 2050
Scenario Appropriateness	· All scenarios applied are sourced from authoritative bodies and align with the latest international agreements, including the UNFCCC and the Paris Agreement
Key Assumptions and Uncertainties	· The scenarios used depend on country-specific policies and market structures, so uncertainty exists with regard to socioeconomic changes within each country. Models used to estimate financial impacts also involve simplifications and assumptions, which may result in differences from actual outcomes.

Transition Risk Analysis Results

Coway categorizes climate-related transition risks into four areas, namely market, regulatory, technology, and reputation, and quantitatively analyzes the financial impact of each risk on the business. By reflecting NGFS scenarios and projections for domestic and overseas carbon regulations, Coway estimates costs associated with vehicle operations, emission allowance purchases, low-carbon facility investments, and a decline in ESG image, and subsequently calculates the financial impact by risk type.

Building on these analyses, Coway has established voluntary GHG reduction targets and is continuously strengthening its carbon reduction foundation through the broader introduction of eco-friendly vehicles and the expansion of solar power facilities. Coway is also enhancing its GHG and carbon cost management framework to proactively address the regulatory environment that is expected to tighten further, including the emissions trading scheme.

Risk Type	Risk Factor	Estimated Financial Impact	Basis
Market	Carbon emissions from the use of vehicles to provide services	KRW 0.361~ 0.645 billion	Estimating annual regulatory costs by calculating carbon prices for each NGFS scenario based on annual emissions from vehicle operations (including vehicle costs, fuel costs, and average managerial labor costs)
Regulation	Cost increases due to rising carbon credit prices	KRW 5.715~ 7.443 billion	Assuming changes in the free allocation rates from 2024 to 2050, estimating annual costs by applying NGFS scenario-based carbon prices to the difference between projected yearly emissions and allocation amounts (including average labor costs of personnel responsible for emission allowance and emissions trading scheme management)
Reputation	Decline in brand credibility due to insufficient low-carbon management	KRW 51.667 billion	Reflecting the possibility of disadvantages in market evaluation such as reduced stock returns and expanded PER due to ESG rating downgrade (including average labor costs of managers handling disclosures)
Technology	Cost increases from investments in low-carbon facility transitions	KRW 2.149~ 3.868 billion	Estimating investment costs reflecting annual power generation, installed capacity, and unit facility costs (LCOE) based on a scenario of expanding solar power facilities to achieve Net zero

Opportunity Analysis Results

Coway views climate change not merely as a risk factor but as a new growth opportunity, identifying transition opportunities across multiple areas, including resource efficiency improvements, the transition to renewable energy, and ESG-based trust enhancement. By transitioning internal combustion engine vehicles to EVs, Coway is generating savings in operating and maintenance costs, and has analyzed the mid- to long-term energy cost savings expected from the expansion of renewable energy by reflecting electricity price outlooks under the NGFS and Net Zero scenarios.

Coway is also advancing the enhancement of its ESG management practices to consistently maintain a strong ESG rating, secure positive market valuations, and translate this into corporate value enhancement. Through these efforts, Coway is building a foundation for stronger competitiveness and sustainable growth over the mid to long term, going beyond climate change response.

Opportunity Type	Opportunity Factor	Financial Impact Estimate	Basis
Resource Efficiency	Vehicle maintenance cost savings through EV transition for headquarters, plants, and service manager vehicles	KRW 0.404 billion	Reflecting the cost savings from reduced fuel expenses and maintenance costs associated with transitioning from internal combustion engine vehicles to EVs (estimating costs that can be saved such as vehicle mileage, annual fuel price increase rates, and EV fuel efficiency)
Market	Electricity cost reduction through renewable energy transition (solar power generation)	KRW 9.516~ 12.020 billion	Calculated cumulative cost savings from the energy transition by setting renewable energy use targets of 50% by 2033 and 100% by 2050, and applying scenario-specific electricity unit prices to annual electricity consumption
Reputation	Enhanced market trust and increased corporate value by maintaining and improving excellent ESG ratings	KRW 8.073 billion	Reflecting the positive effects on market evaluation factors such as increased stock returns and expanded PER following an improvement in ESG ratings (enhancing corporate value)

Resilience Assessment

Coway's material physical risks are temperature extremes and heavy rainfall and flooding, and it is systematically pursuing preventive measures to minimize worksite damage and operational disruption. To address flooding risks, Coway regularly inspects and maintains leak-prone areas such as rooftops, exterior walls, and windows, alongside physical disaster prevention measures like the routine upkeep of culverts and manholes. To mitigate risks from temperature extremes, Coway is gradually replacing aging heating and cooling equipment, reinforcing maintenance, and adjusting working hours during heatwaves and cold spells to protect workers and prevent productivity losses. Through these efforts, Coway proactively manages the impact of extreme weather on its operations and financial performance.

By systematically identifying and quantitatively analyzing transition risks and opportunities and linking the results to its management strategy, Coway is strengthening its resilience against climate uncertainty. Based on financial impact analyses reflecting the NGFS and Net Zero scenarios and regulatory outlooks, Coway is taking proactive actions—setting GHG reduction targets, expanding eco-friendly vehicles, and scaling up renewable energy and solar power facilities—to ease the financial impact of transition risks while stabilizing its cost structure. By further upgrading its management framework for future regulations such as the emissions trading scheme and strengthening ESG management, Coway is building a foundation to sustain market trust and capture the cost-saving and value-enhancing opportunities arising from its climate transition. This framework cushions transition shocks while supporting Coway's resilience for sustainable growth and long-term competitiveness.

Risk Management

Coway runs a risk management process that includes identification, analysis, response, and monitoring stages to systematically address the risks and opportunities arising from climate change. Through this process, Coway assesses the impact of climate-related issues, prioritizes them, and establishes and executes key management initiatives. This enables Coway to proactively respond to a changing business environment.

Climate Change Risks and Opportunities Management Process

STEP 01 — Risk and Opportunity Identification
- Reviewing Coway's internal situation and the external environment
- Identifying risk and opportunity factors that affect the business and operations

STEP 02 — Risk Assessment and Prioritization
- Setting scenarios for the analysis of physical and transition risks and opportunities
- Analyzing likelihood and impact based on scenario analysis results
- Prioritizing the identified risks and opportunities

STEP 03 — Risk Management and Response
- Identifying priority initiatives and establishing execution plans
- Reporting response strategies and managing the execution of priority initiatives

STEP 04 — Monitoring and Reporting
- Reviewing newly potential risks and changes in impact
- Reviewing and updating the effectiveness of strategies
- Reporting the status of priority initiatives to the ESG Committee, the CEO, and the ESG Council

Metrics and Targets

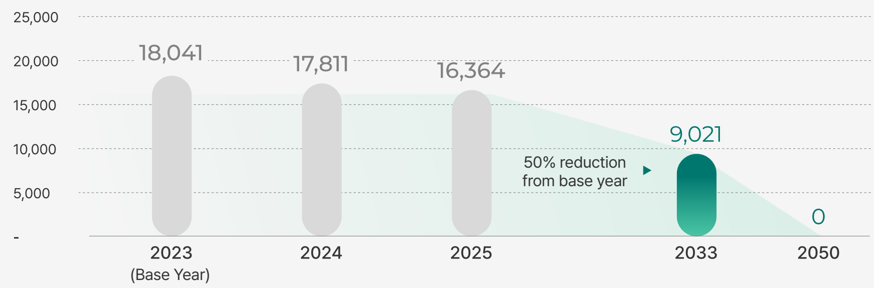
Net zero Roadmap

To achieve its 2050 Net zero target, Coway is systematically executing a phased roadmap encompassing the deployment of renewable energy infrastructure, the transition to eco-friendly corporate vehicles, and the adoption of high-efficiency equipment.

Following a change in its organizational boundary driven by the transition of service managers to full-time status, Coway recalculated its base year and Scope 1 and Scope 2 GHG emissions reduction targets in 2025. Consequently, Coway re-established its reduction targets to achieve a 50% reduction by 2033 and 100% Net Zero by 2050, relative to the 2023 base year. In 2025, Scope 1 and Scope 2 GHG emissions totaled 16,364 tCO_2e, representing an 8% decrease year-over-year. Furthermore, Coway is progressively expanding its carbon accounting coverage beyond Scope 1 and Scope 2 to encompass Scope 3 emissions via the CCMS[1] system.

1) CCMS: Coway Climate Change Management System

GHG (Scope 1 and Scope 2) Emissions Reduction Efforts



(Unit: Emissions (tCO_2eq))

Category	Priority Target	Short- to Mid-term (by 2033)	Long-term (by 2050)
Product Innovation	Promoting a low-carbon circular economy	Improving product energy consumption efficiency	Launching products with low-carbon and resource circularity systems
		Expanding the application of recycled materials	
Operational Improvement	Adopting eco-friendly energy	Transitioning corporate fleet to eco-friendly vehicles	Achieving EV100 for corporate vehicles
		Expanding solar power generation capacity	Expanding RE100 implementation across major business sites
Technology Innovation	Achieving carbon neutrality in production processes	Improving energy productivity through the adoption of high-efficiency equipment	Optimizing production process energy efficiency through digital technology integration

Key Climate Change Management Indicators

	Unit	2023 Actual	2024 Actual	2025 Actual
GHG (Scope 1 and Scope 2) emissions	tCO_2eq	18,041	17,811	16,364
Energy consumption	GJ	305,293	299,872	283,471
Renewable energy use	MWh	2,178	2,366	2,310[1]

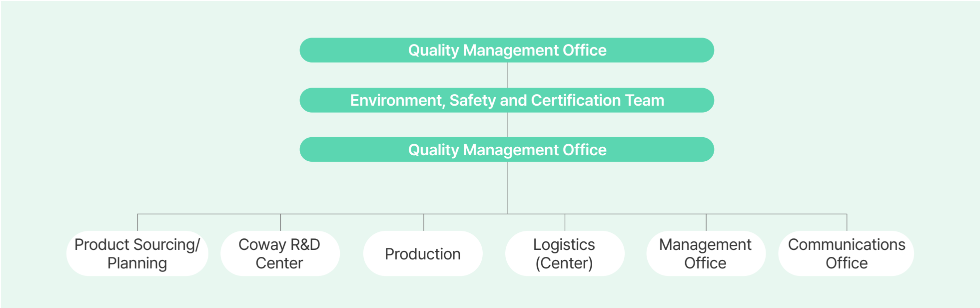
1) Slight decrease in renewable energy use due to differences in solar irradiance

Resource Circulation and Waste

Resource Circulation Governance

Resource Circulation Organization

To create a sustainable resource circulation ecosystem, Coway operates an integrated company-wide response framework. The Quality Management Office leads resource circulation policy across the company. It continuously monitors how domestic and international environmental regulations are enacted and amended, along with the related detailed guidelines. Based on this monitoring, the Office provides tailored guidelines to relevant departments and proactively manages company-wide risk.



Resource Circulation Strategy

Establishing and Operating the Resource Circulation Framework

To achieve resource circulation, Coway is enhancing Life Cycle Assessment (LCA) management that integrates environmental factors throughout the entire product lifecycle, including development, procurement, recovery, and recycling. In line with the Act on Resource Circulation of Electrical and Electronic Equipment and Vehicles, Coway has established a recovery and recycling framework for waste resources. Coway requires new product development to meet a recycling rate of 75% or higher. When this requirement is not met, Coway replaces materials with recycled materials that ensure circularity, such as recycled plastic, or evaluates diverse in-process recycling approaches.

To enhance the effectiveness of resource circulation, Coway applies Circular Design principles from the product planning stage and has established and follows recovery and recycling process guidelines accordingly. In 2008, Coway also established an integrated management system that covers waste generated during service operations. Earlier, in 2007, it introduced the Refurbishment program. Together, these initiatives maximize resource efficiency and reinforce Coway's distinctive circular economy model.

For recycling suppliers, Coway conducts annual evaluations and monitoring to manage strict compliance with applicable laws and regulations. Evaluation items include licensing management, compliance with resource circulation regulations, and the results of the Korea Environment Corporation's on-site inspections. By supporting the execution of improvement initiatives, Coway manages environmental risk across the supply chain.

Resource Circulation Process

STEP 01 — Development & Purchase
- Expanding the application of circular materials
- Designing eco-friendly products, including achieving Grade 1 energy efficiency
- Purchasing raw materials verified for chemical safety

STEP 02 — Manufacturing
- Resource recovery of site-generated waste (SRF, Solid Refuse Fuel)
- Expanding production of refurbished models
- Operating renewable energy facilities, such as solar power systems

STEP 03 — Logistics
- Advancing the reverse logistics system
- Using eco-friendly packaging materials (pulp-based packaging, air-cell cushions)
- Minimizing resource use through lightweight packaging

STEP 04 — Usage
- Improving energy efficiency by applying instant hot water systems and high efficiency inverter cooling systems
- Promoting the purchase of environmentally certified products

STEP 05 — Repair & Reuse
- Promoting sales of refurbished products
- Promoting sales of repackaged products

STEP 06 — Recovery & Recycling
- Expanding recyclable items across business sites, products, and services areas
- Enhancing recovery and recycling operations
- Expanding the operation of closed-loop systems

Waste Recycling Performance and Targets

Circular Economy System Operations	Environmental Fee Reduction Rate[1]	Recycling Rate per Product Unit	Waste Recycling/Resource Recovery Rate[2] by 2030
Expanding recycled-material product lines (select water purifier models)	90% Maintained	75% or higher	2025 Target: 100% Actual: 100%

1) Environmental Fee Reduction Rate: The ratio of the amount reduced through recovery and recycling to the environmental fees incurred
2) Calculated based on waste generated

Key Initiatives for Resource Circulation

To minimize environmental impact across the entire resource circulation value chain, Coway is pursuing the following key initiatives.

Eco-friendly Product Design and Verification	Reviews and verifies recyclability from the planning and design stages of new products, and runs a filtering process that proactively addresses risks associated with hazardous substances
Optimization of Recovery and Recycling Infrastructure	Sets up recovery and recycling processes to reclaim resources after the end of the product life cycle, and manages legal compliance across the entire logistics flow
Data-driven Management Framework	Manages resource circulation data, including collection volumes relative to product sales, to build a systematic framework that serves as the basis for formulating circular economy strategies

Resource Circulation and Waste Management Activities

Product Recovery Process

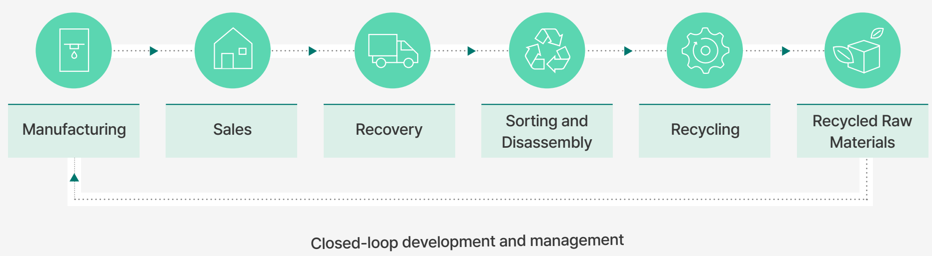
Closed-loop System

In October 2024, Coway established the Closed-loop resource circulation system, leveraging its proprietary product recovery infrastructure. Designed as a fully circular structure, the system extracts valuable materials from post-consumer products to supply as recycled raw materials. Alternatively, it also crushes and pelletizes plastics to be repurposed in the manufacturing of new products.

Coway currently runs an e-waste recovery program for its key product categories, including water purifiers, air purifiers, and dehumidifiers, and transparently registers and manages the number of units and weight recovered through the government system.

For new products, including induction cooktops, Coway also reviews recycling solutions and the selection of recycling suppliers from the product planning stage, ensuring that the resource circulation framework is in place before product launch. The Refurbishment program, in operation since 2007, fully disassembles products that have been returned due to changes of mind or have been used as store displays, and converts them into refurbished products through a remanufacturing process that includes the replacement of worn components.

Closed-loop Process

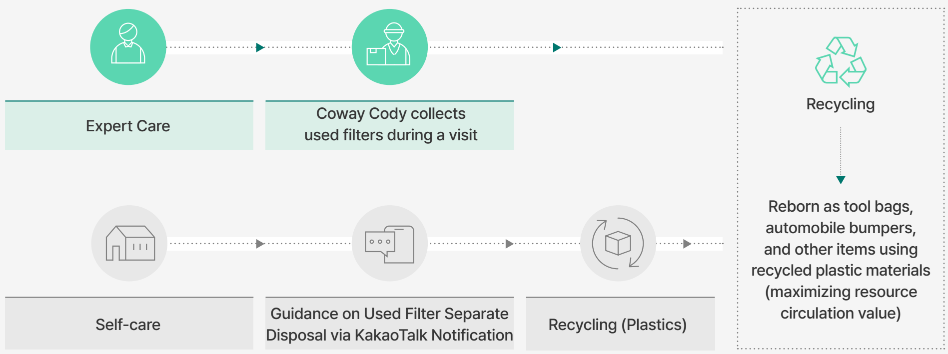


Used Filter Upcycling Program

Coway runs the Used Filter Upcycling Program, which collects used water purifier filters and turns them back into resources. The collection method is divided into two streams based on customer type. Customers subscribing to professional management services have their used filters collected directly during visits by Coway's service professionals (Cody). Customers managing their products on their own are supported through two recovery options tailored to their usage environment.

Customers can return used filters in one of two ways: first, by placing them in the pre-provided collection bag, leaving them at a designated location, and requesting free courier or postal pickup; or second, by separating them as plastic waste in their daily lives in accordance with the provided guidelines. Recovered used filters undergo dismantling and sorting through specialized third-party recycling suppliers, with recyclable materials repurposed as circular raw materials for products such as tool bags and automobile bumpers.

Used Filter Upcycling Process



Use of Circular Raw Materials

Circular Utilization Assessment

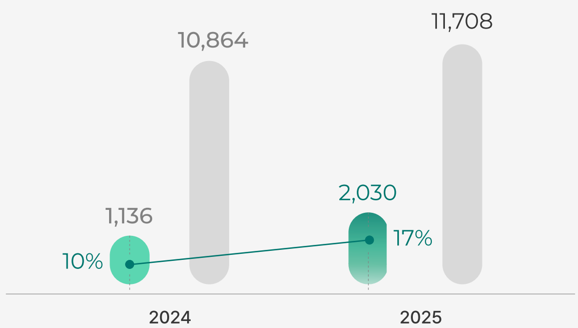
To expand the application of PCR (post-consumer recycled) resins, Coway participates in the Ministry of Environment's Circular Utilization Assessment. The system recommends improvements to design elements that hinder recycling at the disposal stage, and discloses related details when recommendations are not implemented. To enhance resource circularity, Coway completed the Circular Utilization Assessment for seven bidet models, ensuring recycled resin accounts for 10% of the total plastic weight. Coway has also prepared its water purifier product line for the assessment, and has completed preparations for the conformity review.

Application of Circular Raw Materials

Through its closed-loop resource circulation framework, Coway converts recovered waste plastics into recycled raw materials via mechanical recycling processes. This process brought the total use of recycled plastic (ABS[1]) to 2,030 tons in 2025, exceeding the target of 1,600 tons by approximately 27%. Going forward, Coway will apply circular raw materials to more models and increase the volume used. These efforts will contribute to reducing GHG emissions and energy consumption, accelerating Coway's transition to a circular economy.

1) ABS (Acrylonitrile Butadiene Styrene): A thermoplastic resin with excellent impact resistance, heat resistance, and processability, used in applications such as exterior parts of home appliances, automobile components, and electronic device enclosures

Recycled Plastic Use



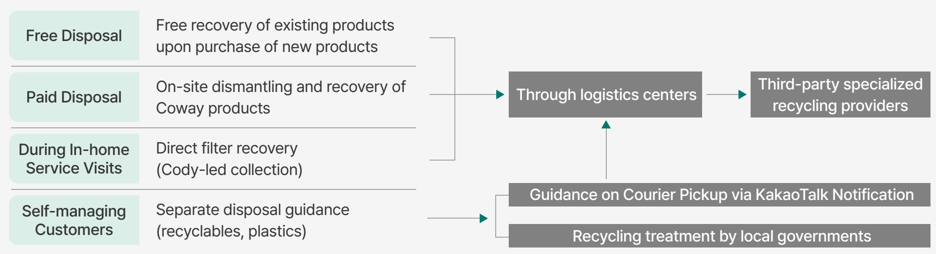
(Unit: Tons)
Total Recycled Plastic Use
Total Plastic Use
Application Ratio

* Total recycled plastic use refers to ABS materials only

Resource Circulation Information and Engagement at Customer Touchpoints

To encourage active customer participation at the product end-of-life and recycling phases, Coway adheres to e-waste management standards and runs a customer guidance framework. Product user manuals clearly outline how to dispose of and return used products and filters, the treatment procedures, and how to separately dispose of filters, making it easy for customers to take part in resource circulation. This enhances both the visibility and effectiveness of resource recovery.

E-waste Management Framework

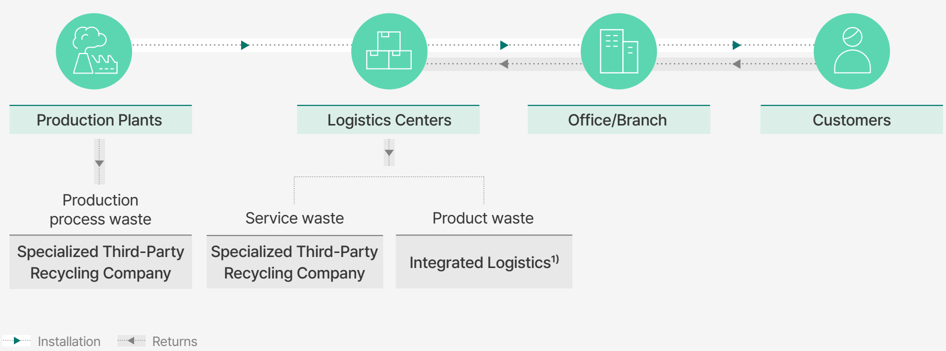


Waste Treatment Process

Coway quantitatively manages the waste generated across its business and continues to drive resource circulation activities aimed at increasing recycling rates, achieving Zero Waste, and reducing production and disposal costs. Waste from products, worksites, and services is processed through the sale of valuable resources and resource recovery[1], and the recycled raw materials secured in this process are reintroduced into product development to reduce overall resource use.

1) Material recycling (Closed-loop), where waste plastics and similar materials are sorted and processed to be reintroduced as raw materials for Coway's products, and energy recovery (SRF) activities, where combustible materials are sorted and undergo a drying process

Waste Treatment Process



1) Integrated Logistics: Integrated management of the recovery and recycling performance of used products

Eco-friendly Products and Technologies

Strategy for Developing Eco-friendly Products and Technologies

Framework for Developing Eco-friendly Products and Technologies

Coway is making active investments in eco-friendly technology development to reduce environmental impact across the product life cycle and to deliver on its Net zero target. Anchored in the three pillars of "market leadership, regulatory response, and securing new growth drivers," Coway is advancing sustainable technology innovation. Working group departments, led by the Technology Strategy Team at the Coway R&D Center, share responsibilities for initiatives by risk and opportunity area. Each department's progress and plans are reported and managed through the ESG Council, which convenes four times a year.

Development of Eco-friendly Products and Technologies

Market Leadership
Innovative Products
Securing future market leadership through innovative products based on cutting edge technology

Regulatory Compliance
Eco-friendly Products
Developing innovative technologies and products to proactively address ESG-related regulations

Securing New Growth Engines
Securing Market Leadership
Creating new market opportunities through sustainable products and services

Eco-friendly Product Design

Eco-friendly Products and Services

STEP 01 — Product Development
· Designing eco-friendly products

STEP 02 — Eco-friendly Purchase
· Purchasing eco-friendly materials and parts

STEP 03 — Clean Production
· Applying renewable energy

STEP 04 — Product Delivery
· FMS-based transportation
· Route optimization

STEP 05 — Consumer Use
· Automatic switch to energy-saving mode when not in use

STEP 06 — Eco-friendly Service
· Extending the duration of use through professional and self-managed care

STEP 07 — Recovery/Recycling
· Expanding recyclability assessments
· Increasing recovery and recycling efforts

Eco-friendly Product and Technology Development Activities

Eco-friendly Product Certifications

The Korea Eco-Label is a voluntary certification system that places an eco-label and a brief description on eco-friendly products that have a relatively lower environmental impact compared to other products or services for the same use. The system is anchored in the core principles of reducing energy and resource consumption and minimizing the release of pollutants throughout the product life cycle, including production, distribution, use, and disposal. Coway has been recognized for its environmental performance across various product categories, including bidets, mattresses, and air purifiers. This recognition extends across multiple criteria, including the reduction of hazardous substances, mitigation of household environmental pollution, energy conservation, reduction of local environmental pollution, and minimization of noise and vibration. As of 2025, Coway holds a total of eight Korea Eco-Label certifications. For mattresses, in particular, the Korea Eco-Label criteria have been adopted as Coway's own internal quality management standards and are rigorously managed.

Product Awards and Key Technologies

CASE

2025 'Innostar and Greenstar' Awards: 28 Products Recognized

In 2025, a total of 28 Coway products were selected for the Innostar and Greenstar awards. The Innostar and Greenstar program is a system in which consumers directly evaluate factors such as product quality, design, and user experience, and the awards are certified by the Korea Management Association Registrations & Assessments (KMR).

In the Innostar category, which assesses product innovation, 16 Coway products were selected, including the Icon Ice Water Purifier, Multi-Action Air Purifier 2, W Induction, Double Care Plus Bidet 2, Reclining Massage/Spine Bed, and Smart Mattress S6+/S8+.

In the Greenstar category, which focuses on environmental performance, 12 Coway products were selected, including the Icon Water Purifier 2, Noble Air Purifier 2, Style Care Bidet, and Pebble Chair. Building on its eco-friendly technologies and innovation, Coway will continue to provide customers with better experiences and value.

Key Products and Technologies

Category	Product	Description
Energy Efficiency and GHG Reduction	Icon Water Purifier Series	· Reduces monthly power consumption by up to 18% through high-efficiency 2-pass ice evaporator, sealed cold water system, instant hot water technology, and a smart human detection sensor · Visualizes the cumulative impact of product use through the Eco Report function, including the number of plastic bottles saved (cumulative 72.95 million units) and the equivalent tree planting impact (130,000 trees) · Awarded the CO_2 Reduction Award at the 28th Energy Winner Awards (Icon Pro Water Purifier)
	Noble Dehumidifying Air Purifier and Inverter Dehumidifier	· Reduces power consumption by up to 61.9% through a high-efficiency inverter compressor and Smart Eco Mode · Received the Grand Prize at the 28th Energy Winner Awards (Noble Dehumidifying Air Purifier and 23L Inverter Dehumidifier)
	Multi-Action Air Purifier 2	· Improves operational efficiency through three-dimensional rotational circulation · Optimizes energy efficiency grade through the application of a BLDC motor · Prevents energy waste through Smart Eco Mode, which detects pollution in real time
	Double Care Plus Bidet 2	· Reduces monthly power consumption by 21% compared to tank-storage models through a hybrid hot water tank and power-saving mode
	Reclining Massage Bed	· Prevents energy waste through a high-efficiency, low-power control system (smart standby power cut-off)
Resource Circulation and Waste Reduction	Water Purifier Filter/ BEREX Home Experience	· Removes plastic packaging from water purifier filters and reduces the weight of user manuals by 46%, while introducing reusable BEREX fabric packaging · Reduces packaging box size and replaces paper tape (water purifier filters)
	Multi-Action Air Purifier 2	· Reduces carbon emissions from new plastic production by applying PCR (Post-Consumer Recycled) plastics
	Reclining Massage Bed	· Designed with a modular internal structure that allows individual modules to be replaced or repaired, extending product life
	All Product Lines (Packaging)	· Reduces transport volume and carbon emissions through the development of reusable packaging (EPP material) for the recovery of returned products
Water Resources	Water Purifiers/Bidets	· Reduces water waste through instant hot water technology (Icon Pro Water Purifier, Double Care Plus Bidet 2) · Reduces energy and water waste through adjustable dispensing volume control (Icon Pro Water Purifier)
Indoor Environment Protection	Reclining Massage Bed	· Uses vegan leather and applies a process that reduces VOCs (Volatile Organic Compounds) (Reclining Massage Bed)

Environmental Impact Management

Water Resources

Water Resources and Water Pollutant Management

Water Resources Management Strategy

Coway runs its water resources management strategy across two stages: worksite/process and product. Water used at worksites is utilized for testing during quality inspections across all stages, including product development, reliability verification, and mass production. Coway treats this water to meet domestic water standards prior to discharge. Coway monitors company-wide water consumption annually, working to improve water use efficiency and reduce unnecessary consumption. Coway also strengthens water-saving features from the development and design stage of water purifiers and bidets, contributing to water conservation at the customer level.

Minimizing Discharge of Water Pollutants

To reduce environmental impact during the wastewater discharge process, Coway classifies most of the water it uses as sewage and safely discharges it to wastewater treatment facilities through dedicated sewer lines. Coway has also improved processes to reduce water use during production. Replacing the previous method that used water for leak inspections, Coway introduced a "Waterless Test" that uses nitrogen and vacuum. This approach not only enhances inspection quality but also reduces testing time and wastewater generation. Consequently, this initiative resulted in the conservation of 5,522 tons of water in the water purifier production process in 2025.

Biodiversity

Biodiversity Policy

Coway recognizes the value of biodiversity and continues to engage in a wide range of conservation activities to safeguard it. The Korean Peninsula, where Coway's worksites are located, is home to a diverse range of climates and topography, supporting a high level of biodiversity that requires systematic conservation and management. To address this, Coway conducts priority surveys of species near its worksites and continuously monitors biological resources annually using national platforms. Coway carries out river clean-ups, donates to cultivate forests for nationally protected species, and provides ecological education for children. Through these initiatives, the company is fostering an environment where humanity and nature coexist in harmony.

Biodiversity Policy

Biodiversity Framework

Coway has established its own management framework aligned with the biodiversity conservation objectives of the Act on the Conservation and Use of Biological Diversity, and operates action targets for national-level conservation and sustainable use across three core areas. In 2025, Coway updated its biodiversity policy in line with the National Biodiversity Strategy, which sets the country's direction for the next five years. The policy broadly reflects international standards, including the Convention on Biological Diversity (CBD), the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and the IUCN's Guidelines for Applying Protected Area Management Categories. Coway also runs region-specific detailed strategies that take into account the ecological characteristics and species diversity of the regions where its key worksites are located, including Seoul, Gyeonggi, Incheon, and Chungnam.

Biodiversity Implementation Strategy

Practical Goals

Protect ecosystems from various risk factors	Share value with all to ensure environmental sustainability	Report the effectiveness of goal implementation to stakeholders through proactive action

Activity Strategies

Identification	Protection	Collaboration	Restoration	Communication	Disclosure
Identify damaged terrestrial and marine ecosystems and explore restoration methods	Expand conservation and restoration measures for nationally protected species	Encourage stakeholder participation and provide appropriate support mechanisms	Leverage the power of nature to respond to changes or threats	Reflect stakeholders voices when establishing internal biodiversity strategies and policies	Systematically analyze and disclose the outcomes of biodiversity conservation activities

Biodiversity Risk Management

Coway recognizes the importance of natural capital and biodiversity protection in its business operations and is establishing a management framework. In line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), Coway identified biodiversity risks based on the LEAP (Locate, Evaluate, Assess, Prepare) approach.

Reflecting the characteristics of its business model, Coway analyzes biodiversity impacts and dependencies across all worksites. Coway has analyzed biodiversity priority areas covering its key worksites and tracks the status of biodiversity surrounding each worksite.

Biodiversity Risk Analysis Process

STEP 01 — Setting the Scope of Risk Analysis
· Defining the scope of nature-related issue assessment

STEP 02 — Screening Dependencies and Impacts
· Identifying dependencies on and impacts to nature using the ENCORE tool

STEP 03 — Identifying Touchpoints with Nature and Sensitive Areas
· Identifying location-based habitats of endangered species and protected areas

Results of Dependency and Impact Assessment

Using ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure), the analysis tool recommended by TNFD, Coway evaluated the dependencies and impacts of its direct business activities on ecosystem services. Analyses across manufacturing, rental, product repair and A/S, and transportation and storage activities found no cases in which dependencies on, or impacts to, nature were assessed as high or very high in any business activity area. Coway continues to monitor ecosystem dependencies and environmental impact factors assessed at the medium level, managing natural capital risks on an ongoing basis.

Key Nature-related Dependencies and Impact Factors Identified through ENCORE (Medium Level or Higher)

Dependency/Impact Factor			Description
Dependency	Regulating and Maintenance Services	Global climate regulation, regulation of precipitation patterns	Provides a stable business operating environment through the climate regulation function of ecosystems
		Waste decomposition and cycling	Use of the natural ecosystem's function in decomposing and cycling organic matter
		Water purification, water cycle regulation	Ecosystem functions in purifying water quality and supplying freshwater
		Flood control, typhoon mitigation	Reduces flood damage through ecosystems' natural disaster mitigation function
	Provisioning Services	Water supply	Provides water resources required for business operations
Impact	Climate Change	GHG emissions	GHG emissions generated in the manufacturing, transportation, and service operations process
	Resource Use	Water	Water resources required for production and service activities
	Pollution	Air pollution	Air pollutant emissions from transportation and facility operations
		Water and soil pollution	Environmental pollution caused by production processes and the use of chemicals
		Nuisances (noise, light, etc.)	Noise and vibration generated during facility operations
	Ecosystem Use	Land use	Land use for the construction and operation of business facilities

Results of Identifying Touchpoints with Nature and Sensitive Areas

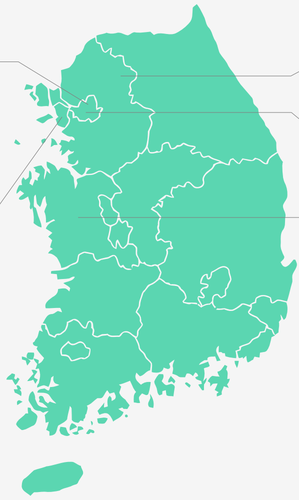
Building on its analysis of ecosystem service dependencies and impacts based on business characteristics, Coway analyzed whether its worksites have touchpoints with nearby nature and sensitive areas. Coway assessed whether Key Biodiversity Areas (KBAs) lie within a 25 km radius of its main domestic worksites and overseas subsidiaries, and tracked the status of endangered wildlife species in those areas. The analysis confirmed KBAs within a 25 km radius of several worksites. Among domestic worksites, these include Coway Headquarters, the Coway R&D Center, and the Incheon Plant. Among overseas subsidiaries, they include the European, Thai, and Malaysian subsidiaries. Coway monitors changes in the ecosystems around its worksites annually and plans to develop tailored risk mitigation plans should any negative changes be identified.

Scope for Identifying Touchpoints with Nature and Sensitive Areas

Category	Worksites
Domestic	Coway R&D Center, Pocheon Plant, Coway Headquarters, Incheon Plant, Yugu Plant
Overseas	Malaysia, Indonesia, Thailand, China, Europe, USA, and Vietnam subsidiaries

Results of Identifying Touchpoints with Nature and Sensitive Areas

Domestic



Coway Headquarters
- Key Biodiversity Areas (KBAs)
  - Within 25 km: 1
- Endangered Wildlife Species
  - Class I: 5 species
  - Class II: 5 species

Incheon Plant
- Key Biodiversity Areas (KBAs)
  - Within 25 km: 1
- Endangered Wildlife Species
  - Class I: 5 species
  - Class II: 5 species

Pocheon Plant
- Endangered Wildlife Species
  - Class I: 4 species
  - Class II: 6 species

Coway R&D Center
- Key Biodiversity Areas (KBAs)
  - Within 25 km: 1
- Endangered Wildlife Species
  - Class I: 5 species
  - Class II: 5 species

Yugu Plant
- Endangered Wildlife Species
  - Class I: 3 species
  - Class II: 5 species

Overseas

European Subsidiary
- Key Biodiversity Areas (KBAs)
  - Within 25 km: 1

Chinese Subsidiary
- Endangered Wildlife Species
  - Class I: 4 species
  - Class II: 3 species

Thai Subsidiary
- Key Biodiversity Areas (KBAs)
  - Within 25 km: 1
- Endangered Wildlife Species
  - Class I: 2 species
  - Class II: 4 species

Malaysian Subsidiary
- Key Biodiversity Areas (KBAs)
  - Within 25 km: 1
- Endangered Wildlife Species
  - Class II: 2 species

Indonesian Subsidiary
- Endangered Wildlife Species
  - Class II: 2 species

Vietnamese Subsidiary
- Endangered Wildlife Species
  - Class I: 3 species
  - Class II: 4 species

Biodiversity Conservation and Restoration of Natural Ecosystems

Coway conducts "Identification of Touchpoints with Nature and Sensitive Areas" assessments to identify the impact of its business activities on natural ecosystems and to systematically conserve natural capital. Coway screened biodiversity-sensitive areas at and around its business sites. These areas include protected areas, major water systems, and urban areas requiring ecosystem restoration. Through this screening, Coway identified Key Biodiversity Areas (KBAs) within a 25 km radius of its major domestic sites, including the headquarters, the R&D Center, and the Incheon Plant. Based on these findings, Coway designated two types of priority areas for management: nearby major urban water systems, such as Anyangcheon Stream, and urban areas with significant ecosystem fragmentation. Coway is now identifying and carrying out connected ecosystem conservation programs, as outlined below, to deliver tangible Nature Positive outcomes.

Process for Identifying and Responding to Natural Capital Interfaces

STEP 01	STEP 02	STEP 03
Interface Identification	Mapping of Sensitive Areas	Nature-based Response Activities (NbS[1])
· Coway business sites (headquarters, production facilities) · Key locations for employees and local communities	· Urban areas at risk of ecological fragmentation · Nearby sensitive water systems (such as Anyangcheon Stream)	· Urban ecological forest creation · Throwing EM mud balls and river plogging

1) Nature-based Solutions: An approach that addresses climate and environmental challenges through the conservation and restoration of ecosystems rather than artificial engineering technologies. [Source: UNEP, IUCN]

Creation of Ecological Forests

To restore connectivity between adjacent urban development sites and green corridors while securing carbon sinks, we are carrying out an urban ecological forest initiative. Following the 100m² ecological forest at Coway's headquarters in 2024, we added a 321m² ecological forest at Seoul Banghwa Elementary School in 2025, achieving a cumulative ecological area of 421m² (approximately 127 pyeong).

Category	Key Achievements and Relevance
Air quality improvement and climate effects	Designed with a multi-layered structure centered on herbaceous plants and shrubs, the Coway Ecological Forest actively contributes to climate change response. The forest absorbs a total of 757 kg[1] of carbon annually and reduces approximately 3.87 kg[2] of fine particulate matter per year, helping to improve urban air quality and build cleaner ecosystems.
Securing alternative habitats for rare and endangered plants	Over the past two years, we have planted endangered and rare species designated by the International Union for Conservation of Nature (IUCN) and the Korea Forest Service, including Allium senescens, Forsythia ovata, Abeliophyllum distichum, and Veronica pusanensis, conserving a cumulative total of 2,560 plants.

1) Carbon absorption: Calculated based on per-unit-area (m²) carbon absorption coefficients for ground cover plants and garden plants. (Coway HQ: 180 kg/year + Banghwa Elementary School: 577 kg/year = 757 kg/year in total) [Source: Based on the Rural Development Administration's "Study on Carbon Absorption of Garden Ground Cover Plants (2021)"]
2) Fine particulate matter reduction: Calculated based on the standard absorption coefficient (92 kg/ha) for multi-layered structures designed to maximize fine particulate matter reduction. (0.0421 ha × 92 kg = 3.87 kg) [Source: Based on the report "Fine Particulate Matter Reduction Functions of Urban Forests" by the Korea Forest Service and the National Institute of Forest Science]

Throwing EM Mud Balls and River Plogging

To protect aquatic organisms sensitive to water pollution and wild birds that depend on the waterside as their habitat in identified sensitive water systems (such as Anyangcheon Stream), we continue to carry out clean-up activities engaging both employees and local communities.

Category	Key Achievements and Relevance[1]
Protecting fish and amphibians through aquatic ecosystem restoration	Since 2023, we have carried out four rounds of activities, deploying a cumulative 13,000 EM (Effective Microorganisms) mud balls into ecologically sensitive rivers to decompose organic matter at estuaries and enhance water quality. Provides a clean refuge for the Gold-spotted pond frog (Pelophylax chosenicus, VU), a threatened amphibian native to nearby rivers. Also establishes a healthy freshwater habitat for the Japanese grenadier anchovy (Coilia nasus, EN) and the Japanese eel (Anguilla japonica, EN), allowing these coastal and estuarine species to live and migrate safely.
Securing alternative habitats for rare and endangered plants	Through five river plogging events involving a cumulative total of 6,332 employees and citizens, we collected waste plastics and litter along riverbanks. The removal of waterside waste helps prevent ingestion accidents among many endangered birds visiting nearby coastal areas and wetlands, including the Black-faced Spoonbill (Platalea minor, VU), the Oriental Stork (Ciconia boyciana, EN), and the Far Eastern Curlew (Numenius madagascariensis, EN), and provides them with clean resting areas.

1) Based on the Ministry of Environment's National Red List and IUCN Red List classifications (EN: Endangered, VU: Vulnerable)

Coway Classroom Forest

Since 2022, Coway has been running the "Coway Classroom Forest" program, donating a cumulative total of 3,117 air-purifying plants to seven elementary schools and providing eco-friendly education.

The program delivers plants with strong air-purifying functions, such as Asplenium nidus[1], Dypsis lutescens (areca palm), and Rhapisexcelsa, to elementary school classrooms in urban areas, creating green spaces inside classrooms. These plants help improve indoor air quality and create a more pleasant learning environment.

In particular, the program also features upcycling activities in which students make plant pots using materials such as recycled PET bottles and discarded mask fabric, allowing them to directly experience the values of resource circulation and environmental protection. Through tailored environmental education, students grow companion plants in their classrooms, learn their value firsthand, and naturally come to understand the importance of biodiversity conservation and climate change response in everyday life.

1) A nationally designated rare native plant in the Critically Endangered category

Biodiversity Conservation Activities

	Operation Period	2025 Performance and Cumulative Key Achievements	Relevance to Identified Sensitive Areas and Protected Species[1]
Creation of Ecological Forest	October 2024 to present (2 forests created)	· 2025 performance: 810 plants · Cumulative planting: 2,560 plants (including nationally protected species) · Cumulative area: 421 m² (approx. 127 pyeong) · Annual climate impact: 757 kg of carbon absorbed, 3.87 kg of fine particulate matter reduced	· Restoration of urban areas with ecosystem fragmentation · Provision of alternative habitats and vegetation restoration for rare and endangered plant species (e.g., Allium senescens, Forsythia ovata, Abeliophyllum distichum, Veronica pusanensis)
EM Mud Ball Throwing	May 2023 to present (4 sessions conducted)	· 2025 performance: 3,000 balls · Cumulative deployment: 13,000 balls	· Water quality purification of major sensitive water systems (e.g., Anyangcheon Stream) · Protection of aquatic species—including the Gold-spotted Pond Frog (VU), Japanese Grenadier Anchovy (EN), and Japanese Eel (EN)—through habitat environment enhancement
River Plogging	July 2023 to present (5 sessions conducted)	· 2025 performance: 329 participants · Cumulative participation: 6,332 participants	· Waste removal in sensitive riparian and coastal areas · Prevention of ingestion hazards for endangered bird species (e.g., Black-faced Spoonbill [VU], Oriental Stork [EN], Far Eastern Curlew [EN])
Classroom Forest	May 2022 to present (7 forests created)	· 2025 performance: 494 plants · Cumulative planting: 3,117 plants	· Donation of Asplenium nidus (Critically Endangered rare plant), Dypsis lutescens (areca palm), and Rhapis excelsa to elementary school classrooms, contributing to indoor air quality improvement · Raising awareness of resource circulation and fostering ecological sensitivity in daily life through plant pot making with PET bottles and used masks

1) Based on the Ministry of Environment's National Red List and IUCN Red List classifications (EN: Endangered, VU: Vulnerable)

Hazardous Substances

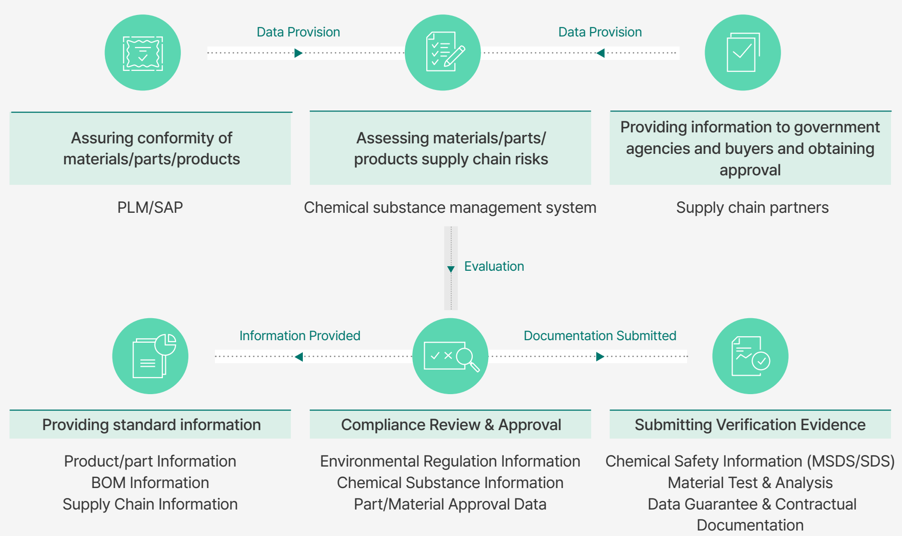
Hazardous Substance Management Framework

To strengthen the management of hazardous substance in its products and to prevent associated risks, Coway has built and operates a Chemical Substance Management System based on its Environmental Management System. Through this system, Coway manages information on a product, component, and material level in a database.

All products currently manufactured by Coway are managed in accordance with the Coway Chemical Management Guideline, which applies regulatory standards classified into Class I (prohibited substances), Class II (restricted substances), and Class III (voluntarily banned substances). This approach proactively blocks risks associated with hazardous substances and provides a foundation for preventing regulatory violations and securing customer safety.

Since 2024, Coway has applied its own internal risk criteria to incoming components and conducts inspections proactively, performing detailed analyses where necessary to verify the presence of hazardous substances. Coway strictly complies with domestic and overseas chemical regulations and continues to ensure chemical safety and minimize risk not only for environmental home appliances but across its entire range of home appliance products.

Hazardous Substance Management Framework



Hazardous Substance Regulation Monitoring

To proactively address hazardous substance risks and respond to regulatory changes, Coway has introduced an Environmental Regulation Information Management System (ERIMS) to continuously track global environmental regulation trends. Issues requiring regulatory response are reviewed company-wide and managed in an integrated manner, covering the entire process from verifying conformity during product and component development to follow-up management. Coway continues to comply with a wide range of environmental regulations covering hazardous substances, chemical substances, and recycling, while continuously raising the level of management to support the development of safe and eco-friendly products.

Hazardous Chemical Substance Management Performance

2022	· Strengthened company-wide regulatory response capability through the IT system for proactive monitoring of chemical regulations · Improved management efficiency and streamlined regulatory response through the implementation of a chemical substance management system
2023	· Advanced the Application Life Cycle (ALC) for the proactive chemical regulation monitoring framework/IT operations · Standardized and improved the chemical substance follow-up management process
2024	· Expanded the scope/countries for proactive regulatory monitoring of chemical substances and strengthened the corporate collaboration system · Enhanced execution capacity of the chemical substance follow-up management system
2025	· Expanding the scope of chemical substance management to non-electrical and electronic products (radiation, TVOC, safety, etc.) · Strengthening regulatory response execution (including the development of a phased plan for refrigerant transition)

Hazardous Substance Reduction Activities

BFR & PVC FREE

Coway identifies products and components that may contain certain hazardous substances and conducts preliminary screening using ED-XRF equipment to determine whether such substances are present. In 2025, Coway is screening for the presence of BFR[1] and PVC[2]. Where bromine (Br) is detected in the preliminary screening, an external testing agency confirms BFR content through Combustion IC testing. Coway verifies materials suspected of containing PVC through FT-IR[3] analysis. Coway intends to continue expanding the scope of its monitoring and analysis activities to further strengthen the environmental safety of its products.

1) BFR: Brominated Flame Retardants
2) PVC: Polyvinyl Chloride
3) FT-IR: Fourier Transform Infrared Spectroscopy

PFAS Reduction Activities

To proactively address the tightening of global regulations and to safeguard the environmental safety of its products, Coway is pursuing a transition to PFAS[1]-Free by 2030, supported by company-wide governance. Coway operates a Cross-Functional Team (CFT) under the ESG Council to address PFAS risks. Through this team, Coway builds a shared understanding of regulatory trends and identifies PFAS at the component and process levels. Coway also compiles supporting data and proactively addresses mandatory reporting obligations imposed by U.S. federal and state authorities. Coway also reinforces supply chain oversight by delivering specialized training to all partners and obtaining PFAS usage surveys and non-use guarantees. Coway is reviewing a chemical substance history management and real-time monitoring system, based on an integrated database linked with SAP and PLM.

1) PFAS: Per- and polyfluoroalkyl substances

Mid- to Long-term Reduction and Substitution Roadmap

Stage	PHASE 01. 2026. 2H	PHASE 02. 2027~2029	PHASE 03. 2030
Targets	Establishing the foundation for hazardous chemical substance reduction	Introducing substitute chemicals	Completing the transition to eco-friendly chemicals
Key Tasks	Reviewing substitute technologies and developing a detailed roadmap	Verifying the reliability of new materials and applying them to products in phases	Completing the transition to PFAS-Free (no added PFAS) across all products

Social

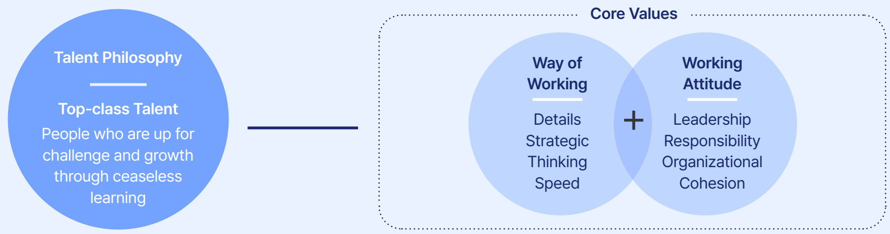
Employees

Employee Competency Development

Talent Recruitment

Based on six core values, "Detail, Strategic Thinking, Speed, Leadership, Responsibility, and Organizational Cohesion," Coway defines a "Top-class Talent" as an individual who never stops learning, continuously takes on challenges, and develops themselves. Building on this talent profile, Coway works to establish a customer-centric culture that delivers beneficial and convenient experiences to customers. Coway also continuously identifies and nurtures outstanding talent. Coway also maintains open communication so that every employee recognizes its core values and naturally puts them into practice. This approach fosters a horizontal organizational culture where collaboration thrives across job levels and boundaries.

Coway's Talent Philosophy and Core Values



Talent Development

In a rapidly changing business environment, securing outstanding talent to drive sustainable growth and systematically elevating employee capabilities remain core strategic priorities for Coway. We have established the "Top-class Talent Growth Roadmap" to help each employee grow into an expert in their field, and we run phased training programs based on this roadmap.

Talent Development Framework

Leadership	New comers	Process of getting promoted	Leader candidates	Process of appointing new team heads	Process of improving capabilities of team heads	Process of nurturing top-class leaders	New executives/ promoted employees
Jobs	Strategic jobs: AI/R&D/Product Planning, etc.					Top-class Talent (Talent Philosophy) People who are up for challenge and growth through ceaseless learning	
	Job internalization courses						
	E-learning (Learnway)						
	Outsourced job training						
Global	GTT (Global Talent Track) Program		Pre-expatriate intensive training → Expatriate program → repatriate program				
	Language courses (AI/phone-based language training)						
Common	Legally Mandated Training						
	Way of Working & Corporate Culture						
Organizational culture	Learning circles/CIF (Coway Innovation Fair)/The Coway Person Award						

Talent Development Programs

To nurture top-class talent, Coway has established a systematic and comprehensive learning system focused on leadership, job expertise, and global capabilities. Through our integrated learning platform "Learnway," we provide over 2,600 pieces of educational content on an ongoing basis, supporting self-directed growth in which employees design their own learning.

01. Strengthening Leadership and Organizational Capabilities

Coway operates leadership development programs that are differentiated by job level and role to nurture leaders who embody the "Top-class Talent" profile. For newly appointed leaders, we provide onboarding programs and level-up courses to help them quickly adapt to their departments and role, while newly promoted employees receive training to reinforce the core competencies required for their new level.

In particular, in 2025, to respond to the rapidly changing business environment, we conducted quarterly training sessions for leaders at the Office Head level and above to enhance strategic thinking and AI-driven insights. For team leaders, we continuously provided AI training as well as sessions on team member evaluation and coaching. These initiatives aim to innovate our way of working and foster a healthy corporate culture, thereby enhancing leaders' decision-making and organizational management capabilities.

02. Strengthening Job Expertise and Nurturing Core Talent

Coway runs a job-based training framework so that employees can continuously grow and exercise their capabilities within the organization, from initial onboarding to hands-on work. For new employees, we conduct an onboarding program to support organizational understanding and smooth job adaptation, and through 1:1 buddy matching, we systematically support everything from workspace setup to integration into our corporate culture.

To strengthen job expertise, employees can voluntarily apply for outsourced job training and e-learning courses. In 2025, we ran basic and advanced courses with the goal of improving work efficiency and enhancing creative problem-solving capabilities through generative AI, and a total of 1,573 employees completed these courses. To enhance the expertise of research personnel, we expanded specialized training such as patents, project management (PM), and design of experiments, reflecting the characteristics of the R&D field. We also developed in-house instructors, establishing a foundation for stably running fundamental training for research roles internally.

03. Developing Global and Future-Ready Capabilities

Coway systematically runs global capability and sustainability management training to respond to changes in the global business environment and secure future competitiveness. We have established a comprehensive training framework covering all stages of global deployment—from Pre-expatriate Intensive Training and the Expatriate Program to the Repatriation Program, which supports the smooth reintegration of returning employees into their domestic departments. In particular, we run the "GTT (Global Talent Track)" course for expatriate candidates to build local business knowledge and capabilities.

In addition, we run video-based foreign language training that all employees can apply for at any time, supporting the strengthening of language capabilities. To embed ESG management, we conduct various training programs every year. In 2025, we delivered environmental training centered on climate-related risks and opportunities to 46 employees from ESG-related working departments, strengthening company-wide capabilities to address sustainability challenges.

04. Supporting Self-Directed Learning and Life-Cycle Linked Growth

Coway runs training programs to support employees' voluntary participation in learning and their growth across the entire life cycle. In particular, under the principle of providing equal growth opportunities to all employees regardless of employment type, we actively support not only full-time employees but also contract and part-time employees to take training courses related to their roles and strengthen their expertise.

In 2025, to foster a learning culture among employees and encourage knowledge sharing, we launched the "COC (Community of Coway)," in which employees voluntarily form crews and learn together around areas of interest such as AI, job skills, and foreign languages. A total of 255 employees participated in the program, recording a satisfaction score of 4.8 out of 5 and a re-participation intent of 97%, and we plan to expand the program in 2026 based on this positive response.

To support the stable social reintegration of employees approaching retirement, we provide tailored lectures and expert consultations on topics such as change management, government support programs, and financial planning. In 2025, these transition programs received a high satisfaction score of 4.8 out of 5, successfully fulfilling our corporate social responsibility.

Employee Performance Management

Coway is continuously enhancing its performance evaluation system to support employees who learn and take on challenges on their own toward becoming "Top-class Talent." The core of this system lies in enhancing the fairness of compensation through reasonable criteria and transparent procedures that everyone can accept.

01. Fair Performance Management Framework

Moving away from the previous evaluation method that grouped employees by job level, we have transitioned to an integrated evaluation across all levels, ensuring that individual contributions and performance are accurately reflected in the evaluation results. We are also continuously accumulating verification data on employee competencies through year-round competency assessment activities and talent development strategies. The objective data secured through this process serves as a key foundation for understanding changes in each employee's competencies and supports optimal talent placement and tailored growth support.

02. Continuous Feedback Culture

To enhance the credibility of evaluations, we have moved beyond one-time, results-oriented evaluations and run a continuous performance management framework that manages the entire process from goal setting to achievement. From the beginning of the year, evaluators and appraisees mutually establish individual goals that reflect departmental KPIs and the expectations of each job level, forming a foundation for the organization and its employees to share core values and move in a unified direction.

In particular, we conduct interim reviews and provide real-time feedback on year-round progress, managing employee performance through continuous coaching by department heads. At the final evaluation stage, we operate a "Calibration Committee" to comprehensively review individual performance, ensuring objectivity and reliability throughout the entire evaluation process.

Performance Evaluation Process

Coway's performance evaluation operates through the process of "Goal Setting → Interim Review → Final Evaluation and Feedback.”

Individual/Organizational Performance Evaluation Process

STEP 01	STEP 02	STEP 03
Beginning of the Year - Objective Setting	Year-Round (Continuous) - Interim Review	End of the Year - Final appraisal and result feedback
· Setting individual goals · Finalizing and reviewing goals	· Interim review and feedback	· Conducting self-evaluations and leader assessments · Operating the Calibration Committee · Confirming and coaching on evaluations

Employee Performance Appraisals[1)]

Category	Details	Frequency	Percentage of Employees Appraised
Management by Objectives (MBO)	Setting objectives, continuously modifying and supplementing them, and recording feedback on work processes in the appraisal system	Ongoing	100%
360-degree feedback	Appraisal by colleagues and leaders focused on core values and work methods required from all employees	Annually	98.8%
Team-based appraisal	Systematic appraisal of employee performance based on organizational standards, and assignment of ratings according to appraisal results	Annually	100%

1) Excludes employees on leave, those with less than the required service period for performance evaluation, and other personnel not subject to evaluation. Field positions (production, sales, and service manager roles) are also excluded; field positions are evaluated separately each month based on performance.

Fostering a Sound Corporate Culture

Constructive Labor-Management Relations

Coway operates with multiple labor unions established across various job categories and occupations, maintaining a constructive labor-management partnership dedicated to enhancing working conditions and workplace environments tailored to the distinct characteristics of each function. Key corporate governance matters and operational updates are systematically shared through regular labor-management councils convened with worker representatives at each operational site. In the event of significant operational changes, Coway transparently discloses relevant information while proactively addressing and integrating employee grievances and feedback. Demonstrating the efficacy of this engagement framework, our quarterly labor-management councils deliberated on a total of 162 agenda items in 2025, spanning workplace environment optimization, employee welfare and institutional enhancements, and grievance resolution.

Family-Friendly System

To support work-life balance, Coway operates family-friendly programs, including dedicated rest areas and lactation rooms for pregnant employees, as well as support for childbirth and childcare. Through its in-house daycare center, Coway helps employees balance work and family responsibilities. Recognizing employee well-being as the foundation of corporate growth, Coway will continue to expand its maternity-friendly environment and family-friendly program.

Family-Friendly Programs

Fixed/flexible work hours Operating a PC-OFF system to encourage fixed and flexible working hours	**Health check-up leave** Providing paid half-day leave for health checkups
Family care leave/leave of absence Supporting leave (up to 10 days per year) and leave of absence (up to 90 days per year) for employees who need to care for family members	**Paternity Leave (Leave for Spouse's Childbirth)** Providing 20 days of leave for employees whose spouses give birth (available in up to three installments)
Reduced working hours during pregnancy 2-hour reduced working hours during early and late stages of pregnancy	**Fertility treatment leave/leave of absence** Supporting leave (up to 6 days per year) and leave of absence (1 month per year and up to 3 months in total) for employees who need fertility treatment
Elementary school entrance leave Providing employees with 5 days of leave to help their children adjust to entering elementary school	**Lactation facilities** Providing dedicated rest and lactation rooms for pregnant employees
Reduced working hours for childcare Allowing reduced working hours of up to 3 years (1 year plus a 2-year extension) for childcare purposes	**Rest facilities** Operating an in-house cafe and providing rest areas to promote efficient work
Leave for various life events Providing leave in the event of life events for congratulations/condolences	**Operation of a daycare center** Providing tailored childcare services through an exclusive in-house daycare center operating from 08:30 to 22:00, accommodating diverse work schedules

<u>Family-Friendly Company Certification for the Fifth Consecutive Time</u>

Coway has been selected as a Best Family-Friendly Certified Company by the Ministry of Gender Equality and Family for five consecutive certifications, establishing itself as a benchmark for a supportive corporate culture. This certification is granted every three years to companies and institutions that have implemented family-friendly programs, including childbirth and childcare support. Since first receiving the certification in 2012, Coway has continuously expanded related programs and maintains the certification through 2026 (Valid: Dec. 1, 2023 - Nov. 30, 2026). Coway also operates a daycare center exclusively for employees' children to help employees focus on their work without childcare burdens. Coway will continue fostering a workplace environment that supports seamless work-life integration and enables employees to fully leverage their capabilities.

Diversity and Inclusion

<u>Diversity Policy</u>

Coway formalizes the principles of respect for diversity and non-discrimination through its Code of Ethics, Ethics Practice Guidelines, and Human Rights Policy. We foster a corporate culture where no personal characteristics—including gender, nationality, disability, or religion—result in disadvantage, ensuring equal opportunities and leveraging diverse employee backgrounds and perspectives.

While eliminating gender-based discrimination across all human resources programs, Coway continues to expand the share of women in management positions. As of 2025, women in management—including branch managers within the sales function—accounted for 62% of all management positions, while female leaders at the TF leader level or above represented 17%. Female representation within senior leadership (head of department or above) increased by 3 percentage points from the previous year. Coway aims to increase this ratio to 20% by 2030 and will continue to nurture and promote female leaders.

<u>Expanding Employment for Individuals with Disabilities</u>

Coway actively promotes employment expansion and awareness-raising initiatives to support the self-reliance of individuals with disabilities. In 2022, we signed an agreement with the Korea Employment Agency for Persons with Disabilities (KEAD) and have continued creating sustainable job opportunities through this partnership. The number of employees with disabilities increased from 80 (1.2%) in 2021 to 124 (2.0%) in 2025. In 2022, Coway also established a wheelchair basketball team and a choir for the visually impaired to promote inclusive employment. In addition, we have expanded job opportunities for people with disabilities, including office support roles from 2024. Aiming to achieve a 2.5% employment rate for individuals with disabilities by 2030, Coway will continue expanding inclusive career paths and fulfilling its corporate social responsibility.

Culture of Mutual Respect

Coway pursues a healthy corporate culture grounded in horizontal communication and mutual respect, enabling employees to fully exercise their capabilities. To this end, Coway has established a company-wide "Nim" honorific system, under which all employees, from new hires to the CEO, collaborate within an equal relationship of respect. This institutional framework helps dismantle authoritarianism within the organization and supports an environment in which open exchange of views and rational decision-making are possible regardless of job level. This drives innovation across product design and customer service processes, serving as a core catalyst for Coway's differentiated market competitiveness.

In 2025, to embed this culture in day-to-day operations, Coway conducted "Team Onboarding Workshops" tailored for newly established units. Through this program, each team shared its strategic direction and held customized team-building sessions to define its own "ways of working." Employees participated voluntarily in identifying their team's core values, establishing a horizontal collaboration framework, and reinforcing team cohesion. Going forward, Coway will continue to embed a sustainable corporate where the company and its employees grow together, anchored in the values of autonomy and collaboration.

Organizational Culture Assessment

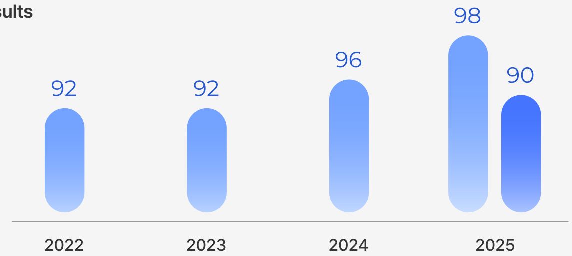
Coway conducts an annual company-wide organizational culture assessment to review the organization's execution foundation and ways of working, diagnose change readiness and execution barriers, and enhance employee satisfaction. In 2025, the assessment surveyed 1,641 employees, excluding certain field-based functions, and achieved a remarkably high response rate of 98%.

The assessment encompasses diverse dimensions, including awareness of change, a mindset of embracing challenges, and the daily work environment, with results highlights indicating significant positive shifts particularly within the "Culture of Mutual Respect." "Horizontal communication," a representative practice, rose from 76.8 points in 2022 to 85.6 points in 2024[1], demonstrating consistent and uniform improvement across the entire workforce. Through years of cultural management, mutual respect practices such as the use of polite language and the "Nim culture" have reached a high level of recognition and adoption across the company. The "Collaboration" category, which represents respect culture at the organizational level, also improved from 77.2 points in 2022 to 86.2 points in 2025.

Coway goes beyond conducting the assessment. It ensures that the results translate into substantive organizational improvement. Beginning in 2025, we revised the direction of the assessment to strengthen items that enable employees to experience tangible growth in their actual work and to contribute to improving the work environment. Organization-specific vulnerabilities and improvement directions identified through the assessment are shared with each leader in dedicated sessions, on the basis of which leaders address issues within their organizations and drive positive change. In 2026, we plan to further refine and conduct the assessment so that employees can experience growth and engage in their work in a more efficient environment.

1) Due to the strategic reorganization of the corporate culture assessment framework, the horizontal communication dimension has not been evaluated as a separate metrics category since 2025.

Organizational Culture Assessment Results



(Unit: %)
- Coverage (% of FTEs responded)
- Percentage of Employees with Top-level Engagement/Satisfaction[1]

1) Percentage of "Strongly Agree"/"Agree" responses in the overall team organizational culture satisfaction survey

Employee Welfare and Benefits

Employee Welfare and Benefit Programs

To support our employees' financial stability, well-being, and work engagement, Coway operates a comprehensive and diverse range of welfare programs, including long-term career refresh leave, housing interest subsidies, and children's tuition support. Coway identifies these needs through ongoing communication. It plans to expand its welfare offerings to cover not only employees but also extended support for their families.

Employee Benefits and Welfare Programs

Culture/ Leisure	Welfare points	Welfare points granted annually based on years of service
	Long-term leave support	Special paid leave and vacation allowances for long-serving employees, offering them opportunities for rest and renewal
	Support for Resort Accommodations	Support for employee leisure activities by providing corporate membership to premier resorts nationwide
Working Conditions/ Workplace Environment	Housing loan interest subsidies	Interest financial support for loans related to home purchases or residential leases
	Children's Tuition Subsidies	Tuition support for employees' children
	Employee Tuition Assistance	Educational expense support for self-development and competency-building
Medical/ Life Family Events	Health checkups for employees	Annual general and special health check-ups for eligible employees
	Funeral personnel and supplies service	Funeral services and supplies for the loss of an immediate family member
	Birthday and wedding anniversary gifts	Celebratory gifts for birthdays and wedding anniversaries
	Congratulatory and condolence benefits	Leave and monetary support for marriage, childbirth, and funerals
	Childbirth congratulatory gifts	Congratulatory gifts for childbirth
	Holiday and corporate anniversary gifts	Gifts for national holidays and the corporate foundation anniversary

Health and Safety

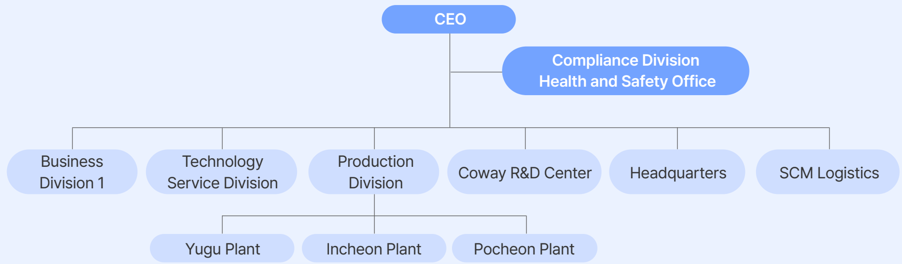
Health and Safety Governance

Health and Safety Organization

To secure specialized expertise in health and safety management and to implement prevention-focused safety management, Coway operates a dedicated unit, the Health and Safety Office. Comprising the Health and Safety Audit Team and the Health and Safety Operation Team, the office proactively mitigates company-wide severe workplace accident risks and executes core functions, including formulating safety strategies and ensuring compliance with applicable laws and regulations. Through a coordinated collaboration framework, the two teams work closely with the headquarters, business divisions, and production plants to systematically manage on-site health and safety matters.

To align the health and safety management framework with the company-wide compliance system, Coway has reinforced its governance by placing the Health and Safety Office under the Compliance Division. This arrangement enhances Coway's capabilities to address health and safety-related regulations and enables more consistent and effective management of potential risk factors at each business site through a company-wide management framework. Building on this robust organizational and governance framework, Coway continues to advance its health and safety culture.

Organizational Chart for Health and Safety



Occupational Health and Safety Committee

Coway's Occupational Health and Safety (OHS) Committee is composed of an equal number of labor and management representatives and is responsible for ensuring worker safety and creating a healthy working environment.

The Committee holds quarterly regular meetings as well as ad-hoc emergency meetings to deliberate and resolve key agenda items, including occupational accident prevention, the drafting and amending of health and safety regulations, root-cause investigations of severe workplace accidents, and the establishment of recurrence prevention measures. All submitted agenda items are either addressed immediately or systematically tracked and executed until fully implemented through dedicated action plans.

Operation of the Occupational Health and Safety Committee

Member Composition	· Equal representation: From employer and employees · Changes in members: Any changes must be mutually notified within 7 days	Meetings	· Regular meetings: Held quarterly · Ad-hoc meetings: Whenever there are agenda items to discuss (when convened by the chairperson or requested by either labor or management) · Execution Level: Conducted at the individual workplace/site level
Duties of Members	· Chairperson: Oversees Committee's operations and convenes regular and ad-hoc meetings · Members: Deliberate and decide on agenda items assigned to the Committee · Secretary: Prepares meeting minutes, submits agenda items, and monitors the implementation of resolutions	Key Agenda Items	· Matters in accordance with Article 24, Paragraph 2 of the Occupational Safety and Health Act - Formulating an industrial accident prevention plan - Preparing and amending health and safety management regulations - Providing OHS training and employee health screenings - Recording and maintaining statistics on industrial accidents - Investigating causes of industrial accidents and formulating measures to prevent recurrence

Health and Safety Management Policy

Through its Health and Safety Management Policy, Coway clearly demonstrates management's commitment to safety, and ensures that employees and partners share the same standards by posting the policy at each business site. Coway places the highest priority on the safety and health of all stakeholders involved in its business, including workers, customers, citizens, and partners. With the strategic goal of establishing workplaces entirely free from severe workplace accidents, Coway strictly complies with the Serious Accidents Punishment Act (SAPA) and the Occupational Safety and Health Act, while continuously reinforcing its occupational health and safety (OHS) risk response frameworks.

Health and Safety Management Policy

Health and Safety Management Policy
COWAY Corporation recognizes safety and health as the foremost priority as a corporate citizen and strives for the safety and health of all employees throughout its business activities.

01. **Ensuring Employee Health through Creating a Safe Work Environment**
We strive to enhance the quality of life and health of employees by identifying and improving potential hazards to create a work environment where all employees can work safely and healthily.

02. **Compliance with Legal and Regulatory Requirements in Business Activities**
We comply with international standards, relevant laws and regulations, internal regulations, and standards related to safety and health.

03. **Raising Awareness of Employee Safety and Health**
We raise awareness of safety and health throughout the organization and provide education and training to ensure active participation of all employees.

04. **Continuous Improvement Activities for Safety and Health**
We regularly set goals, implement, inspect, and improve activities to enhance the level of safety and health.

05. **Growth in Partnership with Stakeholders and Partners**
We strengthen mutual cooperation through smooth communication with internal and external stakeholders regarding key safety and health matters. We also provide continuous support to improve the safety levels of partners, aiming to establish a healthy safety culture.

January 2, 2024 | Seo Jang-won, CEO of Coway Co., Ltd.

Health and Safety Management System Certification

Since obtaining ISO45001 certification in July 2021, Coway has been running its Occupational Health and Safety Management System centered on the Yugu, Incheon, and Pocheon Plants, as well as the Coway R&D Center. Through this system, Coway remains dedicated to preemptively mitigating occupational accident risks, including severe workplace accidents, and minimizing potential impacts. Beyond mere regulatory compliance, Coway also conducts a range of activities to build a health and safety culture in which employees voluntarily participate and put it into practice.

ISO45001 Certification Status

Certified Site	Certification Validity Period	Certified Site	Certification Validity Period
Yugu Plant	July 7, 2021 – July 13, 2026	Pocheon Plant	July 7, 2021 – July 13, 2026
Incheon Plant	July 7, 2021 – July 13, 2026	Coway R&D Center	December 21, 2023 – July 13, 2026

Health and Safety Strategy

Health and Safety Implementation Framework

Coway has set 'A company that prioritizes the health and safety of its employees' as its health and safety vision. Its mission is to create a safe and healthy working environment. Coway advances its health and safety management around five core values. While systematically identifying and eliminating potential hazards in advance, we ensure strict compliance with applicable statutory laws and regulations to foster a pleasant and safe workplace. Coway strengthens employee health and safety awareness through tailored training and exercises suited to each role and worksite. It has also taken proactive steps to sustain improvement activities through clear goal-setting and execution monitoring. We also actively share health and safety data and technical know-how with our partners to foster a corporate culture of mutual growth, driving sustainable advancement alongside all stakeholders.

Health and Safety Strategy

MISSION	VISION
We create a safe and healthy working environment	A company that prioritizes the health and safety of its employees

Management policies based on core values	Directions	Operational strategies
Health and Safety	Ensuring employee safety and health	· Removing potential hazards and strengthening management based on risk assessment · Substituting hazardous factors and applying engineering controls
Regulatory Compliance	Proactive response	· Establishing a monitoring framework for OHS legislation and regulatory trends · Conducting compliance audits and operating corrective action processes
Raising Awareness of Health and Safety	Education and training	· Developing and delivering tailored OHS training programs · Regularly conducting participatory emergency drills and safety campaigns
Improving the Level of Health and Safety Management	Continuous improvement	· Setting OHS objectives and managing KPIs · Conducting regular OHS audits and driving continuous improvement initiatives
Mutual Growth	Mutual cooperation	· Operating OHS support programs for partners · Expanding OHS data sharing and technical assistance

Health and Safety Goals

Coway places the lives and health of its workers as the top priority and operates its health and safety management framework with the goal of achieving 'Zero' severe workplace accidents. In 2025, Coway achieved this goal by recording zero serious accidents, and exceeded its targets in both the hazard rectification rate and the rate of reduction in occupational accidents.

As part of its mid- to long-term plan, Coway is taking proactive steps to prevent accidents at high-risk worksites through the introduction and expansion of AI-based safety management systems. We are also embedding a strong safety culture across the enterprise by strengthening worker-participatory risk assessments and field-driven continuous improvements. By successfully settling smart monitoring and data-driven management systems, Coway continuously mitigates hazards and fosters an autonomous OHS culture at each worksite, ultimately driving sustainable safety management.

Health and Safety Management Goals

Management Indicator	2025 Target	2025 Performance	Detailed Plans by Year		
			2026	2027	2028
'Zero' Severe Workplace Accidents	0 cases	0 cases	Introduction of an AI-based safety management system at high-risk locations	Expanding and advancing operation of the AI safety management system	Establishing the AI-based integrated safety management framework and advancing severe workplace accident prevention
Hazard Rectification Rate (excluding partners)	90% or higher	97.3%	Strengthening worker-participatory cooperation and advancing hazard rectification activities (90% or higher)	Embedding worker-participatory risk assessment operations and strengthening field-driven continuous improvements (90% or higher)	Implementing a data-driven hazard management framework and promoting continuous improvement activities (90% or higher)

Health and Safety Risk Management

Health and Safety Regulation Compliance Inspection

To systematically manage health and safety at its worksites, Coway strictly complies with relevant laws, including the Serious Accidents Punishment Act (SAPA) and the Occupational Safety and Health Act. Going beyond mere legal compliance, Coway fosters an environment where employees and suppliers' personnel can work with peace of mind through regular inspection and improvement of its company-wide safety and health management framework.

To fulfill the employer's safety obligations under the law, Coway conducts semi-annual inspections of the safety and health management framework at each site. These audits cover all operational areas—general, mechanical, electrical, chemical, and fire safety—identifying hazards and proactively breaking the chains that could lead to serious accidents. In 2025, based on these findings, Coway completed key rectification measures, including standardizing safety devices for production facilities, establishing tailored protocols for vulnerable lines, reinforcing safety guides, and installing roof-fall prevention systems. The results and compliance status are regularly reported to senior management as core inputs for company-wide safety policies.

Coway also operates a separate inspection framework for hazardous machinery and equipment under the Occupational Safety and Health Act. Focusing on equipment subject to protective measures, safety certification and self-regulation safety check reports, and statutory safety inspections, on-site supervisors conduct pre-work inspections by process line to verify compliance. When abnormalities are detected, Coway immediately suspends operation to maintain strict safety control.

Areas of Compliance Inspection under the Serious Accidents Punishment Act

Health and Safety System	Health and safety regulations and procedures, mandatory legal training, Material Safety Data Sheets (MSDS), risk assessments, partner management, Occupational Health and Safety Committee, etc.
On-site Inspection	General safety, mechanical safety, electrical safety, chemical safety, fire safety, etc.

Worksite Risk Assessment

To manage direct and indirect hazards that may arise across all areas of work, including production, service, research, and support, Coway conducts an annual risk assessment covering all processes. During the assessment, Coway systematically identifies hazardous and risk factors at the worksite and comprehensively reviews the likelihood of injury or illness and the severity of potential harm. Based on the assessment outcomes, Coway formulates and implements hazard mitigation measures in order of priority, beginning with the highest-risk items, with each measure accompanied by targeted training to empower workers to identify and respond to workplace hazards firsthand. Furthermore, we conduct ad-hoc risk assessments to proactively respond whenever new hazards are anticipated, such as during the installation or modification of structures, the introduction or alteration of machinery, equipment, or raw materials, and in response to occupational accidents.

Risk Assessment Process

STEP 01
- Regular Assessment: Annual reexamination of the appropriateness of risk assessment results
- Ad-hoc Assessment: When introducing new equipment or materials or when experiencing an accident

STEP 02 Formulating mitigation measures and executing improvements

STEP 03 Conducting training for employees

STEP 04 Documenting and maintaining operational records

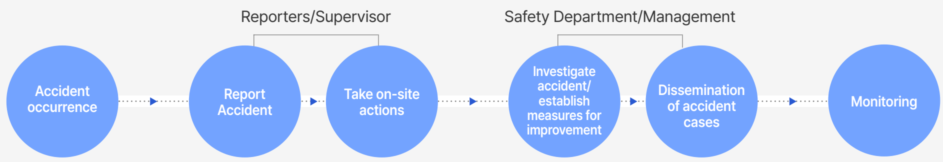
Key Outcomes of the 2025 Risk Assessment

Category	Identified Key Hazards	Risk Mitigation Measures	Number of Cases Identified	Measures Executed	Completion Rate	Pre-Improvement Risk Level	Post-Improvement Risk Level
Production	· Entrapment in open equipment driving parts · Electric shock from exposed live parts of distribution panels · Collision with fixed structures	· Robot fences and conveyor drive covers installed · Live-part covers and door grounding installed · Protruding structures removed and collision prevention applied	94	86	91.5%	7.62	2.61
Research and Service	· Falls from damaged warehouse floors · Fire from outlet overheating · Musculoskeletal disorders from repetitive work · Slipping on stairs · Waste filter drops from damaged roll containers	· Damaged asphalt repaved and anti-trip rubber mats improved · Overcurrent breakers installed for high-power lab equipment · Musculoskeletal protective gear provided · Non-slip stair treads installed with caution signs posted · Damaged roll containers repaired	214	209	97.7%	6.69	2.09

Accident Response Process

Coway has established an accident response process to ensure that, immediately upon the occurrence of a health and safety accident, the situation is accurately identified and systematic follow-up measures are taken. In the cause investigation stage, the health and safety manager and the supervisor of the relevant department visit the site in person to verify the facts, and the department where the accident occurred establishes and implements recurrence prevention measures based on those findings. For serious accidents, Coway has a system in place to immediately report to management, while sharing accident cases with all employees to raise company-wide safety awareness.

Accident Response Process



Health and Safety Activities

Health and Safety Training

To raise health and safety awareness and capabilities among its employees, Coway regularly conducts training programs tailored to job categories and roles. Anchored by routine safety training mandatory for all employees, the curriculum features specialized modules including supervisor training to strengthen on-site safety management oversight, onboarding safety training for new hires, and technical competency-building courses for dedicated OHS personnel. Furthermore, specialized safety training is seamlessly extended to dependent self-employed workers, and Coway reinforces on-site incident prevention dynamics through the company-wide distribution of One-Page Sheets (OPS)[1].

1) OPS: One Page Sheet, a health and safety notice published on a single page

Safety Training Status

Category	Trainees	Frequency	Training Hours	Number of Employees Trained
Regular training for employees	All employees	Twice a year	· Office workers: 6 hours · Non-office workers: 12 hours	5,488
Regular training for supervisors	Supervisors	Annually	· 16 hours	672
Onboarding training	New hires	Upon hiring	· 8 hours	589
Job training	People in charge of health and safety management	Once every 2 years	· 6 hours	Target personnel
	Health and Safety Managers	Once every 2 years	· New: 34 hours · Refresher: 24 hours	Target personnel
Initial training at the commencement of work	Dependent self-employed workers	Upon deployment	· 2 hours	No. deployed

Emergency Response Training

Coway has predefined scenarios and employee role assignments for each type of emergency, and has established an initial response framework through the formation of In-house Emergency Response Teams (ERTs) across respective divisions and the operation of an emergency contact network. Coway conducts training at least once a year to prepare against facility safety accidents, fires, and chemical spills, and periodically verifies whether responses can be carried out as planned in actual situations.

Employee Wellness

Employee Wellness and Preventive Health Programs

To promote the physical and mental health of its employees, Coway operates an in-house occupational health clinic and dedicated Health Care Zones, providing tailored support for the prevention of musculoskeletal disorders. Each business site is equipped with a Health Care Zone with self-service blood pressure monitors and stretching tools, enabling employees to manage their health on a daily basis. For field workers, Coway has introduced customized hearing protection equipment and improved the slip-resistance of safety shoes to enhance the safety of the workplace environment.
To support emotional health management, Coway runs a counseling room to help relieve job stress and provide psychological stability, and has developed and implemented a dedicated response manual for employees engaged in emotional labor. Annual general health screenings are comprehensively conducted for all employees, and specialized occupational health screenings are seamlessly provided to personnel exposed to higher job-related hazards. Coway systematically analyzes these screening outcomes, linking the data to tailored follow-up management programs to foster proactive disease prevention and long-term workforce health promotion.

Spreading a Safety Culture at Manufacturing Sites

To fundamentally eliminate potential risks at its manufacturing sites, Coway runs a "Safety CFT (Cross-Functional Team)" composed of experts from relevant departments. Through this activity, Coway has developed common safety standards for key equipment such as industrial robots and conveyors, and is committed to identifying and addressing every hazard on the worksite.

Through this cross-departmental collaboration framework, Coway is reinforcing safety devices from the equipment design stage through operation. Coway has advanced these activities beyond simple environmental improvements. As a result, the value of 'Safety First' is firmly embedded among on-site employees. In doing so, Coway eliminates the potential for serious accidents at the source and is building a smart factory environment in which an autonomous safety culture is firmly established.

Safety CFT Activities at Manufacturing Sites

Service Manager Health Promotion Program

To protect the health of its on-site service managers, Coway carries out activities to prevent musculoskeletal disorders and chronic lifestyle diseases. Coway has placed "Health and Safety Supporters" at each branch nationwide to regularly conduct stretching activities, and runs the "8,000 Steps a Day Walking Challenge" to support the health management of high-risk groups for conditions such as hypertension and hyperlipidemia.

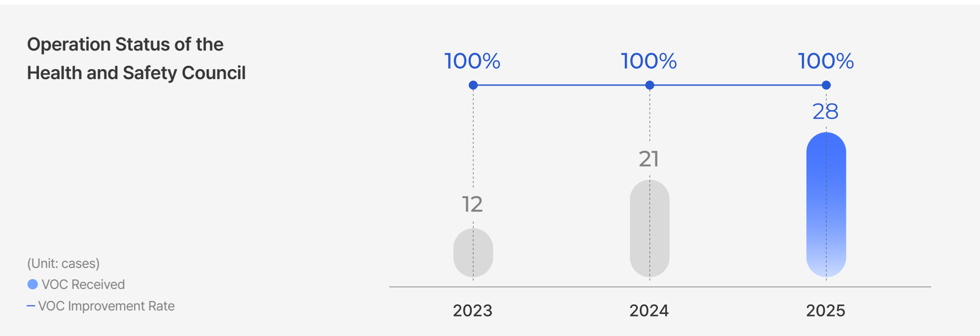
Coway also creates and distributes "health and safety short-form content" optimized for mobile environments, helping employees learn essential safety rules anytime, anywhere. Driven by these field-centric preventive activities, the occupational accident rate across service sites decreased significantly year-over-year in 2025. Coway plans to continue strengthening its health and safety management framework to build an even healthier and safer working environment.

Stretching Session for Service Managers

Partner Health and Safety Management

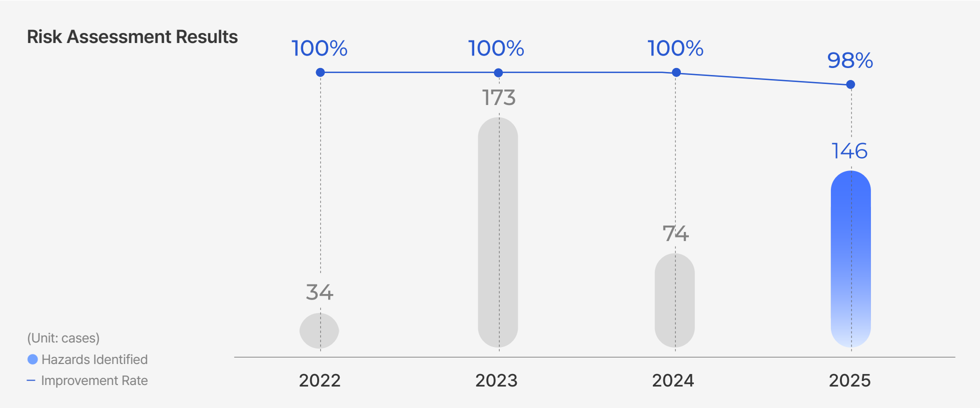
Council for Occupational Safety and Health

Coway operates a Health and Safety Council with its in-house partners to share health and safety information and gather field-level feedback. Each quarter, joint inspections of work processes are conducted with the business owners and workers of partners to identify on-site hazards—such as securing dedicated forklift travel routes and upgrading emergency exits and workplace lighting—and to implement targeted corrective measures. Through these efforts, Coway works to prevent occupational accidents and create a safe working environment across all business sites, including those of its partners.



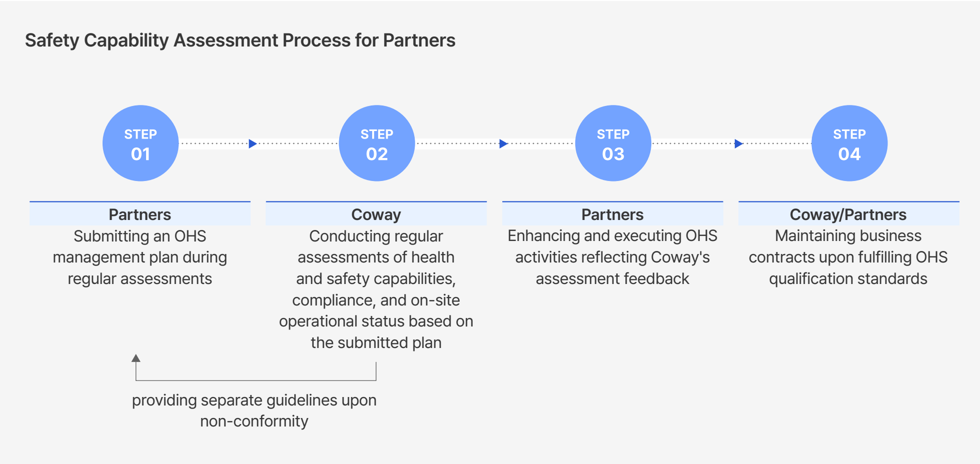
Safety Risk Assessment

Coway conducts regular risk assessments for its in-house partners to proactively identify and address potential on-site hazards. To address specific hazards identified through these assessments—such as falls, collisions, and fires—Coway executes concrete corrective measures, including repairing uneven flooring to eliminate trip hazards, expanding safety signage, and substituting products containing hazardous substances.



Health and Safety Capability Assessment for Qualified Partners

To strengthen health and safety management across its supply chain, Coway mandatorily evaluates OHS factors starting from the initial partner registration stage and conducts re-registration assessments for existing partners every two years. The results of these assessments are linked to overall partner revaluation KPIs, leading to substantive management actions. In 2025, Coway completed regular assessments for 31 partners. New partners failing to meet the qualification criteria are restricted from registration, while existing partners with non-conformities are provided with targeted corrective action guidelines and monitored for compliance, ensuring that assessment results translate into a highly effective OHS management framework.



Human Rights Management

Human Rights Management Governance

Human Rights Management Organization

Coway discusses key matters related to human rights management and makes related decisions through the ESG Committee and the ESG Council. The ESG Committee includes the highest decision-makers, while the ESG Council comprises decision-makers and working-level personnel from key departments. The Committee periodically reports on and deliberates the enactment and revision of human rights management policies, as well as related status and plans. The day-to-day operation of human rights management is jointly led by the HR Team and the ESG Team, which oversee the establishment and execution of the Human Rights Impact Assessment (HRIA) framework, the formulation of corrective action plans, and implementation monitoring. Internal discussions for submitting agenda items to the Committee are conducted through a working-level council, with mandatory participation from HR, Labor Relations, Ethical Management, and Legal Affairs personnel.

Human Rights Management Policy

Coway's human rights management policy is established based on the principles and standards of the Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs), and the International Labour Organization (ILO). Its scope is not limited to employees but extends to all stakeholders across the value chain, including customers, partners, and local communities. The policy encompasses core human rights principles, including non-discrimination, the prohibition of child labor and forced labor, compliance with working hours, humane treatment, safety and health, freedom of association, responsible mineral sourcing, consumer safety and health, responsible marketing, personal information protection, and the protection of the human rights of local residents. Coway's commitment to implementing these principles is formalized in this policy.

Human Rights Management Policy

Human Rights Management Strategy

Human Rights Management Implementation Framework

Under the human rights management vision of "Elevating the Value of the Environment and Human Rights," Coway is advancing human rights management with the goal of spreading a culture of human rights respect across all stakeholders and preventing human rights violations. Based on its mid- to long-term roadmap and detailed annual initiatives, Coway is building a global-standard human rights management system to advance respect for human rights.

Strategic Framework for Human Rights Management

Vision	Elevating the Value of the Environment and Human Rights		
Goals	Fulfilling respect for human rights across key stakeholders by advancing and internalizing a global-standard human rights management system		
	Upgrading the human rights management system (2026~2027)	Internalizing the human rights management (2028~2029)	Advancing the human rights management (2030 and beyond)
Mid- to Long-term Roadmap	· Refining human rights governance and policies · Establishing human rights due diligence processes and frameworks · Engaging key stakeholders in human rights management	· Internalizing the human rights due diligence framework · Promoting a culture of human rights management · Collecting awareness and input from key stakeholders	· Disclosing human rights management performance transparently · Continuing and refining human rights due diligence efforts · Enhancing human rights management mechanisms and policies · Expanding stakeholder engagement
Implementation Activities	· Defining roles and responsibilities for human rights due diligence and institutionalizing the reporting framework · Revising human rights policies and HR regulations in accordance with global guidelines (UNGPs, OECD, ILO, etc.) · Executing Human Rights Impact Assessments (HRIAs) across major domestic business sites to identify emerging risks · Prioritizing improvement tasks identified through human rights impact assessments · Developing questionnaire items for human rights surveys	· Developing human rights training programs and content, and expanding awareness-raising initiatives · Executing corrective action plans from HRIAs, monitoring implementation, and evaluating effectiveness · Conducting human rights perception surveys to monitor workplace climate and actual awareness	· Broadening the disclosure of human rights management performance and information, including in the Sustainability Report · Driving substantive institutional enhancements, including grievance mechanism operations · Upgrading HRIA indicators and evaluation methodologies · Expanding human rights surveys across all job categories and conducting in-depth interviews with vulnerable worker groups
Detailed Targets	· Complete 20% of HRIA corrective action tasks	· Complete 50% of HRIA corrective action tasks · Expand HRIA coverage (covering major overseas business sites)	· Complete 90%+ of HRIA corrective action tasks · Expand HRIA coverage (covering key supply chain partners)

Human Rights Risk Management

Through the 2025 Human Rights Management System Project, Coway has restructured its operational framework to manage human rights issues more systematically. The process is designed to proactively identify and prioritize human rights risks that may arise across corporate activities, and to review the level of relevant systems and operations to determine areas in need of improvement. Furthermore, it operates as an iterative virtuous cycle that articulates potential risks based on on-site worker perceptions and operational realities, formulates and executes targeted corrective action plans, and continuously monitors implementation progress on an ongoing basis. Through this framework, Coway will preempt human rights risks and further enhance the execution of human rights management across the organization. Coway will transparently disclose its human rights management activities and performance in the Sustainability Report and foster a culture of respect for human rights across Coway through stakeholder engagement.

Human Rights Management Risk Management Process

STEP 01 — Human Rights Materiality Assessment
- Identifying business-specific human rights risks
- Identifying and prioritizing potential human rights impacts arising from business activities

STEP 02 — Human Rights Impact Assessment (HRIA)
- Reviewing the level of the risk management framework
- Securing evidence of framework review and management implementation
- Identifying necessary improvements to policies and procedures for risk prevention

STEP 03 — Human Rights Perception & Status Survey
- Identifying actual risks as perceived by workers
- Identifying gaps between systems and actual operations and identifying potential risks
- Developing worker-centric corrective action plans

STEP 04 — Implementation and Review of Improvement Initiatives
- Integrating assessment and survey outcomes into due diligence corrective action plans to set priorities and monitor execution progress
- Institutionalizing Human Rights Due Diligence (HRDD) into daily and annual business operations

Human Rights Impact Assessment

In 2025, Coway advanced its human rights impact assessment framework by establishing a phased process that seamlessly connects every step, from indicator development to the derivation of corrective action plans. Coway first defined five core assessment themes—Human Rights & HR/Labor, Occupational Health & Safety, Ethics, Partners, and Environment—reflecting global standards and key regulatory requirements, including the UNGPs, OECD Guidelines, and the RBA Code of Conduct. Coway also significantly upgraded its assessment indicators compared to 2024 by tailoring them to the distinct characteristics of five key job categories: Office, Production, R&D, Technical Service, and Sales Management. This was designed to identify potential human rights risks stemming from the unique employment and work arrangements of certain job categories in advance, and to build a preventive framework. Based on this, we conducted desk reviews of relevant departments through written assessments, and then reinforced on-site due diligence led by external experts to elevate the level of management and the reliability of supporting evidence. Through this process, we identified key human rights issues and vulnerable stakeholders, derived improvement tasks, and established detailed implementation plans for each. Coway will execute these tasks from short-term and mid- to long-term perspectives based on their materiality and feasibility, and continuously monitor implementation, thereby proactively managing company-wide human rights risks and continually strengthening the effectiveness of its human rights management system.

Human Rights Impact Assessment Process

STEP 01 — Indicator Development
- Developing indicators across five themes for each of five job categories
- Matching department/personnel and distributing indicators

STEP 02 — Desk assessment
- Conducting desk assessments by personnel in relevant departments
- Compiling the results of desk assessments and reviewing supporting evidence
- Identifying items requiring on-site verification

STEP 03 — On-site Assessment (including secondary document review)
- Conducting human rights due diligence led by experts in each field

STEP 04 — Identification of Improvement Initiatives
- Formulating improvement recommendations
- Deriving and prioritizing corrective action plans in alignment with assessment results

Five Themes and Theme-Specific Items of the Human Rights Impact Assessment

Theme	Items				
Human Rights & HR/Labor	· Human rights & due diligence framework	· HR systems	· Collective agreements & labor unions	· Grievance mechanisms	
Occupational Safety	· Workplace accidents & occupational illnesses	· Facility safety			
Ethics	· Anti-corruption & improper benefits	· Advertising & information disclosure	· Intellectual property & technology protection	· Consumer protection	· Personal data protection
Partners (Supply Chain Management)	· Supply chain due diligence framework	· Fair trade	· Partner contract management	· Partner evaluation	· Partner grievance mechanisms
Environment	· Local environment & ecosystem protection	· Safety & hazardous/ toxic substances	· Climate change response		

Human Rights Impact Assessment Results

The 2025 human rights impact assessment confirmed that Coway maintains a sound level of human rights management overall, while identifying potential risks that may arise for certain stakeholders. Accordingly, we have identified key human rights issues for each core stakeholder group, including employees, partners, local communities, and customers, and established short-term and mid- to long-term risk mitigation measures. Coway plans to advance its human rights management through systematic execution.

Key Risks Identified by Stakeholder Group

Stakeholder	Key Human Rights Issue	Issue Description	Key Mitigation Activities
Employees	Establishing a human rights management system	Need to keep human rights management policies up to date and ensure their effectiveness	· [Short-term] Establish and formalize a regular revision process for human rights policies
	Strengthening ethical management and transparency	Control ethics-related risks such as internal misconduct, and foster a fair and transparent organizational culture	· [Short-term] Update the Ethics Charter, Ethics Regulations, and Ethical Practice Guidelines · [Mid- to long-term] Develop a Code of Conduct checklist, distribute it to all employees, and provide company-wide training
	Grievance handling and remediation mechanism	Enhance customized human rights and ethics guidelines tailored to work environments and protect employees' human rights by running effective grievance channels	· [Mid- to long-term] Strengthen human rights regulations and ethics guidelines, and expand the VOC channel · [Mid- to long-term] Upgrade the integrated management system for grievance surveys and resolution processes
Partners	Fair contracts and fair trade	Prevent unfair practices that leverage a dominant position and establish a transparent trading order	· [Short-term] Update the Ethics Charter, Ethics Regulations, and Ethical Practice Guidelines · [Mid- to long-term] Develop a Code of Conduct checklist, distribute it to all employees, and provide company-wide training
	Managing supply chain human rights risks	Monitor and manage potential human rights and labor violations across partners and the value chain	· [Mid- to long-term] Conduct self-assessments of key partners and gradually expand the scope of on-site evaluations · [Mid- to long-term] Distribute human rights protection guidelines for migrant workers at partner companies · [Mid- to long-term] Institutionalize Codes of Conduct and compliance pledges in partner selection/contracting, and establish human rights and labor risk due diligence procedures
Local Communities	Surrounding environment and biodiversity	Ensure the right of local residents near business sites to a pleasant environment, and establish a system to protect local ecosystems and biodiversity	· [Mid- to long-term] Drive biodiversity conservation activities adjacent to non-headquarters operational plants · [Mid- to long-term] Build an integrated framework for assessing biodiversity risks at business sites and managing related risks
Customers	Protection of consumer rights and interests	Protect consumer rights and interests by preventing exposure to false or exaggerated information in product and service advertisements	· [Mid- to long-term] Establish relevant provisions and a risk management framework

Human Rights Management Activities

Human Rights Management Training

To embed a culture of respect for human rights throughout the organization, Coway conducts annual human rights management training for all employees. In 2025, the "Coway Human Rights Management UP" training was provided to 6,268 employees, with all participants completing courses covering topics including the prevention of sexual harassment in the workplace, the prevention of workplace harassment, awareness improvement on disabilities in the workplace, and personal data protection, achieving a completion rate of 100%.

2025 Human Rights Management Training

Title	Target Audience	Curriculum Content	Number of Participants	Frequency
Coway Human Rights Management UP	6,268 employees	· Prevention of sexual harassment in the workplace · Prevention of workplace harassment · Awareness improvement on disabilities in the workplace · Personal data protection	6,268 (Completion rate: 100%)	Annually

Human Rights Grievance Handling Mechanism

To ensure that employees can immediately voice their concerns when human rights violations or grievances arise, Coway has opened multiple reporting channels, including its groupware, messenger, and business apps. Received cases are managed by category, distinguishing between human rights violations such as workplace harassment, sexual harassment, and discrimination, and general grievances related to working conditions, employee benefits, and HR systems. Coway strictly enforces a principle of resolving cases within 10 days under an environment that guarantees absolute confidentiality and whistleblower protection. When objective investigation is required, external expert advisory services are leveraged. Depending on investigation outcomes, Coway executes appropriate measures through the Disciplinary/HR Committee alongside mandatory recurrence prevention training. In 2025, a total of 38 grievances were received, and all cases were fully processed in strict accordance with established procedures.

Grievance Reporting Channels

HQ and Coway R&D Center	Sales	Production	Field Jobs
Groupware (Portal) ▶ Business Support ▶ Grievance Counseling ▶ Describing and submitting the grievance	Dedicated Online Channel	Dedicated Online Channel	Coway Ethics Management website ▶ Report

Grievance Handling Process

STEP 01	STEP 02	STEP 03	STEP 04
Grievance Submission	**Case Assessment & Review**	**Conducting Investigation**	**Grievance Resolution & Remediation**
· Violation of human rights - Workplace bullying - Sexual harassment, etc. · Other grievances - Working environment - Welfare - HR Systems, etc.	· Reviewing detailed allegations and intake information · Executing whistleblower & complainant protection measures · Formulating investigation plans and scope	· Gathering statements and hearing opinions · Conducting fact-finding and evidence verification · Assessing validity of claims and establishing violation status	· Delivering the result · Making improvements - Implementing disciplinary actions and HR measure - Conducting mandatory recurrence prevention training

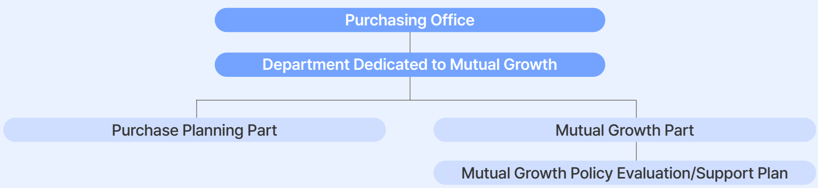
Supply Chain Management

Supply Chain Management Governance

Mutual Growth Organization

To build sustainable supply chain partnerships, Coway has established a dedicated organization for Mutual Growth and has established an operational framework driven by four core values. Going beyond simple transactional relationships, Coway is institutionalizing a shared accountability and performance-sharing framework with partners, thereby evolving these partnerships to systematically elevate sustainability standards throughout the entire value chain.

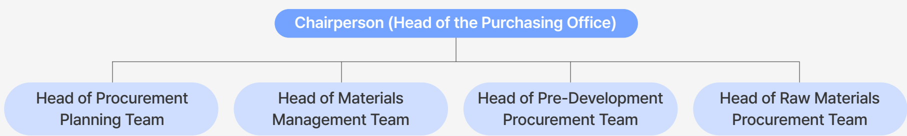
Governance Structure for Promoting Mutual Growth



Fair Competition Principles Organization

To internalize Fair Trade principles as an embedded corporate norm, Coway has established the “Fair Competition Compliance Committee” and operates a self-monitoring system. By designating dedicated departments and personnel, Coway periodically reviews compliance with the related guidelines and takes proactive steps to preempt non-compliance risks before they materialize.

Organizational Chart for the Fair Competition Compliance Committee



Supply Chain Policy

Supply Chain Sustainability Policy

To systematically manage sustainability across the entire supply chain, Coway has established the "Coway Supply Chain Sustainability Policy" and adopted it as the foundational guiding principle and direction for supply chain management. This policy presents the basic principles and goals of supply chain management with a focus on key areas, including environment, labor and human rights, safety and health, ethics, and governance, and reflects an approach that recognizes partners not as mere business partners but as partners in sustainability management. Coway assesses the ESG status of its partners in accordance with this policy. Where it identifies gaps, it strengthens supply chain management by requesting corrective actions, supporting improvement activities, and linking suppliers to targeted capability-building programs. The policy also serves as a top-level standard across individual management tools, including the Supplier Code of Conduct, evaluations and due diligence, and training and support. It provides the foundation for Coway's responsible supply chain and long-term value creation.

Coway Supply Chain Sustainability Policy

Supplier Code of Conduct

Since 2017, Coway has established and operated the "Coway Supplier Code of Conduct," which clearly sets out the specific minimum standards of conduct that suppliers are required to observe. The Code of Conduct is based on key domestic and international standards. These include the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights[1], the EICC[2] Code of Conduct, the RBA[3] Code of Conduct, and the Labor Standards Act. It serves as an implementation standard for managing key ESG risks across the supply chain in areas such as labor and human rights, safety and health, the environment, and ethics. With major active partners, the obligation to comply with the Code is formally codified through contracts, and systematically monitored and enforced through new partner selection, periodic comprehensive evaluations, and supply chain ESG risk screening or supply chain due diligence. By continuously reflecting revisions to global guidelines in the Code, Coway is advancing the level of its supply chain management to be aligned with international standards.

1) UN Guiding Principles on Business and Human Rights 2) EICC: Electronic Industry Citizenship Coalition
3) RBA: Responsible Business Alliance

Coway Supplier Code of Conduct

Supply Chain Management Strategy

Supply Chain Management Implementation Framework

Under the vision of "The Partner of Choice for Sustainable Growth," Coway is building sustainable supply chain partnerships. Coway provides support tailored to each partner's size and characteristics, and improves operational processes to enhance collaboration. It also works with suppliers to jointly develop product technologies and strengthen manufacturing capabilities. By operating the Four Major Fair Trade Guidelines and the Standard Subcontracting Agreement, Coway has established a transparent and fair transactional order, and is shaping an ecosystem in which partners grow together through Mutual Growth programs and ongoing communication channels.

Strategy for Promoting Mutual Growth

Building a Sustainable Supply Chain Partnership with Coway

Coway that everyone wants to grow together with	Coway that everyone wants to create the future together with
Driving Operational Innovation for Partners. · Enhancing Specialization through Partner Capability-Building · Optimizing Partner Operational Processes and Efficiency	Strengthening Joint R&D and Manufacturing Capabilities · Reinforcing Core Manufacturing Competitiveness · Expanding Collaborative Product and Technology Development
Coway that everyone wants to do business with	**Coway that everyone wants to coexist with**
Compliance with Fair Trade · Enforcing the Four Major Guidelines and Standard Subcontracting Agreements	Solidifying the Foundation for Sustainable Cooperation · Expanding mutual growth programs · Strengthening communication channels

Supply Chain Risk Management

Integrated Supply Chain Management Process

Supply Chain Sustainability Management Process

Through an integrated governance framework spanning the entire procurement life cycle, Coway systematically flags and mitigates ESG risks across its supply network on a phased basis. The company enforces rigorous screening to verify that new suppliers meet critical sustainability criteria upon entry, while conducting periodic comprehensive evaluations and robust ESG audits for existing partners. By linking outstanding assessment outcomes directly to performance-based incentives, Coway effectively motivates its suppliers to institutionalize sustainable practices throughout the value chain.

Supply Chain Management Process

STEP 01	ESG evaluation for new partners
STEP 02	Inclusion in purchasing contracts, signing of supply chain code of conduct
STEP 03	ESG Awareness Training
STEP 04	Regular comprehensive evaluations (Quality/ Delivery/Purchasing/ESG)
STEP 05	ESG paper-based evaluations
STEP 06	ESG on-site Audit
STEP 07	ESG improvement task monitoring

New Supplier ESG Screening

To cultivate a resilient and competitive supply chain, Coway has prepared the "Guidelines for the Registration and Evaluation of New Partners" and systematically manages the registration and evaluation of new partners based on clear criteria. Financial evaluations and on-site due diligence are conducted in parallel to comprehensively review the overall capabilities and sustainability management standards of partners. During on-site due diligence, relevant departments visit the partner's worksite directly. The review covers several areas, including management, supply chain operations, technological capabilities, quality and production, materials management, and environmental compliance. Coway also examines the soundness of worksite operations and the responsible management framework. This includes compliance with statutory labor standards, such as non-discrimination and minimum wage. Evaluation results are submitted to the "Partner New Registration Review Committee," and final corporate onboarding is granted exclusively to candidates that obtain a comprehensive score of 70 points or higher.

Existing Partner Assessment

To periodically review its partners' capabilities and sustainability management, Coway enforces comprehensive periodic audits, identifying issues and presenting improvement directions through on-site reviews. In 2025, Coway evaluated 52 major partners. Top-performing partners receive substantive incentives, such as preferential volume allocation, while those with strong ESG performance earn bonus points reflected in the comprehensive evaluation.

Selection of Key Partners

As the starting point for supply chain sustainability management, Coway separately selects and systematically manages its Tier-1 significant partners. These partners are selected based on criteria such as transaction size and duration, the presence of manufacturing facilities, and on-site residence, with comprehensive consideration of environmental, social, and governance (ESG) factors and business relevance. For selected Tier-1 significant partners, Coway conducts a comprehensive sustainability and risk assessment, reflecting risk factors such as each partner's country of operation, industry characteristics, and handled items to support responsible operations across the supply chain.

Total number of Coway partners	Total Tier 1 Partners	Total Tier 2 Partners	Tier 1 Significant Partners
254 companies	153 companies	101 companies	35 companies

Supply Chain ESG Risk Management

Supply Chain ESG Assessment Process

To assess and improve its suppliers' ESG management, Coway has established the "Supply Chain ESG Management Indicators" based on the UN Guiding Principles on Business and Human Rights, the EICC, and the RBA. Coway conducts desk and third-party on-site assessments of its Tier-1 significant suppliers across core areas, including human rights, statutory labor standards, environmental compliance, ethics and governance, and product and service responsibility, and shares the results with relevant suppliers through quarterly ESG consultative meetings. By offering incentives to top-performing suppliers and presenting tailored corrective action plans to suppliers identified as having substantial actual or potential negative impacts, Coway drives proactive risk mitigation from end to end. In 2025, Coway held briefing sessions and both online and offline training for 112 supplier employees to strengthen ESG awareness and capabilities and promote compliance with the Coway Supplier Code of Conduct.

Coway Supply Chain ESG Management Indicators

	Environmental	Human Rights and Labor	Ethics and Governance	Product Stewardship & Service
Sector-specific Risks	Environmental risks	Human rights/labor risks Health and safety risks	Ethical risks	Country-specific risks Commodity-specific risks
Operational Assessment	Environmental management system GHG emissions	Human rights/labor practices Human rights/labor practices in supply chain	Ethics management ESG management and disclosure Governance*	

Common Indicators (Applied to All)

Industry Specific Innovation Indicators ** (Applied by industry)

Water and wastewater	Workplace safety	Information Security & Data Privacy and information security	Eco-friendly certifications of products/ services
Waste	Occupational illness	Content responsibility	Protection of financial consumer
Air quality		Responsible Sourcing of Raw Materials	Packaging materials and packaging
		Sustainable finance/ responsible investment	Opportunities in renewable energy
		Biodiversity and land use	Carbon foot-print and fuel efficiency
		Chemical safety	Transportation accidents and leakage
		Recall	Health and nutrition
		Collection and recycling	Addiction prevention

Common Assessment Indicators

* Governance, supply chain human rights/labor standards are applied only to corporations subject to external audits

** Industry specific innovation indicators and applied selectively depending on the industrial classification

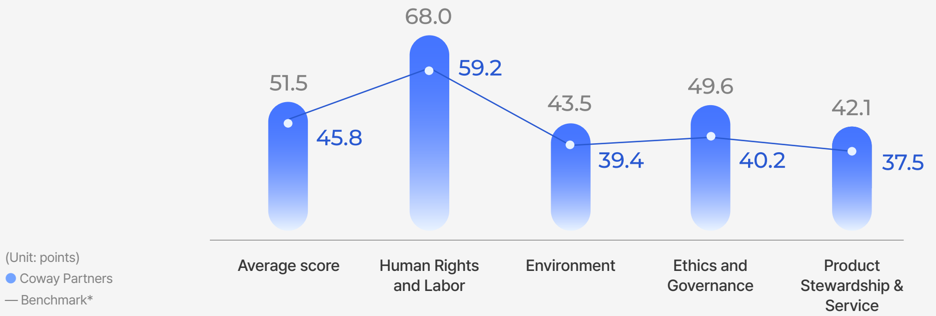
Desk and On-site Assessment

To alleviate compliance burdens for suppliers in responding to the strengthening of global ESG regulations, Coway directly covers consulting costs and proactively reviews potential and actual risks across human rights, environment, and ethics and governance within the supply chain. As part of these efforts, Coway and a third-party expert agency jointly conducted ESG consulting for Tier-1 significant suppliers.

To enhance assessment credibility, professional analysts reviewed ESG policies, standard contracts, and energy use records in detail, and Coway addressed any deficiencies through follow-up review, completing desk assessments for 35 suppliers. Coway then conducted on-site due diligence for five suppliers selected from these assessments, holding in-depth interviews to examine the identified risks, confirm their existence and level, and recommend specific corrective measures.

Following the assessments, Coway provides each supplier with a results report outlining its risk exposure and operational management status, driving continuous capability-building and operational remediation.

Desk and On-site Assessment Results



* Benchmark: Data from approximately 7,500 companies based on the 2021–2025 QESG survey and assessment results

Partner ESG Improvement Support

Based on global guidance and the Coway Code of Conduct, Coway classifies and mitigates critical risk dimensions. In particular, items in the environmental, social, and ethical areas that require immediate improvement, such as the adoption of ESG policies and the management of greenhouse gas emissions, remain under close monitoring. The implementation status of these initiatives is regularly reported to the ESG Council and the ESG Committee and reflected in the formulation of company-wide supply chain strategies.

Conflict Minerals Management

Conflict Minerals Policy and Guidelines

Coway recognizes the human rights violations and environmental destruction that may arise across the entire mineral extraction, production, and distribution life cycle as serious issues, and operates a management system to prevent the use of conflict minerals. Coway continuously monitors whether conflict minerals are contained in supplied materials, including raw materials and components, and raises partner awareness through management guides and briefing sessions. Coway also continues its efforts to extend responsible mineral sourcing to its partners' sub-tier supply networks.

Coway Conflict Minerals Policy and Guidelines

Conflict Minerals Management Program

Conflict Minerals Management Process

To ensure that partners recognize conflict minerals and build independent management capabilities, Coway shares relevant information through regular online briefing sessions and proactively flags potential vulnerabilities through usage status surveys. Based on its own "Conflict Minerals Management Process," Coway reviews partner management status annually. It continues to strengthen this framework so that responsible procurement is institutionalized throughout the entire supply network.

Conflict Minerals Management Process

STEP 01	STEP 02	STEP 03	STEP 04
Raising partners' awareness	Investigating the status of conflict minerals	Checking risk factors	Monitoring improvements
· Signing non-use compliance pledge · Distributing conflict minerals management guide · Supporting ESG (conflict minerals) training - Linking mutual growth evaluation criteria	· Investigating key partners' status - Identifying materials subject to conflict minerals management - Reviewing smelters in use	· RMAP-certified smelter review - Identifying certified and non-certified smelters · Managing non-certified smelters - Issuing recommendation letters urging transition to certified smelters	· Requesting transition to certified smelters - Sending quarterly reminder emails - Verifying transition progress · Enforcing Trade Restrictions and Sanctions Protocols for Non-Compliance

Raising Partner Awareness

To spread awareness of conflict minerals across the supply chain, Coway delivers systematic briefing sessions and specialized training for partners that use conflict minerals. The training centers on practical, operationally relevant content. It covers the background of conflict minerals management, regulatory trends in major countries, Coway's policies, the use of the CMRT[1], and the verification of transactions with RMAP[2]-certified smelters. To preempt the introduction of unethically sourced minerals into the supply chain, Coway has executed "Pledges of Compliance with the Non-Use of Conflict Minerals" with major partners. Coway has also broadened the supply chain due diligence framework to the entire supply chain by requesting compliance with the same standards not only from partners with which it directly transacts, but also from sub-tier supply networks.

1) CMRT: Conflict Minerals Reporting Template
2) RMAP: Responsible Minerals Assurance Process

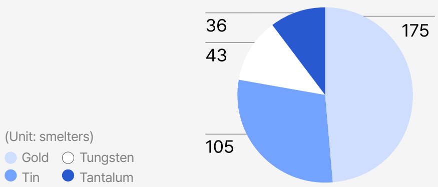
Conflict Minerals Management Status

Coway requests that major partners submit conflict minerals information for all supplied items and identifies the status of mineral use through CMRT reports containing information on the minerals used and the smelters for each item. In particular, partners with high relevance to conflict minerals risks, such as manufacturers of circuit and electrical components, are prioritized for close review of the types and origins of minerals used to verify any links to conflict-affected areas. Coway plans to continue building a responsible supply chain by proactively addressing conflict minerals risks.

Status on Conflict Minerals Usage

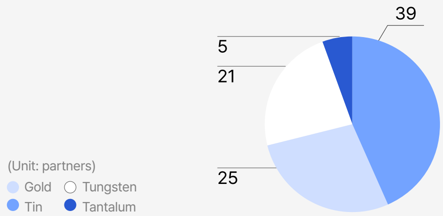
2025 Number of 3TG Certified Smelters

383 smelters



2025 Number of Partners Using Conflict Minerals

45 Partners



Identifying Risk Factors & Monitoring Corrective Actions

Coway systematically audits supplier Conflict Minerals Reporting Templates (CMRT) to verify active transactions with RMAP-certified smelters, and enforces transition roadmaps for partners engaging with non-certified facilities. The implementation status of corrective action plans (CAPs) is continuously monitored to ensure operational remediation and strengthen the overall responsible mineral sourcing framework. Moving forward, Coway will continually advance its supply chain due diligence standards by integrating evolving global guidelines and enhancing monitoring effectiveness.

Mutual Growth

Mutual Growth Programs

To strengthen the competitiveness of partners and build a sustainable supply chain, Coway runs Mutual Growth programs covering various areas, including technology, finance, training, and employee benefits. Coway continuously listens to on-site feedback through regular communication channels, and the input received is reviewed in consultation with relevant departments and translates input into actionable solutions to drive meaningful change. To boost work motivation and encourage long-term employment among personnel at small and medium-sized partners, Coway provides cash-equivalent welfare points linked to the Mutual Growth Mall. Recruitment difficulty is one of the most significant challenges partners face. Coway has opened a dedicated recruitment section for its partners on Saramin, a leading Korean recruitment platform. It provides this recruitment infrastructure free of charge. Coway plans to continue expanding tailored Mutual Growth programs that strengthen the fundamental competitiveness of its partners.

Mutual Growth Programs

	Program	2025 Performance
Technology development support and technology protection	Technology innovation idea proposal	83 entries from 33 companies
	Technology support and protection	Support 618 cases/ KRW 17.3 billion Technology Escrow: 31 cases
	Technology theft monitoring	Ongoing
	Technology protection online training	75 companies/ 118 participants
Education support and employee welfare	Partner online training	6 times
	Industrial safety equipment support	75 companies
	Discount benefits on products from us and subsidiaries	Ongoing
	Mutual Growth mall point support	59 companies

	Program	2025 Performance
Financial support	Raw material supply system	KRW 46.9 billion
	Price-linked payment system	9 companies
	Subcontractor payment in cash	100%
	Mutual Growth cooperation loan program	KRW 20 billion
Communi-cation channels	Ethics management center (Dispute resolution body)	Ongoing
	Legal and ethical compliance survey	Annually
	Policy briefings and meetings	Annually
	Site visits and VOC (Voice of Customer) feedback collection	Ongoing
Recruitment support	Operation of the partner recruitment section	83 companies using

Compliance with Fair Trade Guidelines

Based on the Four Major Fair Trade Guidelines and the "Procurement Ethics Practice Guidelines," Coway has set ethical standards across procurement operations and continues activities to embed an ethics and compliance culture. Employees participate in an annual pledge to the guidelines, and partners are informed in advance, through fair trade training, of the disadvantages that may arise from any violations. In February 2025, ethics and unfair trade prevention training and a practice pledge were conducted for all 63 members of the Procurement Office. Coway plans to continue building a transparent and fair transactional environment and to continuously support partners' ethical management practices.

Four Major Fair Trade Guidelines

01. Practices for fair selection (registration) of suppliers

02. Practices for the establishment and operation of a Subcontract Transaction Deliberation Committee

03. Practices for proper issuance and retention of documents

04. Practices for proper contract formation

Supplier VOC through the Dispute Resolution Body

The Coway Purchasing Office runs a review committee on a monthly basis based on the Four Major Fair Trade Guidelines, periodically deliberating on matters such as adjustments to subcontract payments, returns and order cancellations, and the operational status of the Subcontract Payment Linkage System. In 2024, Coway established the "Coway Dispute Resolution Body" to autonomously mediate disputes with partners, and reports received through the Ethics Management Center are handled in accordance with internal procedures. In addition, an annual Legal and Ethical Compliance Survey is conducted with partners to gather opinions on fairness, transaction satisfaction, and Mutual Growth. As a result of these ongoing communication and proactive prevention activities, Coway maintained zero subcontracting-related legal violations in 2025, and recorded zero reports and cases handled through the Dispute Resolution Body.

Subcontracting Transaction Dispute Resolution Status

Category	Cases Received	Resolution Rate (%)
Performance of Subcontracting Agreements	0	-
Payment Adjustments	0	-
Termination of Contracts and Damages	0	-
Other Subcontracting Transaction Disputes	0	-

Local Community

Local Community Governance

Local Community Implementation Organization

Coway deliberates and approves its approach to social contribution and the related implementation plans through the ESG Council and the ESG Committee. Based on the strategies endorsed by the highest decision-making body, the Social Contribution Team takes the lead in driving execution, while regular performance reviews enhance the effectiveness of these activities. Coway combines its business capabilities with social responsibility. These efforts take shape through employee volunteer initiatives and product donation programs built around its core assets, water and air. We also lead in promoting inclusive value by supporting the social independence of underrepresented groups and broadening access to culture and the arts through the operation of a sports team for people with disabilities and the Mulbit Choir.

Local Community Policy

Coway has established clear principles for local community development and codified them in its Social Contribution Policy for implementation. This policy is continuously updated and managed in line with rapidly evolving social needs and the UN SDGs, serving as a guideline to ensure that all activities contribute to addressing the actual issues facing local communities.

Social Contribution Policy

Local Community Strategy

Local Community Framework

Guided by the principle of "Good Wave for People & Environment," Coway places people and the environment at the forefront, engaging with local communities to address a wide range of social issues. Social contribution initiatives are selected through a multi-faceted review of the urgency of each issue and its connection to Coway's business. We also foster an environment that encourages voluntary employee participation and run regular engagement programs to expand awareness of social contribution. Going forward, we plan to establish communication channels for ongoing dialogue with local communities and introduce a structured approach to assessing the outcomes and social impact of each activity, both quantitatively and qualitatively.

Social Contribution Framework Diagram

VISION	+	VISION
Best Life Solution Company		Good Wave for People & Environment

Character	The character name Co.B stands for “Coway Makes A Better Life” and represents Coway’s commitment to social contribution. 	
Theme	Environment	People
Strategic Direction	Community Improvement	Community Co-prosperity
Target Groups	Elementary Schools, General Public, Underprivileged Groups	Persons with Disabilities
Key Activities	· Coway River Plogging · EM(Effective Micro-organisms) Mud Ball Throwing · Coway Classroom Forest · Coway Ecological Forest · Safe Groundwater Project: Clean water supply through groundwater purification · Air Purification Project for the Underprivileged: Supplying clean air to vulnerable communities	· Bluewheels Wheelchair Basketball Team (Founded in 2022) - Participation in tournaments, hosting wheelchair basketball classes, and team operations · Mulbit Choir for the Visually Impaired (Founded in 2022) - Performances at events like regular concerts, small concerts, and special performances for disability awareness · Production of learning kits for visually impaired children and voice donation activities for reading-impaired groups · Disability Awareness Programs

Local Community Activities

Environmental Protection Activities

EM Mud Ball Throwing

Coway is contributing to water purification and carbon reduction through the "EM (Effective Micro-organisms) Mud Ball Throwing" campaign. EM mud balls are made by mixing a solution of beneficial microorganisms with red clay and fermenting the mixture for approximately three weeks. When thrown into rivers, the balls gradually dissolve, clarifying the water and reducing odors. Such activities help restore river ecosystems and have a positive effect on absorbing carbon dioxide from the atmosphere. Coway's employee volunteer group has carried out this campaign along the Anyangcheon Stream near our headquarters in Seoul, deploying a cumulative total of 13,000 EM mud balls between 2023 and 2025. Going forward, we plan to expand the campaign to areas near major sites, including the Incheon Plant and the Pocheon Plant, to support the recovery of local aquatic ecosystems and promote the value of water environment conservation.

River Plogging

Since 2022, Coway has been advancing everyday environmental protection through the "River Plogging" campaign. This activity, which involves jogging along rivers while collecting litter, aims to maintain clean waterside areas and safeguard water environments. In 2025, employees and children from the in-house daycare center took part in plogging at the ecological pond within G-Tower, sharing the value of environmental protection firsthand. We plan to continue hosting this campaign to communicate the importance of water. Coway has also broadened its water environment protection activities to the marine domain through the "Marine Plogging" program, in which employees with diving certifications retrieve waste from beaches and the seabed, supporting marine ecosystem protection.

Coway Classroom Forest

Through the "Classroom Forest" program, Coway supports environmental education for elementary school students and creates social value. The program provides air-purifying plants for classrooms, helping children learn in a comfortable environment and grow more familiar with nature. From 2022 to date, Coway has donated a total of 3,117 air-purifying plants to seven elementary schools, including 494 plants donated in 2025. We also contribute to biodiversity conservation by separately donating endangered tree species in the same quantity as the plants placed in classrooms.

Coway Ecological Forest

Coway launched the "Ecological Forest Creation Project" in 2024 to address the environmental crisis and restore ecosystems. The project creates ecological forests by planting endangered and rare native species based on the IUCN Red List and the list of conservation-target plants designated by the Korea Forest Service. By 2025, Coway has established ecological forests covering a cumulative 421m² (approximately 127 pyeong) at its headquarters and Seoul Banghwa Elementary School, conserving a total of 2,560 native plants of the Korean Peninsula over two years, including nationally protected species such as endangered and endemic plants.

Going forward, we plan to leverage these ecological forests to expand ecological education activities involving both employees and local residents, and to run environmental programs for children and adolescents to continuously promote the value of biodiversity.

Environmental Protection Activities (cumulative)

EM Mud Ball Throwing	River Plogging	Coway Classroom Forest	Coway Ecological Forest
13,000 balls	6,332 participants	3,117 plants	2,560 plants

Community Protection Activities

Living Environment Improvement Project

Coway is improving living environments by providing air purifiers and water purifiers to vulnerable groups. Under the agreement concluded with the Ministry of Environment in 2018, Coway supplies air purifiers free of charge, together with regular maintenance services, to groups vulnerable to indoor air quality risks and to youth facilities such as schools. Through these efforts, Coway has helped create more comfortable living environments, supporting a total of 525 units by 2025. In recognition of these contributions, Coway received a commendation from the Minister of Environment at the 2024 Indoor Environment Improvement Agreement Ceremony for Vulnerable Populations.

In addition, Coway carries out the 'Safe Groundwater Project' in rural areas affected by groundwater contamination, helping residents access safe drinking water. In 2015, Coway signed an initial agreement with the Ministry of Environment. It distributed approximately 500 water purifiers under this agreement. A second agreement in 2021 added around 500 more units, providing clean drinking water to about 1,000 households. Through this initiative, Coway supports healthy living for local residents who had been affected by groundwater contamination.

Support for Sports and Cultural Arts for People with Disabilities

Coway is fostering local community integration and promoting a culture of sharing by expanding social participation for persons with disabilities and creating sustainable employment opportunities. In particular, Coway signed an agreement with the Korea Employment Agency for Persons with Disabilities in 2022 to promote employment for persons with disabilities, and has actively implemented its plan to expand such employment. Notably, Coway established the "BlueWheels Wheelchair Basketball Team" and the "Mulbit Choir for the Visually Impaired" to support sports and cultural arts activities for persons with disabilities.

The Coway BlueWheels achieved a grand slam by winning all tournaments in 2025 and continues to run wheelchair basketball experience classes for schools in local communities. The team also hosted the "1st Coway Cup," contributing to greater disability awareness and the broader spread of social value, and received a commendation from the Minister of Culture, Sports and Tourism in 2025 in recognition of its contributions to revitalizing wheelchair basketball. The Coway Mulbit Choir is also expanding its cultural arts outreach by holding regular concerts and special performances for employees and local residents. The choir leads efforts to deepen understanding of disability by conducting awareness performances and lectures for the next generation, including elementary and middle school students. Notably, in 2025, the choir won the Grand Prize (Presidential Award) at the 33rd National Choir Competition for Persons with Disabilities, held to commemorate the International Day of Persons with Disabilities. The award recognized the choir's contribution to advancing cultural arts for this community.

Employee Volunteering Activities

Since 2022, Coway has been running a campaign in which employees personally create braille learning materials to support the education of children with visual impairments. The completed teaching aids and tactile picture books are delivered to schools for the blind and welfare facilities nationwide, with a total of 615 items produced and donated to date. In 2023, Coway also launched the "Voice Donation" initiative. Employees receive vocalization training from professional voice actors. They then record children's stories to produce audiobooks. These audiobooks are delivered through the Seoul Nowon Welfare Center for the Visually Impaired to children with visual impairments, multicultural families, and others who face challenges in accessing books. To date, 60 employees have voluntarily participated, contributing to bridging the educational divide. Going forward, Coway plans to continue strengthening employees' awareness of ESG practices and to expand sharing activities for those underserved in education and information access.

Community Protection Activities (cumulative)

Environmental Improvement Project	Safe Groundwater Project	Number of participants in disability awareness activities	Number of employee volunteers (2023~)
525 units	Approximately 1,000 households	5,050 persons	981 persons

Classroom Forest

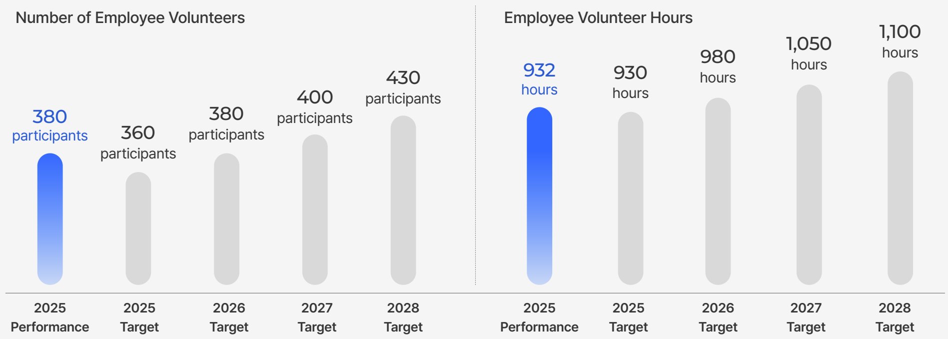
BlueWheels Wheelchair Basketball Team

Local Community Goals

Mid- to Long-term Local Community Goals

Coway carries out social contribution activities in the environmental and disability sectors in connection with its core businesses. Over the three years from 2023, a cumulative 981 employees have voluntarily participated, completing a total of 2,392 hours of volunteer work. Aiming to reach 2,191 cumulative volunteers and 5,000 cumulative volunteer hours by 2028, Coway plans to expand employee participation, develop a wide range of programs, and continue supporting local communities.

Mid- to Long-term Social Contribution Targets[1]



1) Based on targets established in 2024

Mid- to Long-term Social Contribution Roadmap

	~2026	~2030	~2050
Strategy	Establishing strategy and system	Enhancing social contribution programs	Maximizing social value creation
Direction	· Community-aligned social contribution · Establishing flagship programs	· Expanding social contribution themes · Signing social contribution partnerships	· Pursuing mutual growth and shared value · Expanding local community networks
Region	Domestic sites	Domestic sites/Overseas sites (Selected divisions)	Domestic sites/Overseas sites (All locations)

Customer-Centric Management

Customer-Centric Management Governance

Customer-Centric Management Implementation Organization

Coway places customer value at the heart of its operations. To deliver on this systematically, it has established a dedicated organization, the Customer/Quality Division. Centered on this division, Coway dedicates significant efforts to developing forward-looking strategies, innovative designs, and high-quality products. Key quality issues are shared each month through executive meetings that include the CEO. The matters discussed are then reflected in company-wide processes. This ensures the prompt resolution of quality concerns.

Organizational Chart for Customer-Centric Management

Customer Protection Policy

Coway continues to elevate its brand value on the foundation of trust built with customers. We place the highest priority on customer feedback and uphold customer satisfaction as a core management principle, reflecting it in every decision and business activity. Based on this approach, we deliver the highest-quality products and services and respond swiftly to customer needs.

In particular, Coway proactively identifies and addresses sources of inconvenience at customer touchpoints to build a trusted customer experience. We provide detailed compensation standards for different types of consumer harm on the Coway.com website, broken down by environmental home appliances and mattress product lines, allowing customers to review compensation details in advance for various situations that may arise during product purchase or rental use.

Coway is committed to enhancing the transparency of information so that customers can make reasonable choices among optimal products and services, and to eliminating deceptive labeling and misleading advertising practices. In 2025, we established the "Ethical Marketing and Advertising Policy" with the approval of the ESG Committee, ensuring that accurate information is provided to customers.

Coway Consumer Protection Guidelines | Coway Ethical Marketing and Advertising Policy

Customer-Centric Management Strategy

Mid- to Long-term Customer-Centric Management Goals

Coway systematically manages the level of consumer rights protection by leveraging objective and externally verifiable indicators such as CCM certification, nationally recognized indices (KCSI, NCSI, etc.), and customer satisfaction scores. Through these quantitative and qualitative indicators, Coway continuously reviews performance from the consumer's perspective, clearly identifies areas for improvement, and reflects them in management activities. On this foundation, Coway is steadily advancing customer-centric management on a mid- to long-term basis, institutionalizing a sustainable, long-term customer-centric management model beyond short-term financial performance.

Coway also surveys and analyzes consumer perceptions of "the eco-friendliness of corporations and products" and reflects the findings in its products and overall management. By analyzing the value of sustainability as perceived by customers through data, and by formulating management strategies grounded in consumer perception rather than the mere production of eco-friendly products, Coway is firmly establishing customer-centric management.

Mid- to Long-term Customer Satisfaction Goals

Mid- to Long-term Quality Management Goals

	2025 Performance	2026 Target	2027 Target	2028 Target
Consumer-Centric Management (CCM) Certification	Certified	Re-certification	Maintain certification	Maintain certification
Korea Service Quality Excellent Company (SQ)	Certified	Re-certification	Re-certification	Re-certification
KCSI[1]	No. 1 (water purifier category for 9 consecutive years; bed category for 5 consecutive years) No. 1 in the bidet category (newly added in 2025)	No. 1 (water purifier category for 10 consecutive years; bed category for 6 consecutive years) No. 1 in the bidet category (2 consecutive years)	No. 1 (water purifier category for 11 consecutive years; bed category for 7 consecutive years) No. 1 in the bidet category (3 consecutive years)	No. 1 (water purifier category for 12 consecutive years; bed category for 8 consecutive years) No. 1 in the bidet category (4 consecutive years)
KS-SQI[2]	No. 1 (A/S category: water purifiers for 9 consecutive years; air purifiers for 8 consecutive years)	No. 1 (A/S category: water purifiers for 10 consecutive years; air purifiers for 9 consecutive years)	No. 1 (A/S category: water purifiers for 11 consecutive years; air purifiers for 10 consecutive years)	No. 1 (A/S category: water purifiers for 12 consecutive years; air purifiers for 11 consecutive years)
NCSI[3]	No. 1 (water purifier category; subscription rental care service category[4])	No. 1 (water purifier category for the 2nd time; subscription rental care service category for 2 consecutive years)	No. 1 (water purifier category for the 3rd time; subscription rental care service category for 3 consecutive years)	No. 1 (water purifier category for the 4th time; subscription rental care service category for 4 consecutive years)
KS-QEI[5]	No. 1 (water purifier category; furniture-style massage chair category)	No. 1 (water purifier category for 2 consecutive years; furniture-style massage chair category for 2 consecutive years)	No. 1 (water purifier category for 3 consecutive years; furniture-style massage chair category for 3 consecutive years)	No. 1 (water purifier category for 4 consecutive years; furniture-style massage chair category for 4 consecutive years)
Awarded No. 1 in Korea's Most Admired Companies[6]	-	No. 1 in the Wellness Home Appliance Industry Newly introduced in 2026	No. 1 in the Wellness Home Appliance Industry (2 consecutive years)	No. 1 in the Wellness Home Appliance Industry (3 consecutive years)

1) KCSI: Korean Customer Satisfaction Index 2) KS-SQI: Korean Standard Service Quality Index 3) NCSI: National Customer Satisfaction Index
4) Subscription-based rental care service category: Survey on manufacturers with rental and product care services 5) KS-QEI: Korean Standard - Quality Excellence Index 6) No. 1 in Korea's Most Admired Companies: Selected as the Most Admired Company across all industries by KMAC (Korea Management Association Consulting)

Customer Safety

Customer Safety Management Across the Product Life Cycle

Safety in the Product Design and Manufacturing Stages

Coway has established a proactive verification process that closely reviews safety and performance from the product design stage. Through this process, Coway sets internal verification standards for electrical safety, electromagnetic compatibility (EMC) regulations, and product performance that exceed legal requirements. Coway also ensures the accuracy and fairness of its test results by cross-verifying and mutually confirming its in-house test outcomes with independent domestic and international accredited testing institutions.

In-house Safety Verification System Process

STEP 01

Verification of preliminary safety/performance design

- Verifying usability, safety, and performance from the product development stage
- Adopting Coway's own safety testing standards, which are more stringent than standard criteria

STEP 02

Verification of electrical and EMC safety and product performance of developed products

- Verifying compliance with domestic and international safety standards (using Coway's internationally accredited testing laboratories)
- Verifying compliance with product performance standards and criteria (using internal and external testing laboratories)
- Conducting cross-verification with external accredited testing institutions

STEP 03

Verification of component effectiveness

- Verifying the effectiveness of safety compliance and certification validity for components used in products

STEP 04

Verification of mass-produced products

- Conducting periodic sampling and re-verification of mass-produced products using Coway's accredited testing laboratories
- Operating a review and improvement process for product safety management systems at each manufacturing plant

Safety in the Installation and Use Stages

To ensure the quality and safety of product installation, Coway provides specialized training to its Service Managers for each product. This training covers pre-installation checks, suitable installation environments, and conditions under which installation cannot proceed. Coway strictly adheres to installation guidelines, thoroughly checking key safety items such as the prevention of product damage, the risk of electric shock and fire, and the installation standards for water inlet lines. These efforts prevent potential safety incidents and provide customers with optimized installation services.

After-sales Management and Consumer Communication

Coway operates systematic after-sales (A/S) processes to continuously manage consumer safety even after product use. Coway swiftly identifies safety issues that may arise during use and, when necessary, takes immediate action and makes improvements to minimize consumer harm. To help consumers use products safely, Coway publishes product manuals, including after-sales information, on Coway.com in a clear and easy-to-understand manner, providing essential safety information such as instructions for use and precautions. Coway also shares after-sales guidance through the "Coway Service" YouTube channel.

Coway also offers 24/7 consultation services without time or location constraints through a chatbot on its customer support site. Coway activates smart diagnostics and consumables ordering functions through the IoCare+ app, enabling customers to manage product status on their own and request the services they need promptly. Coway actively listens to customer inquiries and complaints and incorporates them into its safety management and product improvement efforts.

Customer Satisfaction

Customer VOC Management

Customer VOC Management Process

Coway collects VOC (Voice of Customer) through various channels, including the customer center, chat consultations, and the website, and comprehensively manages customer feedback through its systems. The RTV (Real-Time Voice) system is a solution that uses voice recognition technology to convert consultation content into real-time text for analysis, enabling Coway to quickly identify customer inconveniences and apply the insights to improvements.

Coway also runs a proactive management framework that detects high-risk VOC in real time and addresses issues before they escalate. Complaints are categorized by detailed items and immediately routed to the relevant departments, which then carry out improvement actions accordingly. VOC items are graded by importance, and matters requiring urgent response are flagged as "Urgent VOC" and reported directly to management. This approach accelerates decision-making and prevents customer complaints in advance, while the digital-based VOC management framework strengthens tailored responses for each customer and enhances satisfaction.

VOC Management Process

1) Customer VOC Channels: customer center, chat consultations, website, etc.

Key Risks Identified through VOC	Mitigation Measures Established
Concerns regarding product malfunctions and safety during use	Driving proactive quality improvements and recurrence prevention activities in coordination with the dedicated quality management organization
Complaints about compensation standards and Consumer Grievance Redress	Operating a systematic relief process based on the Korea Fair Trade Commission's Consumer Dispute Resolution Standards
Information changes reliant on phone-based consultations	Improving customer convenience and accessibility through digital transformation (DX), including simple authentication and electronic signatures
Lack of foreign language consultation services	Supporting multicultural customers and elevating service quality by introducing automatic translation in 10 languages within chat consultations

Repeat Call Management Process

Coway has established a rapid response system that resolves customer inquiries at the first point of contact, in line with its "One Call" principle. To prevent repeated inquiries arising from the same cause, Coway has implemented a repeat call management system that enhances the First Contact Resolution(FCR) rate, while analyzing instances of two or more contacts on the same issue to proactively address and prevent recurring customer inconvenience. This eliminates the burden on customers of repeatedly explaining their circumstances to different agents while significantly reducing unnecessary wait times.

Coway also runs an intelligent, customized chatbot service based on linked customer information data and a web-based system for changing A/S appointments, enabling customers to access support seamlessly without temporal or spatial constraints. Through this prevention-oriented approach, which addresses issues in advance, and process improvements that eliminate unnecessary steps, Coway steadily reduces customer grievances and continuously elevates overall customer satisfaction.

Repeat Call Management Procedure

STEP 01	STEP 02	STEP 03
Real-time Identification of Repeat Inquiries	Cause Analysis and Proactive Response	End-to-End Consultation Accountability
When a call is received at the customer center, the system automatically detects whether it is a repeat inquiry	Resolving issues by reviewing previous consultation details in advance through repeat call frequency alerts	Dedicated follow-up management and feedback are provided until the case is fully resolved

Collection and Analysis of Customer VOC by Type

Coway runs a VOC analysis process to enhance convenience and satisfaction for self-managed customers. Since self-managed customers maintain their products on their own without visits from service experts, it is difficult to promptly identify the Operational Pain Points product use. To address this, Coway collects complaints by type encountered during self-management, analyzes the resulting data, and plans and carries out processes to improve self-management convenience and enhance customer satisfaction over the long term.

	2026: System development	2027: Advancement of VOC-based improvements	2028: Customer Experience Innovation (CX Innovation)
Key Targets	Systematizing VOC collection	Strengthening data-based analysis and improvements	Proactive response based on predictive insights
Key Tasks	· Development of a VOC collection system for self-managed customers · Establishment of a multi-dimensional VOC classification framework (e.g., policy, quality, and delivery)	· Advancing data-driven issue improvements · Carrying out personalized management activities for each customer	· AI-based automated VOC analysis and response · Enhancement of UX for self-management guides (videos, chatbots, etc.)
Expected Outcomes	Establishment of a VOC collection framework for self-managed customers	Reduction in customer complaints and faster response actions	Enhanced brand trust

Customer Satisfaction Programs

Coway builds customer trust and satisfaction through the products and services delivered at every customer touchpoint, driving mutual growth with its customers. Through relentless innovation, Coway provides differentiated experiences to customers and contributes to enhancing the quality of everyday life. By continuously advancing research on customer satisfaction, Coway tailored life-care solutions across all aspects of daily life and cultivates sustainable relationships that grow with its customers.

Key Customer Satisfaction Services

01. Reliable Photo Service

· After providing visiting maintenance service for customers using ice water purifiers and tank-type water purifiers, photos of the internal tank are taken and sent to customers.

02. Braille Guide Service for Bidets

· To support visually impaired customers, Braille stickers are applied to the bidet control panel, enabling easier and more independent use of Coway bidets.

03. Self-management Products and Management Services

· Filters and inspection tools are delivered on a regular basis to customers so that they can manage the products. Self-management guidance is also provided via Kakao notification messages.

04. AR Smart Catalogue

· To enhance the contactless customer experience and provide a convenient purchasing environment, an AR Smart Catalogue that applies AR technology was introduced.

05. Real-Time Cody Matching Service

· Customers are connected in real-time with the service coordinators active nationwide, allowing the coordinator most familiar with the local area to be assigned. This ensures prompt, professional, and personalized consultation services.

06. Product Management History

· The product management history service allows customers to check details about products and services online at any time.
· Through KakaoTalk notifications, customers can access and review records of filter and sanitary component replacements, product inspections, and contact information for the assigned personnel.

07. Operation of the Total Care Service Center

· Coway runs the "Total Care Service Center," a dedicated organization specializing in water purifier hygiene, and provides integrated care services for water purifiers through Service Quality Managers (QMs), including parts replacement, internal and external sterilization and cleaning, and management of heat sinks and rear fans to maintain performance.

08. Service Manager Arrival Notification Service

· Coway operates an arrival notification service that provides the real-time location and estimated arrival time of the service manager.
· Customers can check the manager's route via KakaoTalk Notification Talk and confirm the estimated arrival time in advance, supporting convenient scheduling.

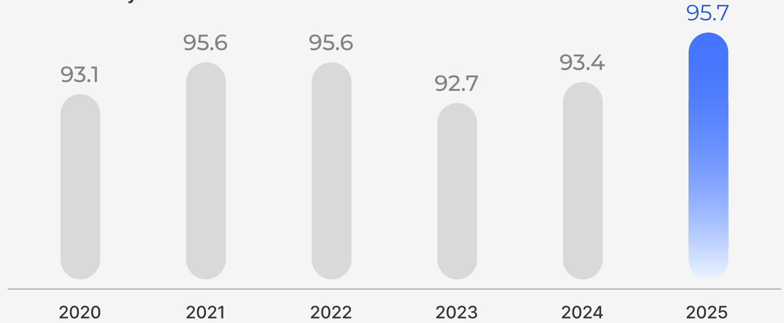
Customer Satisfaction Survey

Coway measures customer satisfaction at every major service stage, from ordering, installation, on-site inspection, A/S, to the call center, in order to assess the overall experience and identify opportunities for improvement. The measurement results are delivered immediately to the relevant departments, and areas requiring improvement are quickly addressed through cross-departmental collaboration. Through annual customer satisfaction surveys, Coway continuously monitors its Customer Satisfaction Index (CSAT) and actively reflects the findings in service quality improvement activities.

Customer Satisfaction Survey Process

- STEP 01: Customer satisfaction survey on each of the contact points
- STEP 02: Inspecting results and analyzing data
- STEP 03: Sharing with relevant departments
- STEP 04: Identifying issues and deriving improvements
- STEP 05: Tracking management of improvements

Customer Satisfaction Survey Results[1]



(Unit: points)

1) Based on satisfaction surveys of on-site inspection (Heart Service) for environmental home appliances

CASE

Digital Transformation and Enhanced Accessibility

Coway runs a Notification Talk-based scenario-linked service. When a transfer of contract takes place, the Notification Talk sent to the customer includes a direct link to a chatbot scenario that guides them through the required document submission. This allows customers to complete the necessary tasks with a single tap on the Notification Talk, without separately searching for the document preparation process or contacting the customer center for further inquiries.

To minimize customer wait times and elevate the completeness of issue resolution, Coway also provides a 1:1 customized chatbot service powered by integrated customer data and a generative AI self-resolution guide for product issues, delivering a differentiated customer experience.

Notification Talk and Chatbot Guidance for Coway Contract Transfer Applications

Customer Satisfaction Training

Coway provides training programs to strengthen the capabilities of its employees and customer-facing partners, including Cody / Codoc, Homecare Doctors, and Service Managers. For Cody / Codoc and Homecare Doctors, a diverse selection of online training materials is made available, allowing them to choose the courses needed to build their competencies. Service managers, in particular, complete an approximately three-month training program covering product knowledge, hygiene standards, malfunction prevention and diagnosis, customer service attitude, and service philosophy, and are deployed to customer sites only after passing a final assessment.

Supported by this structured framework, total rental accounts and new rental account acquisitions in 2025 expanded by 2.5% and 10.5% year-over-year, respectively, while the Customer Satisfaction Index (CSAT) for the Service Manager organization rose by 0.21 points.

Process for Reflecting Customer Feedback

Coway uses the voice of the customer as the starting point for product development. From the early stages of product planning, Coway identifies customer inconveniences through research and continuously incorporates these insights into product design.

The development of the Icon Water Purifier is a notable example. Initial research showed that customers cited "water splashing" as a major inconvenience, and root-cause analysis revealed that the issue stemmed from the short length of the faucet. While the faucet was lengthened in the Icon 2 to address this, follow-up research found that the splashing problem had not been completely resolved.

Rather than implementing a partial fix, Coway integrated proprietary "Smart Moving Faucet" technology into the Icon 3 to deliver a fundamental, structural solution. This technology automatically aligns the faucet height with the vessel to minimize splashing, embodying cross-generational customer feedback integrated over multiple product iterations.

Customer Satisfaction Survey Process

STEP 01	STEP 02	STEP 03	STEP 04	STEP 05
Establishing the product launch plan	Conducting research surveys	Identifying customer dissatisfaction factors	Developing products that reflect customer feedback	Product launch

Inclusive Customer Service Improvement Framework

Coway continuously pursues technological innovation and service enhancements to improve product accessibility for customers with disabilities and senior customers. The "Safety Check Service," which has been in place since its introduction in 2017 and continues to be applied in the latest models, is a representative care solution leveraging IoT technology. When water purifier usage is not detected for more than 48 hours, the system automatically sends an alert to family members, enabling preemptive emergency intervention for elderly individuals living alone.

Coway is also strengthening universal design and inclusivity in product development. A voice recognition feature has been introduced for elderly customers and young children who may have difficulty reaching the control panel, and the conventional button-based interface has been replaced with a full-screen LCD display for seniors who are less comfortable operating devices. By adopting a UI centered on intuitive icons and clear text, Coway has enhanced visibility and usability, creating an inclusive product environment that is easy to use even for those less familiar with digital technologies.

CASE

Examples of Product Development Reflecting Customer Feedback

Ultra-Compact Ice Water Purifier
Reflecting housing trends among small households, Coway launched an ultra-compact ice water purifier that combines a slim 20 cm-wide design (28% smaller than previous models) with "Dual Express Ice-Making" technology, which produces ice every 9 minutes and 30 seconds (an 11% improvement in speed). The product simultaneously delivers innovation in space efficiency and user convenience, driving strong customer satisfaction.

Heative Warm-Air Purifier
Listening to user feedback that the airflow from air purifiers feels cold in winter, Coway launched the "Heative Warm-Air Purifier," which combines a warm-air function with an ultra-slim 13 cm design that maximizes space efficiency, achieving customer-centric product innovation and elevated satisfaction.

Quality Management

Quality Management Systems Certification

Global Quality Management Systems Certification

Coway maintains ISO 9001:2015 certification, the global standard for Quality Management Systems, and runs its quality control framework accordingly. To achieve customer-centric quality standards, we continuously enhance our Quality Management Systems through annual internal audits and third-party certification audits. Coway has also obtained Medical Device GMP[1] compliance approval from the Ministry of Food and Drug Safety for two BEREX product lines—the Massage Set and Core Set (2024)—and the TheraSol product line (2025). Through this, Coway has established and now maintains a medical device quality management system that delivers products with verified performance and safety.

1) GMP: Good Manufacturing Practice, standards for the manufacturing and quality control of medical devices

Operation of the Integrated Certification System

Coway tracks the status of certifications in real time through its "Integrated Certification System," identifying and preventing potential certification-related risks at every stage from product planning to post-launch management. Coway proactively addresses issues before certification problems arise and maintains the reliability of product safety and performance through thorough follow-up inspections and ongoing monitoring.

Integrated Certification System Process

Product Life Cycle	Certification Stage	Certification System	
Product Planning	Certification plan	ICM[1] Acquisition of new product certification and control of improvement activities	Establishment/operation of an integrated control system capable of identifying certification management status in real time
	Preliminary review of certification regulations		
Product Development	Internal testing evaluation		
	Product improvement		
	Certification application	CICS[2] Acquisition/change/ renewal of certification	
	Certification acquisition		
Follow-up Management	Management of changes in certification regulations	ICM[1] Follow-up management and verification of mass-produced goods	
	Management of renewal and cancellation		
	Verification of mass-produced goods		
	In-house application (bidding, home shopping, website, catalogue)		

1) ICM: Integrated Certification Management System 2) CICS: Coway Integrated Certification System

Operation and Certification of Internationally Accredited Testing Laboratories

Coway has built a framework that directly verifies product safety and quality based on its nine internationally accredited testing laboratories. Coway holds international testing authority across electrical safety, electromagnetic compatibility (EMC), and performance and energy. This enables in-house self-evaluation for major certifications, including KC certification, the European CE marking, and energy efficiency certification. On the strength of this infrastructure, Coway was newly designated as an accredited testing laboratory for Energy Star and UL (Underwriters Laboratories) in 2024, and through the renewal of its KOLAS national accreditation, Coway has been formally recognized for testing equipment and technical capabilities that meet international standards.

Building on these testing and certification capabilities, in 2025 Coway expanded the scope of its accreditation as an internationally accredited testing institution under ISO/IEC 17025, granted by KOLAS (Korea Laboratory Accreditation Scheme), to cover the energy sector (bidets and electric ranges). This established a foundation for performing energy consumption efficiency tests for these products in-house and strengthened Coway's position as a one-stop safety certification testing laboratory, continuously enhancing product credibility and competitiveness in the global market.

Operation of Coway Accredited Testing Laboratories

COWAY Operation of Internationally Accredited Testing Laboratories -
Accredited with 9 International Testing Laboratory Certifications

In-house testing capability for KC certification, energy efficiency, European CE certification, etc.

Electrical Safety Operation of 5 Testing Laboratories	International: KOLAS	Domestic: KC manufacturer Testing Laboratory	International (CB): KTL CTF Lv2	USA: UL
	International (water Piping) Testing: IEC 61770			
EMC Operation of 1 Testing Laboratory	Europe: NEMKO EMC TBM			
Performance/ Energy Operation of 3 Testing Laboratories	North America: ENERGY STAR	Domestic: Energy efficiency	USA: CEC[1]	

1) CEC : California Energy Commission

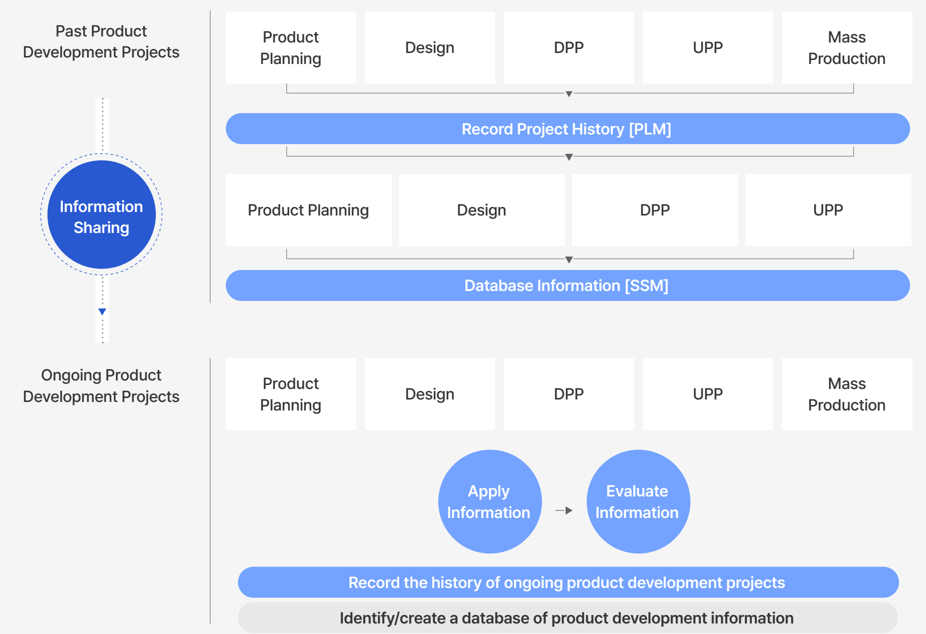
Coway Performance of Accredited Testing Laboratories

Internationally accredited third-party testing laboratories	Electrical safety	EMC/wireless	Performance/energy
	5 laboratories	1 laboratory	3 laboratories
Certified products	590 products	339 products	291 products

SSM-based Product Development Management

Coway analyzes failure experiences encountered during product development and registers them in the SSM (Stress Strength Method) system, transforming product development information into data and structured knowledge. For products launched in 2025 and those scheduled to launch in the first half of 2026, Coway analyzes failure factors from past development projects and proactively reflects them in the product design stage to strengthen prevention-focused verification activities. By recording and analyzing the entire process from product planning to mass production, Coway compiles development histories into a database and shares and applies them to similar projects, continuously enhancing product quality and development efficiency.

Product Development Process



Quality Management Embedding Programs

To deliver high-quality products and services, Coway operates a range of quality management programs. Coway conducts periodic reliability tests on mass-produced products to proactively diagnose and address durability and performance degradation issues that may occur during the period of use, and has refined its reliability testing methods by analyzing customers' actual usage environments and patterns through its IoT platform. Based on this, Coway proactively verifies and prevents potential quality issues from the initial stage of new product development. In 2025, Coway also held the "Quality VOC Council" 11 times, deriving corrective action plans based on key quality-related customer VOCs collected from the field and reflecting them in the management of products and services.

To address weak points identified through quality diagnostics, Coway has established 26 improvement strategies across eight areas, including design, suppliers, manufacturing, and field, and has designated them as key initiatives of the Quality Control Office for 2026, with goals assigned and execution progress managed.

Quality Management Programs

Daily Quality Network	Operating a Quality Analysis Center that analyzes major quality-related data, including A/S returns, on a daily basis and monitors them in real time, enabling prompt and accurate quality improvement activities
QSN[1]	Forming an "Emergency TFT" upon the occurrence of a quality issue to immediately address and resolve the problem, thereby enhancing customer satisfaction
Quality VOC Council	Consolidating channels for receiving major quality-related VOCs from the field and ensuring prompt and accurate improvements, as well as the application of those improvements, through regular consultative meetings with relevant departments
"Worst-case" Improvement Responsibility System	Selecting the "Worst-cases" for major defects in each product line and forming a TFT to improve each task
Quality Improvement System	Managing the status of improvements in real time through a digital system to shorten lead times, and continuously enhancing quality by maintaining a database of failure cases
Quality Expert Committee	Running an expert group covering design, manufacturing, service, and customer functions during the new product development stage, and conducting customer-perspective quality verification of new products to elevate product quality standards

1) QSN: Quality Solution right Now

Quality Capability Training

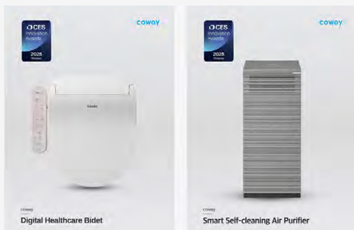
To strengthen quality management capabilities and specialized knowledge, Coway conducted a "Quality Job Analysis" and "Quality Competency Assessment" in 2025. Based on the assessment results, Coway has established a systematic quality capability development framework and is currently running it as a practical training program.

The program encompasses foundational and practical competencies and, transcending simple theoretical instruction, focuses on "Project-Based Learning (PBL)" directly tied to tangible operational results.

CASE

Triple Winner of the CES 2025 Innovation Awards

Coway received Innovation Awards in three categories at "CES (Consumer Electronics Show) 2025," the world's largest IT exhibition hosted by the Consumer Technology Association (CTA), demonstrating its technological capabilities and innovation. The award-winning products, the Digital Healthcare Bidet, the Auto Filter Cleaning Air Purifier, and the Personal Space Customized Air Purifier, are concept products that strengthen user convenience and personalized life care solutions, demonstrating Coway's future technology direction and differentiated innovation capabilities. Through user-centered technology development and innovative products, Coway plans to continue leading the smart home and life care markets.



CES 2025 Award-Winning Products

Digital Healthcare Bide Innovation Award, Home Appliances	Auto Filter Cleaning Air Purifier Innovation Award, Sustainability	Personal Space Customized Air Purifier Innovation Award, Smart Home
Going beyond cleaning functions, the bidet monitors users' health conditions and enables integrated health management based on the collected data	Equipped with self-cleaning technology that eliminates the need for filter cleaning and replacement	Provides air care solutions optimized for each space, leveraging AI (artificial intelligence) technology

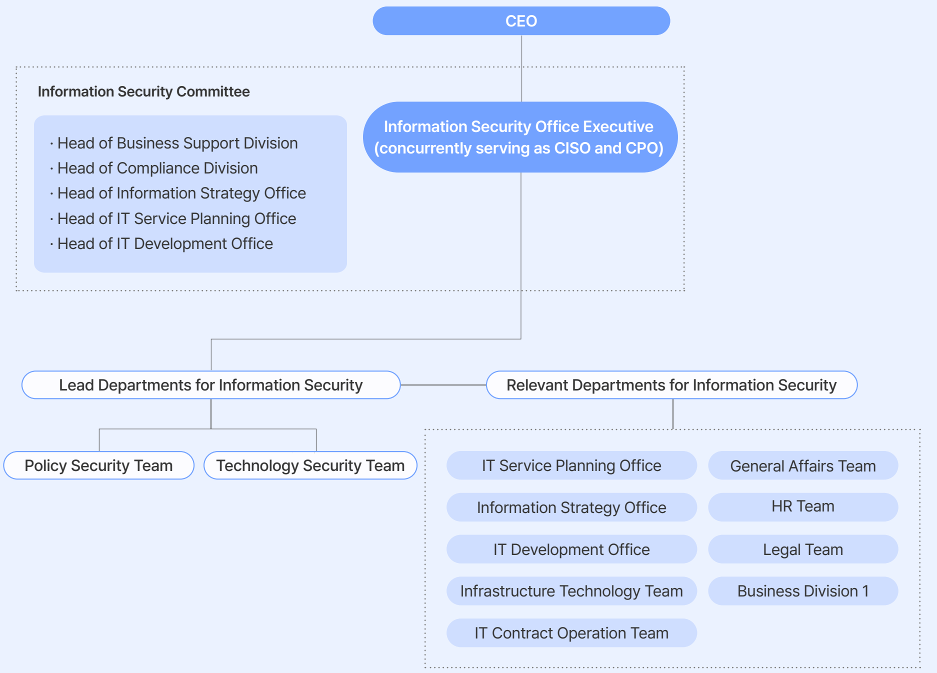
Information Security & Data Privacy

Information Security Governance

Information Security Organization

Coway operates an executive-level Information Security Committee to establish robust governance over information security. The Committee is chaired by the Chief Information Security Officer (CISO), who satisfies the statutory qualification requirement of at least 10 years of professional experience in information security or IT pursuant to the 'Act on Promotion of Information and Communications Network Utilization and Information Protection.' Comprising heads of key relevant departments as members, the Committee deliberates on information protection policies and implementation directions under the leadership of the CISO. The Policy Security Team and the Technology Security Team oversee information security operations. They are responsible for establishing, implementing, and improving information security plans, as well as for conducting information protection audits, training and awareness programs, simulation drills, and system security management. Furthermore, Coway continuously reinforces its information security architecture and enhances data privacy standards through close interdepartmental collaboration, periodic monitoring, and proactive risk management.

Organizational Chart for Information Security



Key Organizations and Roles

Information Security Committee	CISO	Policy Security Team/ Technology Security Team
· Deliberation and resolution of key matters related to information protection	· Directing overall operations and overseeing crisis response management	· Execution and improvement of information protection operations

Information Security Committee

The Coway Information Security Committee meets on a regular basis and continuously reviews amendments to applicable laws, including the Personal Information Protection Act and the Act on Promotion of Information and Communications Network Utilization and Information Protection. Through this process, Coway has taken proactive steps to apply any amendments promptly to its internal policies and processes. In 2025, Coway strengthened its disciplinary standards for security violations and advanced its security inspection and monitoring architecture, thereby elevating statutory compliance, operational stability, and customer trust.

2025 Key Activities and Achievements of the Information Security Committee

Category	Key Activities and Performance	Evaluation Indicator	Result
Regulatory Compliance	· Reviewing personal information access records and disposal status · Notifying data subjects of usage details, and resolving complaints/disputes	Rate of implementing mandatory legal compliance activities	100%
Management System Operations	· Maintaining ISO/IEC 27001 and 27701 certifications · Maintaining ISMS-P certification	Rate of internalizing security standards	100%
Security System Operations	· Improving the security system operation · framework Reviewing access privileges and unnecessary policies in security systems · Auditing user/system logs and detecting operational anomalies	Rate of executing corrective action plans	100%
Information Security Incident Prevention	· Remediating security vulnerabilities and detecting and responding to information leakage threats · Conducting security inspections and training across major business sites and field sales sites	Rate of responding to detected risks	100%
Awareness Raising	· Information security campaigns and case-sharing activities · Distributing tailored training videos for field sales sites	Rate of implementing awareness-raising plans	100%
Training Reinforcement	· Conducting annual disaster recovery simulation drills (IDC simulation drills) for outage scenarios	Completion rate of trainees	100%
Risk Management	· Conducting security reviews and remediating/removing risks across Coway · Reinforcing security threat detection and minimizing security blind spots	Rate of taking actions to remove security vulnerabilities	100%
Internal audits	· Reviewing the status of the information protection management framework · Reviewing the security management status of partners and outsourced contractors	Rate of diagnosing management levels	100%

Information Security & Data Privacy Policy

Coway places the protection of customers' personal information as its top priority and maintains a systematic information protection management framework, with related regulations organized into a policy and guideline structure to ensure consistent application across operations. To respond to the rapidly changing information protection environment and business requirements, Coway periodically reviews related regulations and enacts or revises them as needed. In 2026, to strengthen information protection governance, Coway restructured the Information Security Committee and reinforced company-wide security inspections and continuous monitoring. By linking disciplinary procedures for violations with the Disciplinary HR Committee, Coway has enhanced accountability and execution. Reflecting the latest laws and changes in the work environment, Coway also revised 14 information protection guidelines and newly established one guide, thereby strengthening the related framework. By applying the same standards not only to internal organizations but also to the sales organization, outsourced contractors, and supply chain partners, Coway continues to reinforce its company-wide information protection framework.

Information Security Strategy

Information Security Management Framework

Mid- to Long-term Information Security Roadmap

Coway regards earning the trust of domestic and international customers as a core objective, maintaining a robust framework to proactively respond to internal operational risks as well as diverse external security threats. To this end, Coway has established a mid- to long-term information protection roadmap aimed at building an Information Security & Data Privacy Management System aligned with global standards, and continuously reviews and manages the status of its implementation.

Mid- to Long-term Information Security Roadmap

Short-term	Mid-term	Long-term
Laying the foundation for the global standard security management system	Internalizing the global standard security management framework	Operating and managing the global integrated security management system
· Ensuring global statutory and regulatory compliance · Establishing a global standard security management framework	· Advancing company-wide information protection and personal data management processes · Expanding the application of the global standard security management framework to overseas business sites	· Operating and managing information protection management systems at overseas business sites · Establishing a global monitoring framework at headquarters

Information Security Risk Management

Information Security Risk Management Process

Coway manages information protection risks by classifying them into security incidents and IT disasters. Security incidents refer to incidents involving violations of security policies, such as information leaks and system breaches, while IT disasters refer to service interruptions caused by natural disasters, fires, and similar events. Security incidents are managed through preventive measures and incident response procedures. IT disasters are addressed by activating an Emergency Response Team. This ensures rapid recovery and business continuity.

Type	Process		
Security Incidents	**Prevention** Risk assessment, formulation of protective measures, information protection training	**Incident Response** Incident reporting, analysis, emergency action, recovery, and prevention of recurrence	
IT Disasters	Activation of the Emergency Response Team ▸	IT service recovery ▸	Eusuring business continuity

Proactive Information Security Risk Prevention

Security Review

Coway carries out preventive activities—including risk assessments, the formulation of protective measures, and information protection training—based on a company-wide risk management framework designed to prevent security incidents. In particular, Coway operates a security review process that considers security from the system planning stage, reflecting information protection requirements in advance before new systems are built or services are launched. Through these preventive activities, Coway reviews and improves the appropriateness of personal information handling, system vulnerabilities, and compliance with security policies in advance, thereby minimizing potential risks.

Security Review Process

STEP 01 — Request security review

The department in charge of the service consults with the Information Security Team during the system planning stage to determine whether a security review is required, and prepares a system briefing and flowchart.

STEP 02 — Review and make plans

The Policy Security Team reviews the request from the service department, provides security requirements, finalizes the scope of the review, and establishes a security review plan.

STEP 03 — Execution of security review

The security review is conducted in accordance with the established plan, with inspections performed after key screens are developed.

STEP 04 — Post-Assessment Management

The system is registered in the information asset inventory, and its security status is maintained through continuous monitoring.

Regular Information Security Risk Monitoring

To substantially elevate the level of information security and data privacy, Coway operates a range of regular monitoring activities year-round. Through field-oriented initiatives—such as malicious email response drills, clean desk campaigns, and security audits of entrusted partners—Coway proactively identifies and remediates security vulnerabilities across internal employees and supply chain partners alike. Going beyond simple inspections, Coway conducts tailored training programs aligned with each activity type, simultaneously preventing security incidents and fostering security awareness across the entire company.

2025 Key Activities and Achievements

Category	Activity	Target Audience	Result
Malicious Email \Response Drills	Raising employee awareness and enhancing response capabilities such as personal information theft scenarios through internal simulation training against intelligent malicious emails	All employees	Conducted twice a year
Clean Desk Campaign	Raising security awareness among employees, preventing security incidents through clean desk campaigns, and eliminating information management vulnerabilities	Headquarters (inspected by lead department), Coway R&D Center, Plants (self-inspection), and field sales sites	Conducted once a year
Security Audits of Entrusted Partners	Conducting checklist-based security audits and data privacy training for entrusted vendor companies	Partners	332 partners participated
Information Security System Enhancements	Improving information protection systems to strengthen access control and threat response monitoring for company-wide IT assets	Company-wide systems	3 systems upgraded

Post-Incident Management of Information Security Risks

Personal Data Incident Response Process

To prevent the spread of damage and avoid secondary harm in the event of a personal information breach or information leakage, Coway has taken proactive steps to ensure a phased response tailored to each incident type. Personal data-related incidents are classified into Security Breach Incidents and Data Leakage Incidents (personal data leakage / internal proprietary data leakage), with optimized response measures established and operated in advance. Through continuous security monitoring and surveillance systems, any detected anomalies prompt immediate reporting of suspected security incidents to responsible personnel, while simultaneously activating an Incident Response Team (IRT) for swift initial action. Coway then carries out the following steps in sequence: fact-checking, evidence collection and preservation, and detailed analysis of the leakage path and its cause. Based on these findings, Coway establishes and implements recurrence prevention measures while promptly restoring services. The response process and outcomes are reported to the CEO and the CISO to support management's decision-making. The entire response process and outcomes are reported to the CEO and CISO to support executive decision-making. Furthermore, all response procedures are thoroughly documented and institutionalized as shared knowledge assets within the company. Lessons learned and leakage pathways are regularly disseminated through interdepartmental training, continuously reinforcing company-wide incident response capabilities.

Personal Data Incident Response Process

				Responding to Incidents		
		Control/Monitoring	Recognizing and Reporting of Incidents	Taking Initial Actions	Fact-checking and Evidence Collection	Follow-up Measures (Recurrence Prevention)
Security Breach Incidents		Remote security surveillance (malware infections, hacking, DDoS attacks, etc.)	· Internal reporting · Reporting to regulatory authorities · Formation of an incident response team	Firewall blocking, application of ACL policies, NMS monitoring, anti-virus	Analysis of system logs and review of recent change history	Remediation and recurrence prevention measures
Leakage Incident	Personal Data	Remote security surveillance	Incident occurrence and secondary notification	Minimization of leakage damage	Identification of leakage paths and handling of customer complaints	Application of countermeasures and monitoring
	Internal Information		· Internal reporting · Reporting to government authorities · Formation of an incident response team	Prevention of further information leakage	Interviews	Disciplinary action and legal action

Post-Incident Management and Recurrence Prevention Framework

When a personal information incident occurs, the results of root-cause analysis derived during the incident handling process are translated into specific recurrence prevention measures and shared company-wide, ensuring that individual incidents are systematically managed to lead to organizational learning and the strengthening of management capabilities. Even after an incident, Coway continuously evaluates its security posture through ongoing security inspections and infrastructure vulnerability assessments. Furthermore, during the service operation stage, Coway conducts internal audits and policy compliance reviews to rigorously verify adherence to internal security standards and external regulatory requirements.

Coway also performs regular remediation activities for potential risks not identified through preventive measures, and in the event of a security incident or IT disaster, Coway activates a company-wide crisis management process to minimize damage and ensure business continuity, thereby protecting customer information and key assets. These post-incident management activities are systematically managed in accordance with personal information protection laws and internal standards.

Information Security Activities

Information Security Certifications

Coway has obtained certifications in information security and data privacy from accredited domestic and international certification bodies, validating the robustness of its information security management framework to external stakeholders. Rather than stopping at initial certification acquisition, Coway continuously evaluates the appropriateness of its management framework through annual surveillance audits and triennial recertification audits, driving ongoing enhancements aligned with the evolving security environment.

Information Security Certificates

Information Security & Data Privacy Certification Status

Category	ISMS-P	ISO/IEC27001:2022 & ISO/IEC27701:2019
Standard	Domestic	International
Expiration Date	June 15, 2025 – June 14, 2028	December 21, 2023 – December 20, 2026
Certification Body	Korea Internet & Security Agency (KISA)	DNV
Certification Scope	· Coway online services (Coway.com)	· Coway online services: a total of 11 services, including Coway.com and corporate websites · Business applications: a total of 5 services, including the Cody App, Home Care Doctor App, Smart Sales App, and Service Manager App
Certification Effect	· Enhancing business stability through information protection risk management · Complying with information protection laws for ethical and transparent management · Minimizing social and economic damages security breach incidents and class-action lawsuits	· Complying with information security and data privacy laws aligned with international standards · Providing systemic risk management environments against information protection threats · Improving external credibility when obtaining certification for the prevention of information leakage
External Business Impact	By maintaining these certifications, Coway sustains systematic prevention and improvement initiatives. This framework not only prevents personal data breach incidents arising from hacking or insider threats, but also mitigates associated legal violations, financial risks (such as administrative fines), and reputational risks, thereby contributing significantly to Coway's overall business stability.	

Information Security Training

To enhance information protection awareness and security capabilities across all employees, Coway conducts company-wide information security training annually. In 2025, in addition to video-based training programs, Coway conducted on-site inspections and training of entrusted partners, raising the level of security management at field sales sites and elevating information security standards across all business operations.

In response to the recent increase in the use of generative AI services, the Information Security Office conducts continuous inspections and monitoring to prevent the external leakage of corporate information and security risks. To enhance employees' understanding of AI ethics and raise awareness of the safe use of AI, Coway also established and distributed the "Generative AI Usage Guide" company-wide. The guide includes key security rules that employees should observe when using AI services, such as the prohibition of inputting internal confidential data or personal data, as well as verifying copyright ownership and the credibility of generated outputs.

2025 Information Security Training

Category	Schedule	Target Audience	Content	Number of Completers
Video Training	March – October	Newly commissioned sales agents	Training on personal data collection, use, and destruction	1,948
On-site Security Audits & Training for Entrusted Partners	August – December	Exclusive agencies (192) and master distributors (4)	Audit of personal data management status and security training	198
Company-wide Mandatory Training	March	All employees	Data privacy and information security	6,298

Information Security Campaign

To ensure that employees' security awareness translates into actual behavior in the workplace, Coway carries out information security campaigns continuously throughout the year. In 2025, with a focus on embedding security practices into daily operations, Coway executed various initiatives, including annual renewal reminders for the Information Security Pledge and guidance on compliant work practices.

2025 Information Security Campaigns

Category	Schedule	Target Audience	Content
Annual Renewal of the Information Security Pledge	April	All employees	Periodic guidance on information security compliance, including the prohibition of unauthorized use and external removal
Guidance on Security Review Vulnerability Remediation	April	All employees	Guidance on remediation by category, including personal information protection and AWS security configuration
Guidance on Compliant Work Practices	July	All employees	Guidance on compliance items, including the use of SSL-VPN during off-site work to prevent corporate data leakage
Phishing Caution Notice: Impersonation of Consumer Coupon Distribution	July	All employees (including field sales sites)	Guidance on identifying and responding to phishing threats exploiting social issues
Caution Notice on the Use of Work PCs	November	All employees	Sharing case studies of external security breach incidents and providing operational security guidelines, such as shutting down PCs upon leaving work

Information Security Investment

Coway recognizes information protection as a core management element rather than a cost, and continues to expand its investments to advance protection frameworks and reinforce threat response capabilities. Pursuant to the "Act on the Promotion of the Information Protection Industry," Coway has been designated as an entity subject to information protection disclosure obligations since 2022, and transparently discloses the overall information protection status, including investment scale, personnel, certifications, and key activities, on an annual basis. The purpose of the disclosure is to support a safe digital environment for users and to encourage companies to voluntarily invest in information protection. As of the end of 2025, Coway's investment in information protection totaled KRW 3.49 billion, accounting for 4.6% of its total IT budget. Key investment items include strengthening endpoint security through the adoption of an Endpoint Detection and Response (EDR) solution, as well as conducting on-site security audits of entrusted partners in collaboration with specialized security firms.

Safeguarding Personal Data Rights of Data Subjects

To enable data subjects to substantively exercise their rights regarding their personal data, Coway maintains a process framework that promptly responds to deletion requests and related grievances. In particular, Coway actively responds to requests received through the "e-Privacy Clean Service" operated by the Personal Information Protection Commission. This service enables data subjects to review their historical online registrations based on identity verification records and conveniently withdraw membership from unnecessary websites, thereby supporting autonomous data management. By continuously upgrading and expanding diverse intake channels, including external linkage channels, Coway is enhancing the level of protection for data subjects' rights.

Governance

Governance

Corporate Governance Charter

Aligned with prevailing efforts to enhance corporate governance and reinforce the protection of shareholder rights, Coway has adopted a Corporate Governance Charter that codifies the fundamental principles and standards underlying a sound and transparent governance framework. Serving as an internal and external pledge to continuously strengthen corporate governance, this Charter establishes an institutional foundation for protecting shareholder rights and practicing board-centered responsible management. Through the enactment of this Charter, Coway demonstrates its voluntary commitment to governance reform and reinforces a transparent, board-led decision-making system, thereby consolidating trust across capital markets and stakeholders.

Corporate Governance Charter

Board Composition

Coway's Board of Directors operates in accordance with applicable laws and the company's Articles of Incorporation. Shareholders entrust the Board with the highest decision-making authority over corporate management. The Board is committed to establishing a sound governance framework based on checks and balances. As of the end of April 2026, the Board comprises three executive directors and six independent directors. By maintaining an independent director ratio of 66.7%—substantially exceeding statutory requirements—Coway has bolstered board independence and transparency, enabling effective oversight and check-and-balance functions over executive management.

Furthermore, to secure board diversity and expertise, three of the six independent directors (50%) are female.
This is the result of proactive efforts not only to fully comply with relevant regulations, but also to build a flexible and balanced governance framework by integrating diverse perspectives into key management decision-making.
Moving forward, the Coway Board of Directors will continue to advance its functions of deliberating and resolving core business matters and managing operational risks, striving to enhance corporate transparency and solidify the foundation for sustainable growth.

Board Composition

(As of the end of April 2026)

Category	Name	Gender	Position	Professional experience	Date of initial appointment
Executive directors	Jun Hyuk Bang	Male	Chairperson of the Board	· 2020–Present: Chairperson of Coway Board of Directors · 2014–Present: Chairperson of Netmarble Board of Directors · 2011–2014: Executive Advisor, Game Business Division, CJ E&M	Feb. 7, 2020 (Reappointed twice)
	Jang Won Seo	Male	CEO	· 2021–Present: CEO, Coway/Concurrent position as CEO of NECOA Holdings, Inc. · 2020–2021: Head of Corporate Management Division/CFO, Coway · 2020–2020: Head of Coway TF, Netmarble · 2019–2019: Officer in Investment Strategy and Communication, Netmarble · 2015–2018: Officer in Management Strategy, Netmarble · 2001–2015: Senior U.S. Attorney, Shin & Kim LLC	Feb. 7, 2020 (Reappointed twice)
	Soon Tae Kim	Male	CFO	· 2021–Present: Head of Corporate Management Division and CFO, Coway/concurrent Non-Executive Director, Coway Life Solution Co., Ltd. · 2016–2021: Head of Corporate Management Office, Coway · 2013–2015: Head of Budget Management Team and Corporate Planning Team, Coway	Mar. 29, 2023 (Reappointed once)

Board Composition

(As of the end of April 2026)

Category	Name	Gender	Position	Professional experience	Date of initial appointment
Independent directors	Gil Yeon Lee	Female	Member of Audit Committee Chairperson of ESG Committee Member of Related Party Transactions Committee	· 2009–Present: Attorney, Law firm Hokma · 2019–Present: Member of Human Rights Management Committee, Korea Copyright Protection Agency · 2018–2020: Member of Administrative Adjudication Committee, Board of Audit and Inspection of Korea · 2013–2017: Member of Law Interpretation Deliberation Committee, Korea Ministry of Government Legislation · 2011–2013: Member of Legal Ethics Council Committee, Council, Korean Bar Association	Mar. 31, 2022 (Reappointed once)
	Jung Ho Kim	Male	Lead Independent Director Member of Independent Director Recommendation Committee Chairperson of Compensation Committee	· 1995–Present: Professor, Department of International Studies, Graduate School of International Studies, Korea University (Strategic Management, International Management, and the U.S. Economy) · 1993–Present: Director, Institute for Industrial Policy Studies · 2023–2023: Visiting Scholar, Waseda University (Japan) · 2019–2021: Head of International Affairs Division, and Head of the Center for Global Leadership, Korea University · 2019–2021: Member of the Board of Directors, Asia-Pacific Association for International Education (APAIE), Venice International University (Italy) · 2019–2021: Senior International Leader, Association of Pacific Rim Universities (APRU) · 2016–2016: Visiting Professor, Ritsumeikan University (Japan) · 2015–2015: Visiting Professor, University of Vienna (Austria) · 2005–2006: Dean, Graduate School of International Studies, Korea University	Mar. 31, 2025
	Tae Hong Kim	Male	Member of Audit Committee Member of Compensation Committee Chairperson of Related Party Transactions Committee	· 2012–Present: CEO, Growth Hill Asset Management · 2009–2012: Vice President, Brain Investment and Advice · 2007–2009: Executive Director of Equity Investment, Franklin Templeton Investments · 2003–2007: Head of Equity Investment Division, Mirae Asset Global Investments · 2000–2003: Analyst, Daewoo Securities	Mar. 31, 2025
	Si Moon Jeon	Male	Member of Independent Director Recommendation Committee Member of ESG Committee Member of Compensation Committee	· 2024–Present: Adjunct Professor, Department of Mechanical Engineering, Hanyang University · 2024–Present: Advisor, BDI Partners · 2020–2024: Industry-Academia Collaboration Director, Department of Mechanical Engineering, Hanyang University · 1984–2022: Head of CTO Center (Executive Vice President), LG Electronics	Mar. 31, 2026
	Catherine Heyjung Sonu	Female	Member of Audit Committee Member of I ndependent Director Recommendation Committee Member of ESG Committee	· 2024–Present: Associate Professor, KIBS School of Accounting, Kookmin University · 2026–Present: Independent Director and Audit Committee Member, Mirae Asset Life Insurance · 2021–2025: Independent Director and Audit Committee Member, Hanwha Investment and Securities · 2014–2024: Assistant Professor and Associate Professor, Department of Accounting, Korea National Open University · 2003–2006: Internal Auditor, Wm. Wrigley Jr. Company	Mar. 31, 2026
	Hee Sun Chung	Female	Chairperson of Audit Committee Member of the Related Party Transactions Committee	· 2022–Present: Associate Professor, College of Business, Hanyang University · 2023–2026: Independent Director and Audit Committee Member, EXEM Co., Ltd. · 2021–2025: Independent Director and Audit Committee Member, Carrot General Insurance · 2016–2022: Assistant Professor and Associate Professor, College of Business Administration, Sejong University · 2006–2011: CPA, Tax Law Research Center, Korea Institute of Public Finance · 2003–2005: CPA, International Tax Division, Samil PwC	Mar. 31, 2026

Board Independence

Coway ensures the Board of Directors' autonomous decision-making and establishes sound governance through a system of checks and balances centered on independent directors. To secure their independence, Coway has established its own Independence Guidelines reflecting relevant laws and global standards, based on which the Board and the Independent Director Recommendation Committee review the independence of both candidates and incumbent directors. Transparent, fair procedures and systematic screening are applied from the nomination stage to strengthen independence. Furthermore, pursuant to Article 12 of the Board Regulations, Coway maintains a framework allowing the Board to solicit opinions from relevant executives, employees, or external experts and invite advisors to attend as observers—ensuring that independent directors can express objective, professional viewpoints.
To further strengthen the Board's independence and check-and-balance function, Coway introduced the Lead Independent Director system in April 2026. The Lead Independent Director represents all independent directors and is authorized to convene and chair separate meetings composed exclusively of independent directors. The Lead Independent Director may also request reports and materials on key issues from management, serving as a bridge for seamless communication between management, the Board, and shareholders. This framework substantively complements Coway's structure in which an executive director also serves as Board Chairperson, reinforcing board-centered responsible management.

Independence Guidelines

Independence Guidelines

Coway Co., Ltd. ensures the independent decision-making authority of its Board of Directors and is committed to establishing a sound and rational governance structure centered on independent directors through checks and balances. To verify the independence of its independent directors, Coway has established a set of guidelines based on relevant laws, regulations, and global best practices. Based on these criteria, both the Board of Directors and the Independent Director Recommendation Committee evaluate the independence of candidates and incumbent independent directors.

An individual is deemed independent if they meet the following criteria. In addition, any other significant relationships with Coway will be comprehensively assessed:

01. Has no grounds for disqualification from serving as a director under applicable laws and regulations
02. Has no history of impairing corporate value or infringing shareholder rights
03. Maintained a Board meeting attendance rate of at least 75% during the most recent term
04. Has not served as a full-time executive or employee of Coway or its affiliates, including non-profits, in the past five years
05. Has not served in the past two years as a director, executive, auditor, or employee of an entity that maintains a technical alliance agreement with Coway
06. Has not served in the past two years as a director, executive, auditor, or employee of an accounting firm appointed as Coway's external auditor
07. Has not served in the past two years as a director, executive, auditor, or employee of an entity that entered into a single business contract with Coway exceeding 10% of total revenue during the most recent fiscal year
08. Has not served in the past two years as a director, executive, auditor, or employee of an entity whose aggregate transaction volume with Coway over the past three fiscal years exceeded 10% of Coway's total assets or total revenue
09. Has not served in the past three years as a director, executive, auditor, or employee of an entity that maintains a major advisory contract (such as legal or management consulting) with Coway
10. Does not currently serve as an advisor or consultant to Coway or its executive management
11. Has no significant conflict or interest regarding matters decided by the Board of Directors

Board Diversity

Coway is committed to securing diversity within the Board of Directors to enable rational decision-making from multiple perspectives. The Articles of Incorporation explicitly stipulate the diversity principle that “the Board shall not be composed entirely of directors of a single gender.” By appointing three women among the six independent directors, Coway has achieved a female independent director ratio of 50%, exceeding statutory requirements. Furthermore, Coway promotes nationality diversification by incorporating non-Korean independent directors, while expanding the age distribution across the Board to achieve generational balance and harmony. By establishing a Board that encompasses diversity in gender, nationality, and age, Coway elevates decision-making quality and ensures that each director's distinct expertise creates powerful synergies on this foundation of diversity.

Board Expertise and Competencies

To respond agilely to the rapidly changing global business environment, Coway has adopted and operates the Board Skills Matrix (BSM) to systematically strengthen the expertise of the Board of Directors. The BSM serves as a tool for objectively evaluating and managing the competency composition of directors, playing a key role in securing expertise optimized for Coway’s mid- to long-term strategic direction.

Coway’s directors possess extensive expertise across various areas of corporate management, including leadership, management and strategy, finance and accounting, legal affairs, ESG, M&A, R&D and technology, global industries, and capital and financial markets. Based on the BSM, Coway maintains a balanced expertise that is not overly concentrated in any single area. When appointing independent directors, Coway also leverages the results of competency analysis to prioritize areas of expertise that require reinforcement, thereby identifying optimal candidates.

Following director appointments, Coway actively supports independent directors in fulfilling their fiduciary duties. Dedicated support—including key operational data and briefing materials—is provided by specialized units such as the IR Team, Audit Support Team, Management Office, Finance Office, and Internal Accounting Management Team. Coway also continuously runs internal and external training programs for independent directors.

Board Skills Matrix

(As of the end of April 2026)

Category	Executive directors (3)			Independent directors (6)					
Name	Jun Hyuk Bang	Jang Won Seo	Soon Tae Kim	Gil Yeon Lee	Jung Ho Kim	Tae Hong Kim	Si Moon Jeon	Catherine Heyjung Sonu	Hee Sun Chung
Gender	Male	Male	Male	Female	Male	Male	Male	Female	Female
Age	50s	50s	50s	50s	60s	50s	60s	40s	40s
Nationality	Republic of Korea	Republic of Korea	Republic of Korea	Republic of Korea	Republic of Korea	Republic of Korea	Republic of Korea	United States	Republic of Korea
Leadership	●	●	●		●	●	●		
Management/Strategy	●	●	●		●				
Finance/Accounting			●			●		●	●
Legal		●		●					
ESG				●					
M&A	●	●						●	●
R&D/Technology	●						●		
Global Industries					●		●		
Financial/Capital Markets						●			

Director Appointment Process

All Coway directors are appointed by resolution of the General Meeting of Shareholders. For executive directors, Coway broadly identifies and develops both internal talent and external experts, with appointments finalized upon shareholder approval. The CEO is appointed in accordance with the 「CEO Succession Policy」, which clearly sets forth the required qualification criteria. Coway maintains a continuously updated pool of executive leadership candidates by sourcing internal and external candidates in a balanced manner, and the CEO is ultimately appointed by Board resolution from among the executive directors elected at the General Meeting of Shareholders.

The appointment of independent directors follows a transparent and fair procedure. The Independent Director Recommendation Committee, composed entirely of Independent Directors, identifies the required competencies in advance based on the Board Skills Matrix (BSM). Based on these competencies, Coway secures a broad candidate pool through diverse channels, including recommendations from external professional agencies and shareholder proposals. The screening process comprehensively assesses eligibility, adherence to independence guidelines, expertise, and suitability. Detailed evaluation criteria include the candidate's potential to enhance corporate value, contribution to Board diversity, independence and fairness, ethical integrity, commitment to fiduciary duty, and professional expertise. In the final stage, eligibility requirements and potential grounds for disqualification are meticulously reviewed to confirm candidates possessing both high expertise and strict independence. Through these systematic procedures, Coway upholds a fair and credible director appointment process.

Independent Director Appointment Process

STEP 01

Establishing Nomination Criteria

- Reviewing candidate recommendation procedures and schedule
- Establishing candidate evaluation criteria
- Analyzing Board competency profile and diversity
- Identifying required competencies for independent directors (expertise and diversity)

STEP 02

Securing Candidate Pool and First-round Screening

- Securing candidate pool through diverse channels, including external professional agencies
- Evaluating independence and suitability based on established criteria
- Finalizing the first-round shortlist

STEP 03

Second-round Screening and Final Evaluation

- Conducting additional reviews of candidates submitted via shareholder proposals
- Executing comprehensive evaluations of final candidates: Re-verifying independence and suitability
- Finalizing the final shortlist

STEP 04

Resolution by the Independent Director Recommendation Committee

- Conducting final reviews of eligibility and grounds for disqualification for independent directors
- Determining the number of candidates to be recommended
- Finalizing independent director candidates
- Collecting verification documents and candidate consent

STEP 05

Board Resolution and Approval at the General Meeting of Shareholders

- Submitting to and passing resolution by the Board of Directors
- Tabling agenda items at the General Meeting of Shareholders
- Approval and appointment at the General Meeting of Shareholders

Board Operations

Committees under the Board

To maximize the efficiency and expertise of Board operations, Coway has established the Audit Committee, Management Committee, Independent Director Recommendation Committee, ESG Committee, Compensation Committee, and Related Party Transactions Committee under the Board. Each committee strictly complies with the composition requirements under relevant laws such as the Commercial Act and maintains an independent decision-making framework based on Article 42 of Coway's Articles of Incorporation and the codified operating regulations approved by the Board.

Establishment of the Compensation Committee

To enhance the fairness and transparency of executive compensation decisions, Coway established the Compensation Committee in May 2025. Comprising three independent directors to ensure independence and objectivity, the Committee independently deliberates on executive director remuneration, executive incentive budgets, and executive compensation systems. Through the Committee, Coway strengthens governance over executive compensation and pursues long-term corporate value enhancement based on the trust of the market and stakeholders.

Establishment of the Related Party Transactions Committee

In March 2026, Coway established the Related Party Transactions Committee to objectively oversee the fairness of transactions among affiliated entities and reinforce management transparency. To prioritize independence and objectivity in deliberations, the committee is composed entirely of independent directors and serves as a core internal control body that practices board-centered responsible management.

The Related Party Transactions Committee pre-reviews intra-group transactions pursuant to relevant laws, including the Commercial Act and the Monopoly Regulation and Fair Trade Act. Agenda items rejected by the committee are strictly barred from being submitted to the Board, a rigorous process that strengthens Coway's internal control functions and ensures a transparent transaction order. Going forward, Coway will continue to enhance governance credibility and solidify an advanced corporate governance framework through the Committee.

Audit Committee Support Organization

To support the Audit Committee's independent and efficient audit activities, Coway operates the Audit Support Team as a direct organization under the Board, ensuring independence from management, with additional support from the IR, Finance, and Internal Accounting Management Teams as needed. The Audit Support Team assists with agenda preparation and meeting management, while the Finance Team handles external audit matters and the Internal Accounting Management Team handles Internal Accounting Control System operations, thereby supporting the Audit Committee in fulfilling its duties.

Committees under the Board

(As of the end of April 2026)

Committee	Purpose of Establishment	Key Responsibilities	Members (*Chairperson)
Management Committee	Promptly deliberating on and resolving matters related to Coway's management	· Matters related to Coway's significant management issues delegated by the Board · Matters delegated by the Board on an ad hoc basis · Other key corporate management matters determined by the Committee to be tabled for deliberation	*Jun Hyuk Bang, Executive Director Jang Won Seo, Executive Director Soon Tae Kim, Executive Director
Independent Director Recommendation Committee[1]	Ensuring fairness in the process of nominating and appointing independent directors	· Review and recommendation of qualifications for independent director candidates · Establishment and review of principles for independent director appointments	Jung Ho Kim, Independent Director Si Moon Jeon, Independent Director Catherine Heyjung Sonu, Independent Director
Audit Committee	Auditing Coway's accounting and operations	· Review of financial statements and other accounting documents, including audit procedures and results from the external audit firm · Review of the operation status of the internal accounting control system	Gil Yeon Lee, Independent Director Tae Hong Kim, Independent Director *Hee Sun Chung, Independent Director Catherine Heyjung Sonu, Independent Director
ESG Committee	Supervising mid- to long-term ESG strategies, policies, and key matters to enhance long-term corporate value and pursue sustainable growth	· Setting of targets and directions for ESG management · Decision-making on major risks and opportunities · Supervision and review of overall ESG management activities	*Gil Yeon Lee, Independent Director Si Moon Jeon, Independent Director Catherine Heyjung Sonu, Independent Director
Compensation Committee	Responsible for managing a fair and transparent compensation system	· Determination of base salary and incentives for internal directors · Allocation of the incentive pool for executives · Review and approval of the establishment, revision, or abolition of executive compensation-related systems	*Jung Ho Kim, Independent Director Tae Hong Kim, Independent Director Si Moon Jeon, Independent Director
Related Party Transactions Committe	Enhancing the fairness and transparency of transactions among affiliated companies	· Pre-reviewing related party transactions in accordance with the Commercial Act and the Monopoly Regulation and Fair Trade Act	Gil Yeon Lee, Independent Director *Tae Hong Kim, Independent Director Hee Sun Chung, Independent Director

1) Chairperson scheduled to be appointed

2025 Board Operations

Number of Board meetings held	Total agenda items	Resolution Items	Reporting items	Board meeting attendance rate
7 times	33 items	22 items	11 items	100%

2025 Operations of Committees under the Board

Management Committee	Independent Director Recommendation Committee	Audit Committee	ESG Committee	Compensation Committee	Related Party Transactions Committee
8 times	4 times	5 times	2 times	1 time	- [1]

1) Newly established in 2026; no meetings were held in 2025

Board Remuneration and Evaluation

Performance Evaluation and Remuneration of Independent Directors

Coway appoints highly qualified independent directors and determines reasonable compensation by comprehensively reviewing the level of legal responsibilities and compensation practices in the same industry. To ensure the independence of Independent Directors' activities, the evaluation of Independent Directors is not directly linked to compensation. Considering that linking compensation to evaluation could undermine independent judgment, Coway institutionally safeguards the independence and fairness of Independent Directors by clearly separating the two elements.

Performance Evaluation of CEO and Executives

Coway designs the compensation structure for its CEO and executives by separating short-term and mid- to long-term performance, thereby fostering an environment in which management can make responsible decisions. To this end, Short-Term Incentives (STI) incorporate comprehensive Key Performance Indicators (KPIs) and competency evaluations, while Long-Term Incentives (LTI) are balanced to align with executives' cumulative mid- to long-term capabilities and role-based contributions. Through this approach, Coway operates an executive compensation framework designed to drive sustainable corporate value creation.

Performance Evaluation of CEO and Executives

Short-term Performance Evaluation	Incentives (bonuses) for Coway's CEO and executives are determined based on KPIs that comprehensively evaluate quantitative indicators, including growth, profitability, and stability, and qualitative indicators consisting of strategic tasks for the relevant year.
Long-term Performance Evaluation	To support balanced short- and long-term performance management, Long-Term Incentives (LTI) are calculated based on executive competency evaluation results over the most recent three-year period. Coway has also introduced a Restricted Stock Unit (RSU) program for key executives starting in 2026, reinforcing the compensation structure that promotes accountable management.
Incorporation of non-financial performance	In determining the remuneration of executive directors, Coway comprehensively reflects not only financial performance but also non-financial performance and competencies. The 2025 KPIs for executive directors include the application rate of recycled resin, customer service satisfaction scores, and product/component defect rate indicators. Detailed competency evaluation items cover risk management, human resources management, organizational culture, and customer-centric management, allowing Coway to move beyond outcome-based assessments and focus on strengthening sustainable competitiveness.

Introduction of the Restricted Stock Unit (RSU) Program

To closely align the interests of management with those of shareholders and to enhance corporate value, Coway has introduced and operates a Restricted Stock Unit (RSU) program for key executives starting in 2026. The program is structured into two independent forms based on the purpose and nature of the compensation, driving substantive accountable management.

01. Incentive-Converted Stock Compensation (Discouraging Short-termism)

A portion of performance-based incentives is converted into and granted as stock. The granted stock is subject to a mandatory holding (Lock-up) condition that restricts its sale for three years from the grant date. This discourages executives from concentrating on short-term performance and encourages them to focus on preserving Coway's long-term value.

02. Mid- to Long-term Performance-Linked Stock Compensation (Strengthening Shared Growth with Shareholders and Accountable Management)

This format grants stock contingent on the achievement of ambitious long-term target stock prices. To ensure that management drives long-term growth from the same perspective as shareholders, the sale of the granted stock is restricted throughout the executive's tenure. Furthermore, Coway has implemented a formal Clawback policy to recover compensation in cases of severe legal violations, breaches of the Code of Ethics, or actions damaging corporate value, thereby further enhancing governance transparency.

Board Remuneration

Director remuneration is determined annually within the limit approved at the General Meeting of Shareholders, reflecting each director's responsibilities and performance. Overall remuneration details are disclosed to stakeholders through the annual business report.

Remuneration Paid to Directors

(Unit: KRW 1,000)

Category	Number of directors	Total remuneration	Average remuneration per person[1]
Registered director (excluding independent directors and members of Audit Committee)	3	3,425,111	1,141,704
Independent director (excluding members of Audit Committee)	2 (Kyu Ho Kim, Jung Ho Kim)	91,677	45,839
Members of Audit Committee	4 (Jin Bae Kim (chairperson), Bu Hyun Yoon (member), Gil Yeon Lee (member), Tae Hong Kim (member))	194,896	48,724

1) The average remuneration per person is a simple average calculated by dividing the total remuneration by the total number of directors as of December 31, 2025, which may differ from the actual average remuneration per person

Enhancement of Shareholder Value

Shareholder Composition

As of the end of 2025, Coway's total issued shares amount to 71,909,133 shares, consisting entirely of common stock with no preferred shares. Coway adheres to the "one share, one vote" principle, granting equal voting rights to all shares, and does not adopt a dual-class share system. The 1,141,707 treasury shares held by Coway are restricted from exercising voting rights under the Commercial Act, bringing the number of shares with voting rights to 70,767,426 shares, or 98.4% of the total. These treasury shares were fully retired in February 2026 to enhance shareholder value.

Shares Held by Major Shareholders

(As of the end of 2025)

Category		Shareholder name	Shares held	Shareholding ratio
Shares with voting rights	Largest Shareholder	Netmarble Corp.	18,511,446	25.7%
	Related parties	Executives	17,096	0.0%
	Foreigners		40,056,178	55.7%
	National Pension Service		5,152,383	7.2%
	Others		7,030,323	9.8%
	Total		70,767,426	98.4%
Shares without voting rights	Treasury stock		1,141,707	1.6%
Total shares issued	Total		71,909,133	100.0%

Shareholder Returns

In 2025, Coway established a shareholder return plan covering fiscal years 2025 through 2027. It disclosed the status of the 2025 corporate value enhancement plan on February 6, 2026. In 2025, Coway achieved a shareholder return ratio of 40%, with cash dividends and treasury share repurchases split evenly at approximately 5:5, thereby maximizing shareholder value. Coway has gradually expanded shareholder returns by doubling the return ratio compared to the previous three-year policy. The total amount of shareholder returns has grown steadily in line with rising earnings. Coway also retired approximately 1.9 million previously held treasury shares in full during 2025, effectively enhancing per-share value.

Three-Year Shareholder Return Plan (FY2025–FY2027)

Shareholder return scale	Shareholder return method
Increased to approximately 40% of consolidated net income	Year-end cash dividends and treasury share acquisition and cancellation (Quarterly dividends to be implemented from the first quarter of 2026)

Status of 2025 Shareholder Return Target Achievement

2025 Shareholder Return Ratio: 40%
Total Shareholder Return: KRW 247.3 billion

Cash dividends	Treasury share repurchase and retirement
KRW 137.3 billion in cash dividends paid in 2025 Dividend payout ratio of 22% on a consolidated basis	KRW 110 billion in treasury share repurchases in 2025 (fully retired) Full retirement of treasury shares acquired in 2017 and 2024

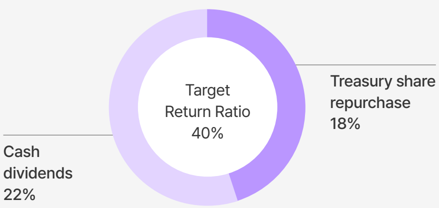
Future Shareholder Return Plan

To enhance sustainable shareholder value, Coway plans to actively implement shareholder returns within shareholder return ratio of 40% through 2027. To enable shareholders to benefit from the separate taxation of dividend income, Coway will first allocate 25% as cash dividends to satisfy "High-Dividend Corporation" tax qualification requirements, and will determine the scale of treasury share buybacks for the remaining funds in a manner that maximizes shareholder value.

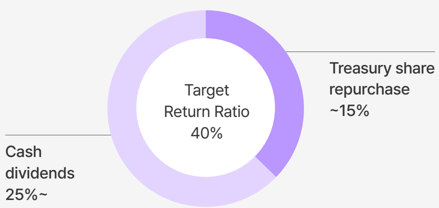
For 2026, to further enhance the visibility of shareholder returns, Coway plans to distribute the entire remaining funds as cash dividends, excluding the treasury shares acquired between February and April. Furthermore, by initiating quarterly dividends starting in Q1 2026, Coway is establishing a regular quarterly return framework to strengthen the ongoing income structure for its shareholders.

Going forward, Coway remains committed to enabling investors to achieve a stable and high Total Shareholder Return (TSR) through predictable shareholder returns that maximize tangible shareholder benefits.

2025 Shareholder Return



Shareholder Return Plan from 2026 Onward



Shareholder Return Plan Reflecting Separate Taxation Requirements for Dividend Income

STEP 01

Dividend payout ratio of 25% and a year-over-year increase of 10% or more

Fulfillment of "High-Dividend Corporation" tax requirements

STEP 02

Determining the scale of treasury share repurchases to maximize shareholder value upon meeting "High-Dividend Corporation" criteria

Achievement of a 40% total shareholder return ratio

Strengthening Shareholder Rights and Communication

Support for Shareholders' Exercise of Voting Rights

To enable shareholders to thoroughly review agenda items, Coway issued the convocation notice for the 37th Annual General Meeting five weeks in advance through the Data Analysis, Retrieval and Transfer System (DART) and its website—well beyond the statutory two-week requirement—and provided reference materials in both Korean and English to help domestic and international investors understand the agenda. Additionally, to expand shareholder participation, Coway actively implemented the "Voluntary Compliance Program for Dispersed General Meetings" by scheduling its AGM outside peak concentration dates. Coway also applied the Proxy Voting Solicitation System for all shareholders, supporting the smooth exercise of voting rights through proxy and laying a foundation for shareholders to exercise their legitimate rights.

Protection of Shareholder Rights and Interests

Reflecting the intent of the amended Commercial Act, Coway has built a foundation for protecting shareholder rights. To ensure directors faithfully perform their duties for Coway and its shareholders, the "Director's Duty of Loyalty to Shareholders" has been stipulated in the Articles of Incorporation. Coway also proactively reflected the expanded separate election of Audit Committee members in its Articles of Incorporation, completing the separate election of two members at the March 2026 AGM. These measures strengthen the Audit Committee's independent oversight and establish an institutional foundation to protect minority shareholders' rights in decision-making.

Enhancing Shareholder Convenience

In line with the amended Commercial Act, Coway laid the groundwork for electronic shareholder meetings by amending its Articles of Incorporation at the March 2026 AGM, and plans to hold such meetings with real-time online participation from the 2027 AGM. Coway will also introduce an electronic voting system to further improve accessibility for exercising shareholder rights. Through these initiatives, Coway is fostering an open environment where shareholders can exercise their rights and participate without time or location constraints.

Strengthening Market Communication

Coway has strengthened market communication through executive participation and diversified channels. From the first quarter of 2026, Coway introduced C-Level-led online earnings releases to improve accessibility for global investors. By regularizing executive-led global Non-Deal Roadshows (NDRs), Coway focuses on enhancing shareholder value and securing market trust, and plans to continue identifying potential investors by strategically strengthening IR activities in new regions. Coway is also expanding disclosure of key indicators for investment decisions, ensuring information transparency and improving market predictability.

Ethics Management

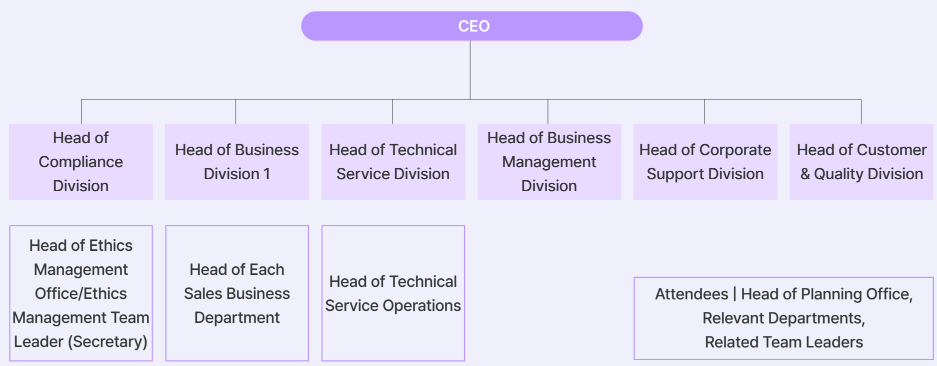
Ethics Management Governance

Ethics Management Organization

To advance ethics management, Coway has established the Ethics Management Team and the Audit Team under the Ethics Management Office within the Compliance Division, which oversee system management, training, campaigns, monitoring, and audit activities. The Ethics Management Team controls risks in sales and service organizations, while the Audit Team manages risks across other organizations. The two teams work closely together to strengthen internal controls and to foster a culture of ethics management through training and campaigns.

Recognizing the importance of ethical practices, Coway operates the Ethics Management Committee directly under the CEO, ensuring that final responsibility and decision-making authority on ethical issues rest with C-level executives. The Ethics Management Committee is composed of top management, including business division heads and office-level executives. It promptly deliberates on and resolves key ethics and compliance issues across divisions, and drives improvements. This structure secures management's accountability and execution capability in ethical management. In 2025, the Committee deliberated on and executed structural improvements regarding the penalty discount policy for contract holder deceased cases and optimized internal/external notification messaging protocols (KakaoTalk notifications and text messages).

Organizational Chart for the Ethics Management Committee



Code of Ethics

Coway has established a Code of Ethics as the foundation for practicing ethics management, providing employees and stakeholders with a clear standard for ethical judgment and conduct. The Code of Ethics consists of the Charter of Ethics, Regulations of Ethics, and Code of Ethics, and applies to a wide range of stakeholders, including all employees and partners. Coway also strives to improve accessibility so that ethical values can be put into practice in the workplace. Following the publication of the English version of the Code of Ethics in 2021, Coway posted the Code of Ethics on the websites of major overseas subsidiaries, including those in Malaysia, the United States, and Thailand, in 2022, advancing the global expansion of its ethics management culture.

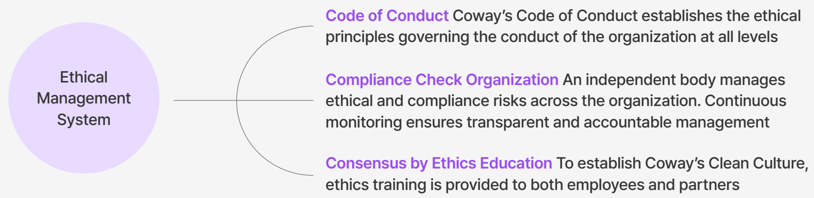
Charter of Ethics Regulations of Ethics Code of Ethics

Ethics Management Strategy

3C Ethics Management System

Coway manages its ethics management framework based on the 3C Framework (Code of Conduct, Compliance Check Organization, and Consensus by Ethics Education). Through a dedicated organization that supervises ethical compliance, Coway preemptively addresses ethical risks and strengthens organization-wide ethical awareness by carrying out regular ethics training and campaigns for employees and partners.

3C Ethical Management System



Risk Management for Ethics Management

Field-Centered Ethical Risk Inspections

Coway conducts regular and ad-hoc business diagnoses to maintain its soundness and transparency. We carry out various risk management activities in parallel, including monitoring corporate credit card usage, preventing irregular sales practices, and auditing sales ethics across overseas subsidiaries. In 2025, we focused inspections on ethical risks that may arise in transactions with partners and are reinforcing business rules and procedures for preventive management.

In 2025, Coway strengthened the linkage between order filtering systems and ongoing monitoring indicators, reorganizing the framework into nine core risk metrics. We also conducted on-site inspections of large-scale irregular sales practices, recovering undue gains and taking measures to prevent recurrence. We regularly share company-wide soundness and risk status with field operations, and irregular sales and service risk metrics have been formally embedded as KPI items to further enhance sales transparency. Globally, in 2025 we intensively reviewed the management systems of our Malaysia and Thailand subsidiaries and established risk management systems tailored to local conditions. Going forward, we will continue ethical diagnoses and monitoring at home and abroad to strengthen our internal control functions.

Ethics Reporting Channel

Coway maintains procedures for reporting and handling Code of Ethics violations. Employees aware of a violation must report it to the responsible department, and reports can be submitted anytime through various channels, including online platforms, email, and postal mail. Coway operates domestic and overseas Ethics Management Centers and online reporting channels, keeping customer complaint channels for products, services, and sales separate from whistleblowing channels for employee and partner misconduct. Reports are processed promptly and fairly. When a violation of the Code of Ethics or employment rules is confirmed, disciplinary actions—including dismissal, suspension, salary reduction, or warning—are strictly enforced in accordance with the severity of the violation, following review by the Disciplinary HR Committee.

Items Subject to Report

Bribes, Improper Gifts & Entertainment	Leakage of Confidential or Proprietary Information	Unfair Trade Practices	Embezzlement or Misuse of Company Assets	Workplace Bullying, Harassment & Discrimination	Other Violations of Code of Ethics

Reporting and Handling Procedures

STEP 01	STEP 02	STEP 03	STEP 04
Receipt	Investigation	Notification	Improvement
Reports received through our reporting channels (via e-mail or post mail)	Reviewed and investigated thoroughly (by the compliance check organization)	Reporter notified of the results (who disclosed his/ her real name, upon his/her request)	Corrective and preventive measures implemented

Whistleblower Protection and Rewards

Coway places the highest priority on protecting whistleblowers' identity and the content of their reports. We have revised our protection process so that only the Head of the Compliance Division can access whistleblower information, and established the "Whistleblower Protection and Rewards Guidelines" to foster an active reporting culture. Coway operates both a "Whistleblower Reward System" and a "Self-Reporting Leniency System." Under the reward system, verified reports are eligible for up to KRW 50 million, paid within 60 days of verification. We will continue to strengthen these systems to protect whistleblowers and build a transparent reporting culture.

Principles of Whistleblower Protection

Status Protection	Where a whistleblowing report is made by an executive or employee, the whistleblower shall not be subject to any disciplinary action, loss of status, or discriminatory working conditions on the grounds of filing such report, providing statements, or submitting supporting evidence.
Identity Protection	The Ethics Management Office guarantees absolute confidentiality regarding the identity of the whistleblower and the contents of the report. Unless the whistleblower explicitly consents, their identity shall not be disclosed or implied in any manner throughout the investigation
Prohibition of Retaliation	In the event that a whistleblower experiences retaliatory action or adverse treatment from the reported party or related third parties, they may notify the Ethics Management Office immediately. The Office shall conduct an immediate investigation and enforce strict disciplinary measures against those responsible.
Supporter Protection	Protection measures equivalent to those for whistleblowers shall be extended to any individual who cooperates with audits, investigations, or fact-finding procedures by providing statements or submitting relevant materials.
Reduction of Responsibility	Where a disclosure made by a whistleblower leads to the discovery of wrongdoing in which the whistleblower or a cooperating supporter was involved, disciplinary actions against them may be reduced or waived.

Compliance Risk Identification and Assessment Process

To systematically manage compliance risks, Coway conducts annual regular diagnoses while also carrying out ad-hoc diagnoses based on reports submitted to the Ethics Management Center. In particular, we identify areas with a high likelihood of unfair trade and unfair competition as key compliance risks and conduct related risk assessments on a regular basis. We designate operations with a high likelihood of corruption and unfair practices, such as procurement involving large expenditures, as a core management focus and develop annual audit plans accordingly. Based on the results of regular audits, we establish and implement specific risk mitigation measures for unfair trade and unfair competition risks, and continuously conduct follow-up audits on improvement items. Through this approach, we run a prevention-focused ethics management system that goes beyond preventing recurrence to proactively block potential unfair trade and unfair competition before they occur.

Compliance Risk Assessment Activities

Annual Audit Plan	Fraud and Misconduct Reports	Pre-Risk Assessment	Subcontracting & Fair Trade Compliance
· Regular audits are conducted to assess and monitor the purchasing organization	· Receipt and handling of reports related to fraud and misconduct	· Preliminary assessment of compliance with the Four Major Compliance Principles · Prior approval from the Legal Team required for any policy revisions by the Purchasing Office	· Conducting monthly reviews to monitor compliance with the Four Major Fair Trade Guidelines

Identified Key Risks and Response Measures

Identified Key Risks	Identification and Assessment Methods	Mitigation Measures
Irregular Sales Practices	· Data collection and analysis limited to accounts with anomalies detected prior to product shipment	· Verifying order validity through a dedicated filtering system; releasing shipments only upon confirming normal orders and automatically canceling fraudulent orders
Fair Trade	· Price increase requests from partners due to raw material price hikes	· Implementing, operating, and broadening the application of the Price Adjustment Clause

Ethics Management Activities

Ethics Training

To establish a healthy organizational culture and sound sales practices, Coway consistently provides ethics management training content—covering workplace harassment prevention, internal whistleblowing procedures, and improper sales prevention—via our integrated learning platform, making it accessible at all times to all employees, including full-time, part-time, and contract staff. Monthly educational media are also displayed across key business sites, such as the Coway R&D Center, to continuously raise employee ethical awareness. In 2025, we delivered tailored training focused on field-level ethics internalization and unfair trade prevention. We conducted in-person training for 93 general sales managers and technical service branch managers to enforce managerial accountability, alongside online video training for 1,561 branch managers and team leaders to disseminate practical guidelines for preventing fraudulent orders. Monthly short-form video guides highlighting core compliance rules and procedures are also distributed company-wide. Going forward, we will continue regular training on unfair trade prevention to solidify a fair, transparent commercial culture.

Raising Employee Awareness

Coway operates the "Clean-Coway" initiative to foster a fair and transparent sales environment. Through our internal intranet, we disseminate ethical sales principles and focus on embedding compliant sales practices across field operations. We also analyze actual cases of irregular sales practices and distribute non-compliance case studies alongside prevention guidelines to ensure similar incidents are preemptively prevented.

CASE

2025 Ethics Management Forum

In April 2025, Coway convened its 3rd Ethics Management Forum to reinforce leadership commitment to practicing ethics management. Attended by headquarters leaders at the team manager level and above, including the CEO and C-level executives, the forum featured an Ethics Management Declaration Ceremony to solidify our organization-wide dedication. Division heads proactively identified internal ethical risks within their respective units, engaged in structured problem-solving, and immediately implemented field-level countermeasures, laying a solid foundation for autonomous ethical compliance across all operations.

Risk Management

Risk Management Governance

Risk Management Organization

To proactively respond to changes and uncertainties in the business environment, Coway has established a comprehensive risk governance structure that integrates financial and non-financial risk management. Depending on the risk category and impact severity, the Board of Directors, executive management, operational working-level units, and audit bodies execute clearly defined roles, maximizing enterprise-wide crisis response capabilities.

Board of Directors

As the highest decision-making body for Coway's risk management, the Board of Directors reviews and approves company-wide management strategies and key risk response measures. Under the Board, the Management Committee, Audit Committee, Related Party Transactions Committee, and ESG Committee have been established to address risks in their respective areas in a specialized manner. Each committee receives reports on key risk issues identified by working-level organizations, evaluates the appropriateness of response strategies, and provides directions for improvement when necessary.

Management

The Risk Accountability Committee, reporting directly to the CEO, operates under Management Committee oversight. It categorizes risks by type and impact level while setting key mitigation roadmaps. Executive councils, including the Business Leaders Meeting and Monthly Management Meeting, continuously monitor field risks and drive rapid cross-functional crisis intervention.

Working-Level Organizations

Working-level organizations in each risk management area directly identify and assess risks that may arise in the course of business operations. Personnel in each business division manage operational, quality, safety, and other risks specific to their respective area. Working-level organizations conduct periodic risk reviews and set priorities through impact analysis. Identified risks are reported to the Risk Accountability Committee through the Business Leaders Meeting and the Monthly Management Meeting, and are escalated to the relevant committees under the Board of Directors when necessary.

Risk Management Framework

Risk Management Process

Coway operates an integrated risk management system to proactively identify and respond to key risks that may arise across our business. Dedicated teams in each area, including finance, investment, environment, labor, and information security, identify potential risks at an early stage, assess their likelihood and scope of impact, and develop tailored response measures. Identified risks are discussed from a company-wide perspective through the Business Leaders Meeting and the Monthly Management Meeting. Depending on severity, these risks are escalated to the Audit Committee or the ESG Committee for deliberation. The Board of Directors and its sub-committees regularly review the progress and performance of risk responses, and activate immediate escalation protocols in emergency situations to ensure rapid executive decision-making. We also run parallel feedback and monitoring structures to enhance the effectiveness of our management framework.

Company-wide Risk Management Process

STEP 01 Defining & Embedding Risk Strategy
- Setting management direction in response to changes in the business environment
- Selecting management priorities by division and area
- Establishing annual risk management plans and policies
- Internal Accounting Control System Training
  - Annual training for unit-level process owners, control owners, and control operators across all organizations to reinforce accounting compliance (355 employees completed in 2025)

STEP 02 Early Risk Detection
- Reviewing potential risks by area of responsibility
- Operating regular, ad hoc, and emergency identification systems

STEP 03 Evaluation & Prioritization
- Assessing impact, likelihood, and other factors
- Assigning grades that consider financial and non-financial impacts
- Determining response priorities

STEP 04 Action Plan Execution
- Selecting strategies for avoidance, mitigation, transfer, or acceptance
- Executing response plans led by operational organizations

STEP 05 Ongoing Risk Oversight
- Continuously reviewing the implementation status of responses
- Tracking and managing trends in risk changes

STEP 06 Reporting and Communication
- Conducting comprehensive reports to the CEO on a regular basis (twice a year)
- Reporting to the Board of Directors and its sub-committees (once a year)
- Strengthening communication with internal and external stakeholders

Risk Management Measures by Type

Financial Risks

Financial risks refer to risks that may directly affect Coway's financial performance due to the unpredictability of financial markets and changes in financial structure. These include market risks such as foreign exchange and stock price fluctuations, liquidity risks concerning capital raising and debt-servicing capacity, credit risks stemming from counterparty default, and interest rate risks that escalate financing costs. Unmitigated financial risks can lead to margin compression, restricted cash flows, and weakened balance sheet soundness.

Market Risks

Market risks refer to the uncertainty that the value of financial assets or expected cash flows may change due to price movements in financial markets, including interest rate risks, foreign exchange risks, and other market price risks. Management regularly tracks movements in key financial variables such as interest rates and exchange rates, and analyzes their impact on corporate value. For interest rate risks, we maintain an optimal structure by adjusting the proportion of fixed-rate and floating-rate liabilities, while foreign exchange risks are managed through periodic assessment processes and reporting routines that enable swift responses to changes.

Increase/decrease of exchange rate	When increased by 5%	When decreased by 5%
Impact on Earnings Before Taxes (EBT)	Increased by KRW 17,676 million	Decreased by KRW 17,676 million

Credit Risks

Credit risks are managed in a centralized manner across the entire enterprise. Beyond counterparty credit exposures arising from accounts receivable or binding contracts, credit risks can manifest across financial assets in general, including cash holdings, cash equivalents, derivative financial instruments, and institution deposits. Coway enforces a strict policy of transacting exclusively with banks and financial institutions maintaining a credit rating of A or higher from recognized credit rating agencies. For counterparties without official credit ratings, we evaluate creditworthiness across multiple dimensions—including financial soundness, historical transaction track record, and industry reputation—and establish credit exposure limits accordingly.

(Based on the Business Report for 2025, Unit: KRW 1,000)

Cash and cash equivalents	Accounts receivable	Lease receivables	Other short-term financial assets	Other long-term financial assets
182,064,264	271,811,034	4,715,422,480	36,297,714	26,235,386

Liquidity Risks

We proactively identify liquidity risks stemming from financial market volatility and model the quantitative impact of shifting funding conditions on our balance sheet, thereby maintaining an agile response framework. To ensure adequate operational liquidity, Coway secures sufficient undrawn credit facilities and tracks cash flow status in real time. Through this disciplined approach, we mitigate risks of financial covenant breaches or line-of-credit limit overruns. Our liquidity forecasting model comprehensively integrates cash flow plans, financial covenant requirements, and internal financial targets, alongside external macro-factors such as foreign exchange control regulations and regional legal constraints.

(Based on the Business Report for 2025, Unit: KRW 1,000)

Category	Within 1 year	Longer than 1 year
Liquidity Risks	1,609,185,500	983,786,839

Capital Risks

To deliver long-term value to our shareholders and investors and reduce funding costs, we maintain an optimal balance in our capital structure. Benchmarking industry peers, Coway manages capital using the debt-to-capital ratio as a key metric, and systematically monitors leverage indicators—including total debt to total capital and equity ratios—to preserve financial stability.

Strategic Risks

Strategic risks are risks associated with changes in the external business environment and corporate strategic decisions, which may adversely affect the achievement of Coway's long-term goals and vision. These include macro-environmental factors such as global economic fluctuations, shifts in the competitive landscape, changes in consumer needs and trends, and the emergence of new technologies and technological paradigm shifts. They also encompass potential losses arising when strategic initiatives—including M&As, strategic alliances, new business entries, product/technology roadmaps, capital allocation decisions, and regional footprint and localization strategies—fail to deliver targeted commercial or operational objectives.

Operational Risks

Operational risks refer to direct and indirect risks that various internal and external factors may pose to operations during day-to-day business activities. Coway defines operational risks beyond simple productivity loss, encompassing systemic vulnerabilities such as process deficiencies; organizational, workforce, or system inefficiencies; and IT infrastructure failures and cybersecurity vulnerabilities. Furthermore, operational risks cover challenges in product R&D, quality assurance, order fulfillment, sales execution, supply chain disruptions, and asset management (inventory, equipment, and real estate facilities). We also manage issues across the ESG spectrum as part of operational risks, including climate change response, health and safety management, compliance with environmental regulations, recruitment and retention of human resources, and local community relations. Operational risks cover the broadest range of categories and have the highest likelihood of occurrence, making systematic management essential.

Compliance Risks

Compliance risks refer to the risks arising from failure to comply with laws, regulations, ethical standards, and internal policies. These risks comprise legal disputes and litigation, fair trade statutory breaches, environmental non-compliance, labor and human rights violations, and mandatory supply chain due diligence failures. Compliance risks may result in financial losses, legal penalties, business suspension or interruption, and reputational damage. Driven by evolving mandatory ESG disclosure frameworks and regulatory oversight, the boundary and materiality of compliance risks are steadily expanding. Additionally, reputational exposures resulting from suboptimal government and media relations are integrated into our compliance risk governance.

Internal Accounting Risks

Internal accounting risks are risks arising from operating the internal accounting control system that affect the reliability and accuracy of our financial statements. These include accounting process errors, inadequacies or failures in the internal control system, accounting fraud, and violations of accounting-related regulations. Should internal accounting risks materialize, they can cause financial statement restatements, modified or qualified audit opinions, regulatory sanctions, and erosion of investor confidence, underscoring the critical necessity for proactive risk mitigation and preventive control mechanisms.

Key Risk Exposure and Response Activities

Risk Type	Likelihood	Impact	Residual Risk Level	Description and Impact of Key Risks	Response Measures
Financial Risks	Low	Medium	Low	Widening gap between initial investment and revenue recovery in the rental and membership model; higher cash flow volatility from rising cancellation rates during downturns; growing upfront investment needs from overseas expansion; constraints on new investments and higher borrowings; rising financing costs and credit rating downgrades	· Establishing a real-time cash flow monitoring system · Enhancing the membership cancellation rate forecasting model · Managing liquidity and borrowing limits · Securing diversified funding channels
Strategic Risks	Medium	Medium	Low	Strengthening global carbon neutrality and climate disclosure standards (e.g., IFRS S2); increasing demands to measure and reduce product life-cycle carbon footprints; expanding disclosure requirements for home appliance energy efficiency and environmental impact; potential ESG rating downgrades and weakened product competitiveness; customer attrition, non-compliance penalties, and export barriers	· Launching products with low-carbon and resource circulation systems · Developing high-energy-efficiency products and applying carbon reduction technologies · Reviewing the adoption of climate disclosures (IFRS S2)
Operational Risks	Medium	Medium	Low	Growing IoT data collection and transmission from wider smart appliance adoption; rising security threats to sensitive data such as customer information and usage habits; potential loss of brand trust from personal data leaks or hacking; possible ESG rating deductions and exploitation of smart device software vulnerabilities	· Involving cybersecurity personnel from the product planning stage · Mandating compliance with security review protocols · Strengthening encryption and secure storage for customer data · Conducting drills based on cyber attack and breach scenarios
Compliance Risks	Medium	High	Medium	Heightened safety and hygiene standards for water and air purifiers; expanded regulations on filter replacement cycles and chemical disinfectants; business suspensions, product recall costs, administrative fines, and legal liabilities; deteriorating brand trust and customer churn	· Integrating safety review from the product planning stage · Proactively obtaining domestic and overseas safety certifications · Conducting regular product safety testing · Advancing quality management systems (e.g., ISO9001)
Internal Accounting Risks	Low	Medium	Low	Complex revenue recognition timing and advance payment accounting for rental and membership models; interpretive variances under K-IFRS and IFRS 15; financial statement restatements and modified/qualified audit opinions; eroded investor confidence and share price volatility; control deficiencies in Internal Accounting Control System evaluations	· Clarifying the revenue recognition policy manual · Enhancing ERP automation and verification logic · Executing quarterly revenue verification and audit · Holding regular meetings with external accounting firms

Tax Risks

Driven by the expansion of our global operations and the growing complexity of international tax regimes, Coway regards full tax compliance as an essential foundation of financial soundness and corporate reputation. We systematically monitor potential tax exposure, including cross-border tax law disparities, transfer pricing regulations, and heightened global tax transparency mandates. Adhering strictly to the principle of paying taxes where economic value and profits are created, we uphold the highest standards of tax transparency.

Tax Policy

Coway faithfully complies with the tax policies established by the government and fulfills our responsibilities as a member of society. We strictly adhere to all applicable tax laws and regulations, striving to foster transparent and equitable relationships with key stakeholders and local communities.

Regulatory Compliance	We fully comply with tax regulations in every operating jurisdiction and do not establish artificial tax structures lacking economic substance for tax avoidance. In particular, Coway does not engage in aggressive tax planning, such as shifting income to low-tax jurisdictions or using tax havens.
Transfer Pricing Management	We rigorously comply with the arm's length principle in transactions with overseas related parties, paying taxes appropriately where profits are generated and preventing tax avoidance through cross-border income shifting.
Risk Response	We systematically monitor tax risks arising from legislative amendments and regulatory changes, analyzing their impact on our operations and conducting advance reviews for proactive risk mitigation.
Communication and Cooperation	We maintain transparent, professional relationships with tax authorities across jurisdictions based on mutual trust. We respond promptly and diligently to official information requests, actively preventing unnecessary tax disputes.
Disclosure and Transparency	We transparently disclose tax information audited by independent external auditors in accordance with regulations. We also actively support global tax transparency initiatives, including Country-by-Country Reporting (CbCR) under the OECD BEPS Project guidelines.

ESG Data

Economic

Condensed Consolidated Financial Statements

Indicator	Unit	2022	2023	2024	2025
Current assets	KRW 100 million	13,745	15,916	17,710	22,318
Non-current assets	KRW 100 million	29,906	32,593	39,906	47,682
Total assets	KRW 100 million	43,651	48,510	57,616	70,001
Current liabilities	KRW 100 million	11,302	15,090	18,780	23,312
Non-current liabilities	KRW 100 million	9,229	7,042	6,875	10,551
Total liabilities	KRW 100 million	20,531	22,132	25,654	33,864
Total equity	KRW 100 million	23,120	26,378	31,961	36,137

Consolidated Statement of Comprehensive Income

Indicator	Unit	2022	2023	2024	2025
Revenue	KRW 100 million	38,561	39,665	43,101	49,636
Costs of sales (COS)	KRW 100 million	13,696	13,950	15,265	17,802
Gross profit	KRW 100 million	24,865	25,715	27,837	31,834
Selling, general and administrative expenses	KRW 100 million	18,091	18,402	19,883	23,048
Operating income	KRW 100 million	6,774	7,313	7,954	8,787
Finance income	KRW 100 million	43	58	58	51
Finance costs	KRW 100 million	331	560	665	751
Share of profit (loss) of associates	KRW 100 million	64	41	46	331
Profit before income tax	KRW 100 million	6,833	6,606	7,840	8,117
Income tax expense	KRW 100 million	2,255	1,896	2,186	1,942
Profit for the year	KRW 100 million	4,578	4,710	5,655	6,175
Other comprehensive income	KRW 100 million	400	-509	1,278	1,002
Total comprehensive income	KRW 100 million	4,978	4,201	6,932	7,177

R&D Investment (Consolidated)

Indicator	Unit	2022	2023	2024	2025
R&D expenses[1)]	KRW 1 million	53,547	53,128	56,841	61,776
Percentage of revenue	%	1.39	1.34	1.32	1.24

1) This figure is the sum of ordinary R&D expenses under selling, general and administrative (SG&A) expenses in the consolidated statement of comprehensive income, and research and development expenses in the statement of cost of goods manufactured. It also includes the personnel expenses of R&D staff

Tax Report (Consolidated)

Indicator	Unit	2022	2023	2024	2025
Profit before income tax	KRW 1,000	683,308,004	660,563,060	784,002,285	811,671,101
Corporate tax burden (total)[1)]	KRW 1,000	240,660,485	184,166,250	258,650,793	259,514,769
Corporate tax expenses (total)	KRW 1,000	225,512,387	189,551,955	218,550,098	194,161,025
Effective tax rate	%	33	28.7	27.8[2)]	23.9

1) Calculated based on the corporate tax burden (including additional tax payments and refunds) reported in the business report
2) Restated due to a typographical error in the previous year's report

Environmental

GHG Emissions[1)]

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Scope 1 (Direct emissions)	Total emissions	tCO_2eq	831	11,261	11,395	9,352
Scope 2 (Indirect emissions)	Total emissions	tCO_2eq	5,995	6,780	6,416	7,012
Scope 1+2	Total emissions	tCO_2eq	6,828	18,041	17,811	16,364
	Yugu Plant	tCO_2eq	2,484	1,956	2,077	2,268
	Incheon Plant	tCO_2eq	886	871	13[2)]	58[2)]
	Pocheon Plant	tCO_2eq	255	262	295	304
	Coway R&D Center	tCO_2eq	1,730	1,765	1,828	1,909
	Seoul Office (G-Tower)	tCO_2eq	761	874	987	1,032
	Technical Services	tCO_2eq	-	10,921	10,979	8,900
	Logistics Center	tCO_2eq	711	1,385	1,623	1,884
	Solar Power Plant (001)	tCO_2eq	1	4	4	4
	Solar Power Plant (002)	tCO_2eq	-	3	4	4
Scope 3 (Other indirect emissions)	Total emissions	tCO_2eq	59	17,011	17,686	16,797
	C1. Purchased goods and services[3)]	tCO_2eq	-	5,062	5,638	6,261
	C3. Fuel and energy related activities not included in Scope 1, 2	tCO_2eq	-	331	343	308
	C4. Upstream transportation and distribution	tCO_2eq	-	3,550	3,541	1,429[4)]
	C5. Waste generated in operations	tCO_2eq	-	1,104[5)]	1,143	1,371
	C6. Business trips of employees	tCO_2eq	-	37	25	38
	C7. Employee commuting	tCO_2eq	59	64	65	73
	C8. Upstream leased assets	tCO_2eq	-	5,755	5,798	6,086
	C13. Downstream leased assets[6)]	tCO_2eq	-	190	222	223
	C15. Investment[7)]	tCO_2eq	-	919	908	1,009
Scope 1+2 Intensity in KRW[8)]		tCO_2eq/ KRW 100 million	0.243	0.654	0.572	0.472
GHG Emissions Targets		tCO_2eq	-	-	-	16,525

1) Emissions by category are rounded to whole numbers before being aggregated, which may result in discrepancies with the total
2) Emissions reduction applied through the retirement of RECs
3) Sum of Scope 1 and Scope 2 emissions from 9 major Coway suppliers
4) GHG emissions decreased by 59% due to the consolidation of regional branch operations and changes in delivery operation policies
5) Corrected due to a reporting error in the previous year's report
6) Affiliated company (Coway EnTech) leasing Coway-owned building
7) Affiliated company (BEREX Tech) in which Coway holds a stake
8) Calculated based on individual sales revenue

Refrigerants purchased for product manufacturing

Indicator	Unit	2022	2023	2024	2025
Total purchased	kg	39,410	40,440	48,610	47,650
General refrigerants purchased	kg	36,100	34,190	38,310	31,800
Eco-friendly refrigerants purchased	kg	3,310	6,250	10,300	15,850

Energy Consumption[1)]

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Energy consumption	Total consumption	GJ	140,485	305,293	299,872	283,471
Direct energy	Total consumption	GJ	14,418	162,952	165,146	136,270
	Gasoline	GJ	1,833	3,542	4,271	4,233
	Diesel	GJ	772	148,319	148,922	118,962
	LNG	GJ	5,051	5,113	5,946	6,462
	Kerosene	GJ	118	39	53	15
	Propane	GJ	6,644	5,939	5,954	6,598
Indirect energy	Total consumption	GJ	126,067	142,341	134,726	147,201[2)]
	Electricity	GJ	126,067	142,341	134,726	147,201
Renewable energy consumption	Total consumption	MWh	446	2,178	2,366	2,310[3)]
	Transition of owned REC renewable energy usage (electricity consumption)[4)]	MWh	228	1,993	2,181	2,124
	Other (on-site PV power self-generation facilities) renewable energy (direct) consumption[5)]	MWh	218	185	185	186
	Renewable energy use (renewable energy ratio)[6)]	%	1.1	2.6	2.8	2.9
Energy consumption intensity in KRW[7)]		GJ/KRW 100 million	4.99	11.07	9.62	8.17

1) Energy consumption by category is rounded to whole numbers before being aggregated, which may result in discrepancies with the total
2) Indirect energy consumption increased in line with higher production volumes
3) Renewable energy consumption decreased slightly due to differences in solar radiation
4) RECs acquired from solar power generation at the Yugu Logistics Center and the subsidiary BEREX Tech were converted into renewable energy usage records in the K-RE100 system of the Korea Energy Agency
5) Small-scale electricity generated and directly used by 4 business sites (Yugu Plant, Yugu Logistics Center office building, Incheon Plant, and Pocheon Plant)
6) Renewable energy usage (renewable energy ratio) = (renewable energy consumption × 3.6) ÷ total energy × 100
7) Calculated based on individual sales revenue

Water Resources Management[1)]

Indicator		Sub-Category	Unit	2022	2023	2024	2025
Amount of water withdrawal		Total water withdrawal	ton	86,457	105,477	113,331	126,133
		Municipal water	ton	67,021	82,745	87,363	74,439
		Groundwater	ton	19,436	22,732	25,968	51,694
		Fresh water	ton	0	0	0	0
Water withdrawal by site	Seoul office (G-Tower)	Municipal water	ton	11,586	10,978	9,914	11,262
		Groundwater	ton	0	0	0	0
		Fresh water	ton	0	0	0	0
	Yugu Plant	Municipal water	ton	12,825	15,328	18,312	19,076
		Groundwater	ton	19,436	22,732	25,968	51,694[2)]
		Fresh water	ton	0	0	0	0
	Incheon Plant	Municipal water	ton	8,214	8,546	10,245	11,883
		Groundwater	ton	0	0	0	0
		Fresh water	ton	0	0	0	0
	Pocheon Plant	Municipal water	ton	1,710	1,340	1,269	1,229
		Groundwater	ton	0	0	0	0
		Fresh water	ton	0	0	0	0
	Coway R&D center	Municipal water	ton	25,180	37,802	29,090	25,117
		Groundwater	ton	0	0	0	0
		Fresh water	ton	0	0	0	0
	Logistics center	Municipal water	ton	7,506	8,751	18,533[2)]	5,872
		Groundwater	ton	0	0	0	0
		Fresh water	ton	0	0	0	0
Water withdrawal[3)]			ton	86,457	105,477	113,331	126,133
Year-over-year change in water withdrawal			%	-5.62	22	7.45	11.3
Water reuse			ton	0	0	0	0
Water consumption[4)]			ton	0	0	0	0
Water discharge[5)]			ton	86,457	105,477	113,331	126,133
Water use intensity in KRW[6)]			ton/KRW 100 million	3.07	3.82	3.64	3.64

1) Municipal water and groundwater serve as domestic water, with the entire volume discharged through sewer pipes without reuse
2) Increase attributable to operational factors such as expanded production output
3) Water withdrawal + Water reuse
4) Water withdrawal − Water discharge
5) Water withdrawal − Water consumption
6) Calculated based on individual sales revenue

Raw Material Consumption

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Raw material consumption[1]	Total consumption	ton	14,906	16,034	17,619	18,469
	Plastic	ton	9,209	9,885	10,864	11,708
	Metal[2]	ton	3,752	4,006	4,497	4,554
	Packaging[3]	ton	1,945	2,143	2,258	2,207

1) Based on domestic launches of environmental home appliances (water purifiers, air purifiers, bidets, water softeners, humidifiers, and non-electric water purifiers), excluding the BEREX product line (massage chairs and mattresses)
2) Metal and plastic consumption is calculated based on theoretical values
3) Packaging materials for domestic environmental home appliances (cardboard boxes, packaging plastic, and EPS cushioning materials)

Waste and Recycling

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Total waste generated	Total waste generated	ton	25,214	25,676	25,358	24,958
General waste generation and disposal	Total amount generated/disposed	ton	25,180	25,643	25,322	24,934
	Recycled/reused	ton	17,547	17,923	17,895	18,302
	Incinerated (with energy recovery)	ton	7,612	7,720	7,427	6,632
	Incinerated (without energy recovery)	ton	21	0	0	0
	Landfilled	ton	0	0	0	0
	Others	ton	0	0	0	0
Designated waste generation and disposal	Total amount generated/disposed	ton	34	33	36	24
	Recycled/reused	ton	34	33	36	24
	Incinerated (with energy recovery)	ton	0	0	0	0
	Incinerated (without energy recovery)	ton	0	0	0	0
	Landfilled	ton	0	0	0	0
	Others	ton	0	0	0	0
Year-over-year change in waste discharge		%	6.16	-1.83	1.24	1.58
Amount of recycled waste[1]		ton	25,193	25,676	25,358	24,958
Waste-recycling rate[1]		%	99.9	100	100	100

1) Recycling volume and rate calculated under the Wastes Control Act (covering domestic manufacturing plants, including worksite, product, and service waste)

Recycled Plastic[1]

Indicator	Unit	2022	2023	2024	2025
Target for recycled plastic consumption	ton	-	-	-	1,600
Recycled plastic consumption	ton	-	-	1,136	2,030
Target achievement rate for recycled plastic	%	-	-	-	127

1) Total consumption is calculated based on ABS materials

Eco-friendly Investments

Indicator	Sub-Category		Unit	2022	2023	2024	2025
Number of eco-friendly certifications (Eco-label certification)[1]			cases	43	30	8	8
Sales of eco-friendly products[2]			KRW 100 million	9,430	11,054	9,740	9,588
Ratio of eco-friendly products to total sales			%	33.5	36.9	31.3	27.6
Green purchases			KRW 1 million	604	553	566	413
Total purchases			KRW 1 million	17,307	10,180	14,794	13,620
Green purchase ratio			%	3.5	5.4	3.8	3
Total environmental investment cost[3]	Total		KRW 1 million	2,585	3,476	3,224	2,705
	Capital investment	Total	KRW 1 million	1,026	1,465	1,320	1,546
		Facility operation	KRW 1 million	626	1,214	1,024	1,264
		System operation	KRW 1 million	400	251	296	282
	Operational expenses	Total	KRW 1 million	1,559	2,011	1,904	1,159[4]
		Communication	KRW 1 million	311	945	799	778
		New environmental business	KRW 1 million	1,248	1,066	1,105	381[4]
Costs avoided through environmental investment			KRW 1 million	4,937	6,473	6,939	8,366
Ratio of eco-friendly vehicles in the total fleet			%	-	2	3	4

1) Number of new Eco-label certifications issued in the year
2) Third-party certified products and refurbished products
3) Based on domestic production plants
4) The decrease in investment in 2025 due to the completion of aging equipment upgrades at the Incheon Plant in 2024

Environmental Violations

Indicator	Unit	2022	2023	2024	2025
Number of violations	cases	0	0	0	0
Year-end environmental liability costs	KRW	0	0	0	0
Fines for violations	KRW	0	0	0	0

Environmental Training

Indicator	Unit	2022	2023	2024	2025
Number of employees who completed environmental management training	persons	19	35	5,670[1]	87

1) Mandatory ESG management training for all employees (15-minute online training)

Environmental Management

Indicator	Unit	2022	2023	2024	2025
Ratio of ISO14001-certified sites	%	100	100	100	100
Sites subject to ISO certification	sites	5	5	5	5
ISO-certified sites	sites	5	5	5	5

Social

Employee Status[1)]

Indicator	Sub-Category		Unit	2022	2023	2024	2025
Total number of employees	Total		persons	6,442	6,272	6,282	6,352
	By gender	Male	persons	3,505	3,490	3,539	3,674
		Female	persons	2,937	2,782	2,743	2,678
		Percentage of female employees	%	45.6	44.4	43.7	42.2
	By age	Under 30	persons	336	279	274	284
		30 to under 50	persons	4,532	4,350	4,194	4,105
		Over 50	persons	1,574	1,643	1,814	1,963
Management level employee[2)]	Total female managers		persons	1,443	1,336	1,328	1,275
	By position	Junior level	persons	1,408	1,303	1,289	1,236
		Middle level	persons	28	28	33	30
		Top level	persons	7	5	6	9
	Percentage of female managers among total managers		%	65.7	63.7	64	62
	By position	Junior level	%	70.8	68.5	68.9	67.6
		Middle level	%	18.5	20	23.2	18.5
		Top level	%	12.7	9.1	9.8	13.4
	Percentage of female leaders[3)]		%	17	16.9	19.2	17
	Percentage of foreign managers among total managers		%	0	0	0	0
By employment type	Permanent employees		persons	6,276	6,077	6,009	6,084
	By gender	Male	persons	3,445	3,413	3,411	3,528
		Female	persons	2,831	2,664	2,598	2,556
	Temporary employees		persons	166	195	273	268
	By gender	Male	persons	60	77	128	146
		Female	persons	106	118	145	122
	Part-time employees[4)]		persons	15	25	17	16
	By gender	Male	persons	5	9	10	6
		Female	persons	10	16	7	10
	Full time employees		persons	151	170	256	252
	By gender	Male	persons	55	68	118	140
		Female	persons	96	102	138	112
Minority employees[6)]	Employees with disabilities[5)]		persons	117	138	123	124
	Employment rate for people with disabilities[5)]		%	1.8	2.3	2.0	2.0
	Foreign employees		persons	10	8	8	8
	Percentage of foreigners		%	0.16	0.13	0.13	0.13
	By Nationality	United States	persons	3	2	1	0
		Iran	persons	1	1	1	1
		Japan	persons	1	1	1	1
		China	persons	3	2	2	2
		Australia	persons	1	1	1	1
		New Zealand	persons	1	1	1	1
		Germany	persons	0	0	1	1
		France	persons	0	0	0	1
Employees at overseas operations	Total number of employees		persons	5,059	4,844	4,506	5,009
	Dispatched abroad		persons	2	8	4	3
	Expatriates		persons	35	36	37	42
	Locally hired		persons	5,022	4,800	4,465	4,964
Percentage of female employees in STEM-related positions[6)]			%	19.1	20.4	20.9	21.9
Total number of employees in revenue-generating departments			persons	5,727	5,849	5,853	5,901
Number of female employees in revenue-generating departments			persons	2,632	2,618	2,572	2,494
Percentage of female employees in revenue-generating functions			%	46	44.8	43.9	42.3

1) All data related to employees include the number of employees residing overseas (corporate heads, expatriates, etc.) and unregistered executives, excluding registered executives
2) The level of management is classified into the levels defined by the HR team based on the responsibility of each position, the size of managing organization, etc.
3) Female leaders refer to female employees at the middle management level or above
4) Excluding daily workers
5) Data has been corrected to align with the year-end headcount for each respective year, based on the reporting criteria of the Korea Employment Agency for Persons with Disabilities
6) Refers to employees who use knowledge related to science, technology, engineering, and mathematics for their work, in accordance with internal standards defined by the HR team

Employee Recruitment

Indicator	Sub-Category		Unit	2022	2023	2024	2025
New employee hires	Total number of employees		persons	427	329	514	570
	By position	Executives	persons	2	0	1	1
	By gender	Male	persons	271	146	289	371
		Female	persons	156	183	225	199
		Percentage of female new hires	%	36.5	55.6	43.8	34.9
	By age	Under 30	persons	141	79	128	163
		30 to under 50	persons	261	222	349	380
		Over 50	persons	25	28	37	27
	By nationality	Korean	persons	425	329	512	569
		Foreigners	persons	2	0	2	1
Internal recruitment	Total number of open positions		persons	1,775	1,987	1,854	2,101
	Number of open positions filled by internal candidates		persons	1,348	1,658	1,340	1,531
	Percentage of open positions filled by internal candidates		%	75.9	83.4	72.3	72.9
Average hiring cost			KRW	2,377,049	854,103	1,157,588	903,509

Employee Turnover and Retirement

Indicator	Sub-Category		Unit	2022	2023	2024	2025
Employee turnover and retirement	Total number of employees		persons	455	546	515	500
	By gender	Male	persons	229	199	242	236
		Female	persons	226	347	273	264
	By age	Under 30	persons	83	54	68	72
		30 to under 50	persons	287	259	307	280
		Over 50	persons	85	233	140	148
	Turnover rate[1]		%	7.1	8.7	8.2	7.9
Voluntary turnover and retirement[2]	Total number of employees		persons	413	292	309	309
	By gender	Male	persons	214	160	170	157
		Female	persons	199	132	139	152
	By age	Under 30	persons	80	34	40	41
		30 to under 50	persons	281	226	212	202
		Over 50	persons	52	32	57	66
	Voluntary turnover rate[3]		%	6.4	4.7	4.9	4.9

1) Turnover rate is expressed as a percentage of the total number of employees
2) Total number of resignations and retirements, excluding cases of early retirement, recommended resignation, automatic dismissal, statutory retirement, and disciplinary action
3) Voluntary turnover rate is expressed as a percentage of the total number of employees

Parental Leave

Indicator	Sub-Category		Unit	2022	2023	2024	2025
Employees taking parental leave[1]	Total number of employees		persons	149	134	142	154
	By gender	Male	persons	87	64	77	90
		Female	persons	62	70	65	64
Employees returning from parental leave[2]	Total number of employees		persons	142	131	151	147
	By gender	Male	persons	74	72	78	85
		Female	persons	68	59	73	62
Employees retained for 12+ months post-parental leave[3]	Total number of employees		persons	123	118	135	139
	By gender	Male	persons	58	68	68	83
		Female	persons	65	50	67	56
Return-to-work-rate[4]	Total rate		%	100	98.5	98	97
	By gender	Male	%	100	100	98	97
		Female	%	100	96.7	99	98
Retention rate (12 months post-return)[5]	Total rate		%	86.6	90.1	89.4	92.1
	By gender	Male	%	78.4	94.4	87.2	94.3
		Female	%	95.6	84.7	91.8	88.9

1) Number of employees who used parental leave categorized by year based on the starting date of parental leave
2) Number of employees who were employed at the time of data aggregation or who have retired after serving for at least one day after the end of parental leave among employees who have completed parental leave, categorized by year based on the end date of parental leave
3) Number of employees who were employed at the time of data aggregation or who have retired after serving for at least 365 days after the end of parental leave among employees who have completed parental leave, categorized by year based on the end date of parental leave
4) Number of employees who returned after the end of parental leave/employees who have completed parental leave for that year
5) Number of employees who worked for more than 365 days since the end of parental leave/employees who returned after parental leave for that year

Performance Appraisal[1)]

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Frequency of performance evaluations by type	Management by objectives	times	Ongoing	Ongoing	Ongoing	Ongoing
	360-degree feedback	times	1	1	1	1
	Team-based performance appraisal	times	1	1	1	1
Percentage of employees receiving regular performance evaluations and feedback	Male	%	100	100	100	100
	Female	%	100	100	100	100

1) Excludes field employees (production, sales, and field service technicians); field employees undergo separate monthly evaluations based on performance results. Employees ineligible for evaluation (e.g., those on leave or with service tenure below the evaluation threshold) are also excluded

Talent Development

Indicator	Sub-Category		Unit	2022	2023	2024	2025
Total number of trainees[1]			persons	6,123	6,156	6,175	6,268
Total training hours[2]			hours	120,391	126,270	125,802	137,766
Training hours per person			hours	20	21	20	22
	By gender	Male	hours	-	-	19	21
		Female	hours	-	-	22	23
	By age	Under 30	hours	-	-	28	32
		30 to under 50	hours	-	-	20	23
		Over 50	hours	-	-	20	19
	By position	Executive level	hours	-	-	15	20
		Mid-level management	hours	-	-	19	23
		Entry-level employees	hours	-	-	21	22
Total training cost			KRW 1 million	810	908	915	859
Training cost per person			KRW	132,288	147,498	148,248	136,995
	By gender	Male	KRW	-	-	165,303	137,276
		Female	KRW	-	-	126,440	136,609
	By age	Under 30	KRW	-	-	155,310	151,711
		30 to under 50	KRW	-	-	160,806	136,604
		Over 50	KRW	-	-	115,637	135,674
	By position	Executive level	KRW	-	-	634,399	124,447[3]
		Mid-level management	KRW	-	-	296,849	141,736[3]
		General employees	KRW	-	-	126,130	136,523

1) Calculated based on employees who completed training in the relevant year (including contract workers); excludes employees ineligible for training (e.g., those on leave or holding concurrent positions at Netmarble)
2) Sum of hours spent on e-learning, legally mandated training, outsourced training, and job-specific training
3) Cost reduced due to instructor fee savings from expanded in-house lectures and free training programs, despite an increase in trainee headcount

Human capital return on investment

Indicator	Unit	2022	2023	2024	2025
Revenue[1]	KRW 100 million	28,134	27,590	31,156	34,685
Operating expenses[2]	KRW 100 million	22,987	22,634	25,388	28,727
Employee-related expenses[3]	KRW 100 million	4,452	4,586	4,737	5,218
HC ROI[4]	%	2	2	2	2

1) Total revenue based on separate financial statements
2) Total operating expenses based on separate financial statements
3) Sum of salaries, bonuses, and employee benefits based on separate financial statements
4) {Revenue – (Operating expenses – Employee-related expenses)} / Employee-related expenses

Employee Benefits

Indicator	Unit	2022	2023	2024	2025
Employee benefits[1]	KRW 1,000	51,868,587	56,379,333	57,991,729	63,368,931

1) Based on Separate Financial Statements

Labor Relations

Indicator	Unit	2022	2023	2024	2025
Labor union membership rate	%	34.3	34.3	33.6	36.6

Grievance Handling Status

Indicator	Sub-Category		Unit	2022	2023	2024	2025
Number of grievances filed[1]	Total		cases	30	72[2]	42	38
	By type	Human rights violation	cases	6	14	10	7
		General grievances	cases	24	58	32	31
Number of grievances resolved	Total		cases	30	72	42	38
	By type	Human rights violation	cases	6	14	10	7
		General grievances	cases	24	58	32	31
Resolution rate	Total		%	100	100	100	100
	By type	Human rights violation	%	100	100	100	100
		General grievances	%	100	100	100	100

1) Grievances are classified and managed as human rights violations (workplace harassment, sexual harassment, discrimination, etc.) or general grievances (working environment, welfare, personnel system, safety and health, etc.)
2) The number of grievances increased in 2023 as the channel for filing complains was diversified to facilitate access to each job group

Occupational Health and Safety

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Employees[1]	Industrial accidents	cases	13	15	13[2]	7
	Lost time injury frequency rate (LTIFR)	cases/million hours	1.03[3]	1.22[3]	1.06[2]	0.56
	Occupational accident rate	%	0.2	0.24	0.21	0.11
	Fatalities	persons	0	0	0	0
	Number of health and safety improvement requests received[4]	cases	30	33	38	37
	Percentage of health and safety improvement requests resolved[4]	%	100	100	100	97.3
Partners	Industrial accidents	cases	2	1	0	0
	Lost time injury frequency rate (LTIFR)	cases/million hours	2.61	1.4	0	0
	Occupational accident rate	%	0.52	0.28	0	0
	Fatalities	persons	0	0	0	0
	Number of partners assessed for health and safety competency	companies	-	25	25	31
	Number of risk factors identified through risk assessments on partners	cases	34	173	74	146
	Risk factor mitigation rate through risk assessments on partners	%	100	100	100[2]	98
	Number of health and safety improvement requests received[4]	cases	7	12	21	28
	Resolution rate of health and safety improvement requests[4]	%	100	100	100[5]	100

1) Based on domestic business sites subject to the Occupational Health and Safety Act, and covers incidents under the site management's authority
2) The previously reported figures have been revised to reflect industrial accidents recognized after the reporting period
3) Corrected due to a reporting error in the previous year's report
4) Data managed through internal reporting channels (e.g., Occupational Health and Safety Committee, Subcontractor Health and Safety Council)
5) Data adjusted following the completion of improvements on previously outstanding items

Social Contribution

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Employees who participated in social contribution activities		persons	250	314	328	380
Expenditures for social contribution activities	Total cost	KRW 100 million	12.6	17.1	17.5	45.9[1]
	Share of monetary donation	%	10	10	9	69
	Share of in-kind contribution	%	22	15	2	1
	Share of social contribution-related expenses	%	68	75	89	30

1) Community investment expenses increased due to a one-time development fund donation made as part of a research collaboration

Contributions and Other Expenditures

Indicator	Sub-Category	Unit	2022	2023	2024	2025
External donations	Total	KRW 1 million	7	20	8	10
	Lobbying, interest representation, or similar[1]	KRW 1 million	0	0	0	0
	Local, regional or national political campaigns/organizations/candidates[1]	KRW 1 million	0	0	0	0
	Trade associations or tax-exempt groups	KRW 1 million	7	7	5	7
	Others	KRW 1 million	0	13	3	3

1) Coway does not make political contributions pursuant to Article 31 (Limitation of Contributions) of the political Funds Act

Supply Chain Management

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Partners	Total number of partners	companies	223	226	224	254
	Tier-1 partners	companies	133	133	134	153
	Tier-1 significant partners	companies	71	72	35	35
	Tier-2 partners	companies	90	93	90	101
Partners purchase	Percentage of Tier-1 significant partners' purchase	%	80	78	77	73
Supply chain ESG evaluation	Tier-1 significant partners that performed ESG risk evaluation	companies	10	9	5	35
	Tier-1 significant partners classified as high risk	companies	0	0	0	0
	Tier-1 significant partners that agreed on corrective actions or improvement plans	companies	-	-	58	24
	Tier-1 significant partners whose contracts were terminated due to high-risk classification	companies	0	0	0	0
	Percentage of Tier-1 significant partners that performed ESG risk evaluation	%	14.1	12.5	14.3	100
Percentage of partners that have obtained external certification on conflict minerals		%	-	-	97	98

Customer Satisfaction

Indicator	Unit	2022	2023	2024	2025
Customer satisfaction survey result	points	95.6	92.7	93.4	95.7
Customer complaint resolution rate	%	99.9[2]	100[2]	100[2]	100
Number of customer complaints regarding products/services/sales[1]	cases	24[2]	63[2]	68[2]	125

1) Based on domestic and overseas applications received
2) Corrected due to a reporting error in the previous year's report

Product Safety

Indicator	Unit	2022	2023	2024	2025
Number of violations of product and service health and safety regulations	cases	0	0	0	0
Total cases of product recall	cases	0	0	0	0
Number of recalled product lines	lines	0	0	0	0
Expenses incurred due to recalls	KRW	0	0	0	0

Information Security & Data Privacy

Indicator	Unit	2022	2023	2024	2025
Number of information leaks	cases	0	0	0	0
Number of cybersecurity and information security violations	cases	0	0	0	0
Fines for non-compliance with information security and cybersecurity regulations	KRW 1 million	0	0	0	0
Number of violations related to customer data	cases	0	0	0	0
Number of customers affected by data breaches	persons	0	0	0	0
Number of employees who participated in information security training	persons	6,046	6,211	6,175	6,298
Percentage of customers whose data is used for secondary purposes	%	0	0	0	0

Online Strategies & Customers Online

Indicator	Unit	2022	2023	2024	2025
Percentage of total customers using company's online services solutions/sales platform	%	1.86	1.78	2.21	2.60
Percentage of revenues generated online	%	0.77	1.14	1.57	2.02

Governance

Board of Directors

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Members of board of directors	Total number of members	persons	8	7	7	9
	Executive directors	persons	3	3	3	3
	Independent directors	persons	5	4	4	6
	Female directors	persons	1	1	1	1

Operation of BOD Meetings

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Number of BOD meetings held		times	6	6	6	7
Number of agenda items (approved/reported)		items	33	24	30	33
Attendance rate		%	100	100	100	100
	Attendance rate of executive directors	%	100	100	100	100
	Attendance rate of independent directors	%	100	100	100	100
Average tenure of board members		months	30	37	49	50

Independent Director Recommendation Committee

Indicator	Unit	2022	2023	2024	2025
Number of committee meetings held	times	1	2	Not convened[1]	4
Attendance rate of independent directors	%	100	100	Not convened[1]	100

1) The meeting was not convened in 2024, as no independent directors were subject to appointment

Audit Committee

Indicator	Unit	2022	2023	2024	2025
Number of committee meetings held	times	4	4	4	5
Attendance rate of independent directors	%	100	100	100	100

Compensation Committee

Indicator	Unit	2022	2023	2024	2025
Number of committee meetings held	times	-	-	-	1[1]
Attendance rate of independent directors	%	-	-	-	100[1]

1) Newly established in May 2025

Remuneration of BOD

Indicator	Unit	2022	2023	2024	2025
CEO remuneration	KRW 1,000	808,096	1,004,725	1,126,190	1,201,029
Average employee remuneration	KRW 1,000	59,950	63,256	64,033	68,111
Ratio of CEO remuneration compared to average employee remuneration	times	13.5	15.9	17.6	17.6
Total remuneration of executive directors	KRW 1,000	2,853,001	3,550,125	3,062,418	3,425,111
Average remuneration per executive director	KRW 1,000	951,000	1,183,375	1,020,806	1,141,704
Total remuneration of independent directors (excluding audit committee members)	KRW 1,000	73,613	42,000	42,000	91,677
Average remuneration per independent director (excluding audit committee members)	KRW 1,000	36,806	42,000	42,000	45,839
Total remuneration of the Audit Committee members	KRW 1,000	126,000	136,161	126,000	194,896
Average remuneration per Audit Committee member	KRW 1,000	42,000	45,387	42,000	48,724
Ratio of non-audit to audit service fees paid to external auditors	%	0	5.9	18.4	14.8

Ethical Management

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Number of employees who completed ethics training[1]		persons	6,336	6,156	6,174	6,268
Completion rate of ethics training[1]		%	99.9	100	99.98	100
Code of conduct violation (internal standards)[2]	Total violations	cases	19	20	21	46
	Total number of cases resolved[3]	cases	19	20	21	46
	Resolution rate	%	100	100	100	100
Corruption	Percentage of business sites that conducted periodic corruption risk reviews	%	60	20	60	80
	Cases where a contract with a partner has been terminated or not renewed due to corruption	cases	0	0	0	0

1) Employees not subject to training (e.g., those on leave or holding concurrent positions) are excluded; includes training on sexual harassment, workplace harassment, awareness of persons with disabilities, and ethical management
2) Subject to the rules of employment for each job category (general administrative position, service manager, support staff, and other production staff)
3) Number of cases referred to and processed by the Disciplinary HR Committee

Compliance with Laws and Regulations

Indicator	Sub-Category	Unit	2022	2023	2024	2025
Anti-monopoly/anti-competitive violation	Total legal actions taken	cases	0	0	0	0
	Total fines or legal settlements paid	KRW 1 million	0	0	0	0
Corruption of bribery	Total legal actions taken	cases	0	0	0	0
	Total fines or legal settlements paid	KRW 1 million	0	0	0	0

Policies & Initiatives

Sustainability Policy

Human Rights Management

Human Rights Policy	KR ㅣ EN

Local Community

Social Contribution Policy	KR ㅣ EN

Ethics Management

The Charter of Ethics	KR ㅣ EN
The Regulation of Ethics	KR ㅣ EN
The Code of Ethics	KR ㅣ EN

Health and Safety

Health and Safety Management Policy	KR ㅣ EN

Supply Chain

Supplier Code of Conduct	KR ㅣ EN
The Regulation of Ethics	KR ㅣ EN
Purchase Contract Management Guidelines	KR
Internal Deliberation Committee Establishment and Operation Guidelines	KR
Conflict Minerals Management Policy	KR
Written Issuance and Retention of Subcontracting Agreements	KR
Business Partner Selection and Price Determination Guidelines	KR

Environmental Management

Environmental Policy	KR ㅣ EN
Biodiversity Policy	KR ㅣ EN

Ethical Marketing

Ethical Marketing and Advertising Policy	KR ㅣ EN

Evaluations and Initiatives

Key Recognitions

S&P Global

Sustainabiltiy Yearbook 2026	Selected
DJBIC Asia Pacific	Listed

MSCI

ESG Rating	AA

CDP

Climate Change Adaptation	B

한국ESG기준원

Integrated ESG Rating	A

SUSTAINALYTICS

ESG Risk Rating	19.8(Low Risk)

Participation in Global Initiatives

United Nations Global Compact

UNGC (United Nations Global Compact)

Coway joined the United Nations Global Compact (UNGC) in June 2006 and has since adhered to its 10 principles on human rights, labor, environment, and anti-corruption. By putting these principles into practice, Coway fulfills its role as a responsible corporate citizen while pursuing sustainable growth. This Sustainability Report reflects Coway's commitment and self-assessment regarding the present and future.

SUSTAINABLE DEVELOPMENT GOALS

SDGs (Sustainable Development Goals)

In line with the Sustainable Development Goals (SDGs) adopted in 2016 by the international community through a joint declaration of UN member states, Coway develops and implements solutions to support the achievement of the SDGs, thereby promoting sustainable growth and identifying new opportunities.

CDP

CDP (Carbon Disclosure Project)

Coway regularly participates in the Carbon Disclosure Project (CDP), a non-profit program, continuing its efforts to respond to climate change and conserve water.

United Nations Framework Convention on Climate Change

Support for the Paris Agreement (COP21)

In December 2015, Coway expressed support for the Paris Agreement adopted at COP21 in Paris by 195 member countries of the UN Framework Convention on Climate Change (UNFCCC). Coway remains committed to global climate goals and actively responds to climate change.

Reporting Frameworks

GRI Index

Category	Content
Statement of Use	Reporting data for the period from January 1, 2025 to December 31, 2025, based on GRI Standards 2021, including partial performance from 2026
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Not applicable as the GRI Sector Standard for the industry to which Coway belongs has not been published as of June 2026

GRI 2: General Disclosures 2021

Index	Indicator	Reporting Location	Note
2-1	Organizational details	Overview>Business Overview >General Information	
2-2	Entities included in the organization's sustainability reporting	Overview>About This Report	
2-3	Reporting period, frequency and contact point	Overview>About This Report	
2-4	Restatements of information	-	Relevant footnotes have been included in ESG Data
2-5	External assurance	Independent Assurance Statement	
2-6	Activity, value chains and other business relationships	Overview>Business Overview >Value Creation Model	
2-7	Employees	ESG Data>Social>Employee Status	
2-8	Workers who are not employees	ESG Data>Social>Employee Status	
2-9	Governance structure and composition	Governance>Governance> Board Composition ESG Data>Governance> Board of Directors	
2-10	Nomination and selection of the highest governance body	Governance > Governance > Board Composition	
2-11	Chair of the highest governance body	Governance > Governance > Board Composition	
2-12	Role of the highest governance body in overseeing the management of impacts	Environmental>Environmental Management>Environmental Management Governance>Environmental Management Organization Governance>Governance>Board Operations>Committees under the Board	
2-13	Delegation of responsibility for managing impacts	Environmental>Environmental Management Governance Governance>Governance> Board Composition	
2-14	Role of the highest governance body in sustainability reporting	Environmental>Environmental Management>Environmental Management Governance>Environmental Management Organization Governance>Governance>Board Operations>Committees under the Board	
2-15	Conflicts of interest	Governance>Governance>Board Composition>Board Independence	
2-16	Communication of critical concerns	Environmental>Environmental Management>Environmental Management Governance> Environmental Management Organization Governance>Governance>Board Operations	
2-17	Collective knowledge of the highest governance body	Governance>Governance>Board Composition>Board Expertise and Competencies	
2-18	Evaluation of the performance of the highest governance body	Governance>Governance>Board Remuneration and Evaluation	

GRI 2: General Disclosures 2021

Index	Indicator	Reporting Location	Note
2-19	Remuneration policies	Governance>Governance>Board Remuneration and Evaluation	
2-20	Process to determine remuneration	Governance>Governance>Board Remuneration and Evaluation	
2-21	Annual total compensation ratio	Governance>Governance>Board Remuneration and Evaluation ESG Data>Governance>Remuneration of BOD	
2-22	Statement on sustainable development strategy	Overview>CEO Message	
2-23	Policy commitments	Policies & Initiatives	
2-24	Embedding policy commitments	Policies & Initiatives	
2-25	Processes to remediate negative impacts	Social>Supply Chain Management>Mutual Growth Governance>Ethics Management>Risk Management for Ethics Management	
2-26	Mechanisms for seeking advice and raising concerns	Social>Human Rights Management>Human Rights Management Activities>Human Rights Grievance Handling Mechanism ESG Data>Social>Grievance Handling Status	
2-27	Compliance with laws and regulations	ESG Data>Environmental>Environmental Violations ESG Data>Social>Information Security & Data Privacy ESG Data>Governance>Compliance with Laws and Regulations	
2-28	Membership associations	Policies & Initiatives	
2-29	Approach to stakeholder engagement	Approach to ESG>Stakeholder Engagement	
2-30	Collective bargaining agreements	-	Information omitted due to operational sensitivity regarding multiple labor unions

GRI 3: Material Topics 2021

Index	Indicator	Reporting Location	Note
3-1	Process to determine material topics	Approach to ESG>Double Materiality Assessment> Double Materiality Assessment Process	
3-2	List of material topics	Approach to ESG>Double Materiality Assessment> Materiality Assessment Results	

Topic Standards Disclosures

Topic	Index	Indicator	Reporting Location	Note
Topic 1: Climate Change/Energy				
GRI 3	3-3	Management of material topics	Approach to ESG>Double Materiality Assessment>Material Issue Management	
GRI 102: Climate Change 2025 Applicable from January 1, 2027, but disclosed in advance.	102-1	Transition plan for climate change mitigation	Environmental>Climate Change Response>Strategy>Scenario Analysis	
	102-2	Climate change adaptation plan	Environmental>Climate Change Response>Strategy>Scenario Analysis	
	102-3	Just transition	Environmental>Climate Change Response>Strategy>Scenario Analysis	
	102-4	GHG emissions reduction targets and progress	Environmental>Climate Change Response>Metrics and Targets ESG Data>Environmental>GHG Emissions	
	102-5	Scope 1 GHG emissions	ESG Data>Environmental>GHG Emissions	
	102-6	Scope 2 GHG emissions	ESG Data>Environmental>GHG Emissions	
	102-7	Scope 3 GHG emissions	ESG Data>Environmental>GHG Emissions	
	102-8	GHG emissions intensity	ESG Data>Environmental>GHG Emissions	
	102-9	GHG removals in the value chain	ESG Data>Environmental>Energy Consumption	
	102-10	Carbon credits	-	
GRI 103: Energy 2025 Applicable from January 1, 2027, but disclosed in advance.	103-1	Energy policies and commitments	Environmental>Climate Change Response>Strategy>Strategy and Decision-making	
	103-2	Energy consumption and self-generation within the organization	Environmental>Climate Change Response>Strategy>Strategy and Decision-making ESG Data>Environmental>Energy Consumption	
	103-4	Energy intensity	ESG Data>Environmental>Energy Consumption	
	103-5	Reduction in energy consumption	ESG Data>Environmental>Energy Consumption	
Topic 2: Sustainable Materials				
GRI 3	3-3	Management of material topics	Approach to ESG>Double Materiality Assessment>Material Issue Management	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Environmental>Resource Circulation and Waste>Resource Circulation and Waste Management Activities ESG Data>Environmental>Raw Material Consumption	
	301-2	Recycled input materials used	ESG Data>Environmental>Recycled Plastic	
	301-3	Recyclability of products and packaging	ESG Data>Environmental>Waste and Recycling	
Topic 3: Resource Circulation				
GRI 3	3-3	Management of material topics	Approach to ESG>Double Materiality Assessment>Material Issue Management	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	-	
	306-2	Management of significant waste-related impacts	Environmental>Resource Circulation and Waste>Resource Circulation Strategy> Resource Circulation and Waste Management Activities	
	306-3	Waste generated	ESG Data>Environmental>Waste and Recycling	
	306-4	Waste diverted from disposal (reuse,recycle, etc.)	ESG Data>Environmental>Waste and Recycling	
	306-5	Waste directed to disposal (incineration, landfill, etc.)	ESG Data>Environmental>Waste and Recycling	

Topic Standards Disclosures

Topic	Index	Indicator	Reporting Location	Note
Topic 4: Information Security & Data Privacy				
GRI 3	3-3	Management of material topics	Approach to ESG>Double Materiality Assessment>Material Issue Management	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Data>Social>Information Security & Data Privacy	
Topic 5: Customer Safety				
GRI 3	3-3	Management of material topics	Approach to ESG>Double Materiality Assessment>Material Issue Management	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Social>Customer-Centric Management>Customer Safety	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	ESG Data>Social>Product Safety	
Topic 6: Supply Chain Management				
GRI 3	3-3	Management of material topics	Approach to ESG>Double Materiality Assessment>Material Issue Management	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	ESG Data>Social>Supply Chain Management	

Marked as Non-Core Topics

Topic	Index	Indicator	Reporting Location	Note
GRI 101: Biodiversity 2024	101-1	Policies to halt and reverse biodiversity loss	Environmental>Environmental Impact Management>Biodiversity>Biodiversity Policy	
	101-2	Management of biodiversity impacts	Environmental>Environmental Impact Management>Biodiversity>Biodiversity Conservation and Restoration of Natural Ecosystems	
	101-4	Identification of biodiversity impacts	Environmental>Environmental Impact Management>Biodiversity	
	101-5	Locations with biodiversity impacts	Environmental>Environmental Impact Management>Biodiversity	
	101-6	Direct drivers of biodiversity loss	Environmental>Environmental Impact Management>Biodiversity	
	101-7	Changes to the state of biodiversity	Environmental>Environmental Impact Management>Biodiversity	
	101-8	Ecosystem services	Environmental> Environmental Impact Management>Biodiversity	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	ESG Data>Economic	
	201-2	Financial implications and other risks and opportunities due to climate change	Environmental>Climate Change Response>Strategy>Scenario Analysis	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Social>Local Community>Local Community Activities ESG Data>Social>Social Contribution	
	203-2	Significant indirect economic impacts	Social>Supply Chain Management>Mutual Growth>Mutual Growth Programs	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	ESG Data>Governance>Ethical Management	
	205-2	Communication and training about anti-corruption policies and procedures	Governance>Ethics Management>Ethical Management Activities ESG Data>Governance>Ethical Management	
	205-3	Confirmed incidents of corruption and actions taken	ESG Data>Governance>Ethical Management	
GRI 207: Tax 2019	207-1	Approach to tax	Governance>Risk Management>Risk Management Approaches by Type>Tax Risks	
	207-2	Tax governance, control, and risk management	Governance>Risk Management>Risk Management Measures by Type>Tax Risks	
	207-3	Stakeholder engagement and management of oncerns related to tax	Governance>Risk Management>Risk Management Measures by Type>Tax Risks	

Marked as Non-Core Topics

Topic	Index	Indicator	Reporting Location	Note
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Environmental>Environmental Impact Management>Water Resources	
	303-2	Management of water discharge-related impacts	Environmental>Environmental Impact Management>Water Resources	
	303-3	Water withdrawal	ESG Data>Environmental>Water Resources Management	
	303-4	Water discharge	ESG Data>Environmental>Water Resources Management	
	303-5	Water consumption	ESG Data>Environmental>Water Resources Management	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Social>Supply Chain Management>Supply Chain Risk Management	
	308-2	Negative environmental impacts in the supply chain and actions taken	Social>Supply Chain Management>Supply Chain Risk Management>Supply Chain ESG Risk Management	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	ESG Data>Social>Employee Recruitment, Employee Turnover and Retirement	
	401-3	Parental leave	ESG Data>Social>Parental Leave	
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Social>Employees>Fostering a Sound Corporate Culture>Constructive Labor-Management Relations	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Social>Health and Safety>Health and Safety Strategy>Health and Safety Implementation Framework	
	403-2	Hazard identification, risk assessment, and incident investigation	Social>Health and Safety>Health and Safety Risk Management	
	403-3	Occupational health services	Social>Health and Safety>Health and Safety Activities>Employee Wellness	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Social>Health and Safety>Health and Safety Governance	
	403-5	Worker training on occupational health and safety	Social>Health and Safety>Health and Safety Activities>Health and Safety Training	
	403-6	Promotion of worker health	Social>Health and Safety>Health and Safety Activities>Employee Wellness	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social>Health and Safety>Health and Safety Risk Management Social>Health and Safety>Health and Safety Activities>Partner Health and Safety Management	
	403-8	Workers covered by an occupational health and safety management system	ESG Data>Social>Occupational Health and Safety	
	403-9	Work-related injuries	ESG Data>Social>Occupational Health and Safety	
	403-10	Work-related ill health	ESG Data>Social>Occupational Health and Safety	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	ESG Data>Social>Talent Development	
	404-2	Programs for upgrading employee skills and transition assistance programs	Social>Employees>Employee Competency Development>Talent Development Programs	
	404-3	Percentage of employees receiving regular performance and career development reviews	ESG Data>Social>Performance Appraisal	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	ESG Data>Social>Employee Status ESG Data>Governance>Board of Directors	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	ESG Data>Social>Grievance Handling Status	

Marked as Non-Core Topics

Topic	Index	Indicator	Reporting Location	Note
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	Coway has no business sites in countries where the right to freedom of association and collective bargaining is at risk
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	-	By following the Employment Rules which comply with the Labor Standards Act of Korea, Coway has no business site where child labor can be used
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	By following the Employment Rules which comply with the Labor Standards Act of Korea, Coway has no business site where coercive rights regarding labor can be exercised
GRI 411: Rights of Indigenous People 2016	411-1	Incidents of violations involving rights of indigenous peoples	-	Coway has no business sites that may involve violations of the rights of indigenous peoples
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Social>Local Community>Local Community Activities	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Social>Supply Chain Management>Supply Chain Risk Management> Supply Chain ESG Risk Management	
	414-2	Negative social impacts in the supply chain and actions taken	Social>Supply Chain Management>Supply Chain Risk Management>Supply Chain ESG Risk Management Social>Supply Chain Management>Conflict Minerals Management	
GRI 415: Public Policy 2016	415-1	Political contributions	ESG Data>Social>Contributions and other expenditures	Coway complies with the requirements of related laws and regulations, including Article 32 of the Political Funds Act of Korea

SASB

Appliance Manufacturing Sector Sustainability Indicators

Topic	Code	Metric	Reporting location
Product safety	CG-AM-205a.1	(1) Number of recalls issued (2) Total units recalled	ESG Data>Social>Product Safety
	CG-AM-205a.2	Discussion of process to identify and manage safety risks associated with the use of products	Social>Customer-Centric Management>Customer Safety>Customer Safety Management Across the Product Life Cycle Social>Customer-Centric Management>Quality Management>Quality Management Systems Certification
	CG-AM-205a.3	Total amount of monetary losses because of legal proceedings associated with product safety	ESG Data>Social>Product Safety
Product Lifecycle Environmental Impacts	CG-AM-410a.1	Percentage of eligible products by revenue certified to an energy efficiency certification	ESG Data>Environmental>Eco-friendly Investments
	CG-AM-410a.2	Percentage of eligible products by revenue certified to an environmental product lifecycle standard	ESG Data>Environmental>Eco-friendly Investments
	CG-AM-410a.3	Description of efforts to promote resource circularity at the end-of-life stage of products	Environmental>Resource Circularity and Waste>Resource Circularity and Waste Management Activities
Activity Metric	CG-AM-000.A	Annual production	Refer to the Business Report

Professional and Commercial Services Sector Sustainability Indicators

Topic	Code	Metric	Reporting location
Product safety	SV-PS-230a.1	Description of approach to identifying and addressing data security risks	Social>Information Security & Data Privacy>Information Security Risk Management
	SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of customer information	Social>Information Security & Data Privacy>Information Security Governance>Information Security & Data Privacy Policy Social>Information Security & Data Privacy>Information Security Strategy>Information Security Management Framework
	SV-PS-230a.3	(1) Number of data breaches, (2) percentage that (1) involve customers' confidential business information and (b) are personal data breaches, (3) number of (a) customers and (b) individuals affected	ESG Data>Social>Information Security & Data Privacy
Workforce diversity & engagement	SV-PS-330a.1	(1) Gender and racial diversity ratios of executive management, and (2) all other employees	Governance>Governance>Board Composition ESG Data>Social>Employee Status ESG Data>Governance>Board of Directors
	SV-PS-330a.2	(1) Voluntary and (2) involuntary turnover rate for employees	ESG Data>Social>Employee Turnover and Retirement
	SV-PS-330a.3	Employee engagement as a percentage	Social>Employees>Healthy Organizational Culture>Organizational Culture Assessment
Professional integrity	SV-PS-510a.1	Description of approach to ensuring professional integrity	Governance>Ethics Management> Ethics Management Governance>Code of Ethics Governance>Ethics Management> Risk Management for Ethics Management Governance>Ethics Management>Ethics Management Activities
	SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	ESG Data>Governance>Compliance with Laws and Regulations
Activity metric	SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	ESG Data>Social>Employee Status
	SV-PS-000.B	Employee hours worked, percentage billable	N/A

TCFD Index

Topic	TCFD recommendations	Reporting location
Governance	a) Describe the board's oversight of climate-related risks and opportunities	Environmental>Climate Change Response>Governance
	b) Describe management's role in assessing and managing climate-related risks and opportunities	
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Environmental>Climate Change Response>Strategy>Risks and Opportunities
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Environmental>Climate Change Response>Strategy>Scenario Analysis
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related a 2°C or lower scenarios	
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks	Environmental>Climate Change Response>Risk Management
	b) Describe the organization's processes for managing climate- related risks	
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	
Metrics and Targets	a) Describe the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	ESG Data>Environmental>GHG Emissions
	b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG (greenhouse gas) emissions and the related risks	
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Environmental>Climate Change Response>Metrics and Targets

Independent Assurance Statement

To readers of COWAY Sustainability Report 2025

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of COWAY Sustainability Report 2025 for the year ending December 31, 2025. The preparation, information and internal control of the report are the sole responsibility of COWAY's the management. KMR's responsibility is to comply with the agreed engagement and express an opinion to COWAY's management.

Subject Matter

The reporting boundaries included the performance and activities of sustainability-related organizations as described in COWAY's report:

- COWAY Sustainability Report 2025

Reference Standard

- GRI Standards 2021 : 2023 (GRI)

Assurance criteria

KMR applied the quality management system in accordance with ISO 17029 and KMR EDV 01, and carried out the verification in accordance with the assurance criteria of AA1000AS v3 and KMR's proprietary SRV1000. Under AA1000AS v3, we assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria.

· ISO 17029 : 2019, ISO 14065: 2020, AA1000AS v3 : 2020 (AccountAbility), AA1000AP : 2018 (AccountAbility), SRV1000 : 2022 (KMR), KMR EDV 01: 2024 (KMR)
· Levels of assurance/materiality: AA1000AS v3 – Type 2/moderate

Scope of assurance

The information subject to verification in the sustainability report is as follows.

· GRI Standards 2021 reporting principles
· Universal Standards
  - GRI 2 General Disclosures 2021
  - GRI 3 Material Topics 2021
· Topic Specific Standards
  - GRI 101: Biodiversity(101-1, 101-2, 101-4, 101-5, 101-6, 101-7, 101-8), GRI 102: Climate Change(102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-8, 102-9), GRI 103: Energy(103-1, 103-2, 103-4, 103-5)
  - GRI 201: Economic Performance(201-1, 201-2), GRI 203: Indirect Economic Impacts, GRI 204: Procurement Practices, GRI 205: Anti-corruption, GRI 207: Tax(207-1, 207-2, 207-3)
  - GRI 301: Materials, GRI 303: Water and Effluents, GRI 306: Waste, GRI 308: Supplier Environmental Assessment
  - GRI 401: Employment(401-1, 401-3), GRI 402: Labor/Management Relations, GRI 403: Occupational Health and Safety, GRI 404: Training and Education, GRI 405: Diversity and Equal Opportunity(405-1), GRI 406: Non-discrimination, GRI 407: Freedom of Association and Collective Bargaining, GRI 408: Child Labor, GRI 409: Forced or Compulsory Labor, GRI 411: Rights of Indigenous Peoples, GRI 413: Local Communities(413-1), GRI 414: Supplier Social Assessment, GRI 415: Public Policy, GRI 416: Customer Health and Safety, GRI 418: Customer Privacy

As for the reporting boundary, information external to the organization was excluded from the scope of assurance.

KMR's Approach

Our Assurance Team undertook the following activities for the agreed scope of assurance using the standard outlined above:

· Evaluating the appropriateness of the reference standard used as a basis for preparing sustainability information and the reliability of the materiality assessment process and its findings;
· Conducting inquiries to understand the data management and control environment, processes, and information systems (the effectiveness of controls was not tested);
· Evaluating the appropriateness and consistency of the methodology for estimation (note that the underlying data was not tested and KMR has not made any estimates);
· Visiting the headquarters, determining visit sites based on the site's contribution to sustainability and the possibility of unexpected changes since the previous period and sampling data, and carrying out due diligence on a limited number of source records at the sites visited;
· Interviewing people in charge of preparing the report;
· Considering whether the presentation and disclosures of sustainability information are accurate and clearly defined; Identifying errors through comparison and check against underlying information, recalculation, analyses, and backtracking; and
· Evaluating the reliability and balance of information based on independent external sources, public databases, and press releases.

Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment. In a limited assurance engagement, the scope of the risk assessment procedures and the subsequent procedures performed in response to the assessed risks are limited than in a reasonable assurance engagement. Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by COWAY are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System (NGMS).

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with COWAY on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. We found that the report was prepared in accordance with the criteria presented by COWAY, and nothing comes to our attention to suggest that the evidence obtained regarding its content is insufficient to provide a basis for our opinion. Our opinion on the principles is as follows:

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

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

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

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

Reliability of Specific Sustainability Performance Information
In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of sustainability performance data, including 2025 GHG emissions (Scope 1~3), 2025 energy consumption, water management > water withdrawal > groundwater, waste and recycling, employee status, persons with disabilities, new hires, and turnover and retirees data. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

KMR's Competence, Independence, and Quality Control

Korea Management Registrar (KMR) is a verification body for the Republic of Korea Emissions Trading Scheme (K-ETS), accredited to ISO/IEC 17029:2019 (Conformity Assessment - General principles and requirements for validation and verification bodies), ISO 14067, the additional accreditation criteria ISO 14065, and ISO/IEC 17021:2015 (Requirements for bodies providing audit and certification of management systems). Additionally, KMR maintains a comprehensive quality control system that includes documented policies and procedures of the KMR EDV 01:2024 (ESG Disclosure Assurance System) based on ISO/IEC 17029 requirements and compliant with IAASB ISQM1:2022 (International Standard on Quality Management 1 by the International Auditing and Assurance Standards Board). Furthermore, KMR adheres to the ethical requirements of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior in accordance with the IESBA Code:2023 (International Code of Ethics for Professional Accountants). Our assurance team consists of sustainability experts. Other than providing an independent assurance, KMR has no other contract with COWAY and did not provide any services to COWAY that could compromise the independence of our work.

Limitations of Use

This assurance statement is made solely for the management of COWAY for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of COWAY. As this assurance statement may be subject to revision after the assurance date below, we recommend verifying whether this is the latest version.

June 16, 2026

CEO E. J Hwang

KMR SRV1000 Sustainability Committee Assurance

AA1000 Licensed Report 000-129/V3-ANISN

Environmental Verification

Independent Verification Statement on Water Usage

Verification Statement 2025	KR | EN
Verification Statement 2024	KR | EN
Verification Statement 2023	KR | EN
Verification Statement 2022	KR | EN
Verification Statement 2021	KR | EN
Verification Statement 2020	KR | EN
Verification Statement 2019	KR | EN
Verification Statement 2018	KR | EN

Independent Verification Statement on GHG Emissions and Solar Power Generation

Verification Statement 2025	KR | EN
Verification Statement 2024	KR | EN
Verification Statement 2023	KR | EN
Verification Statement 2022	KR | EN
Verification Statement 2021	KR | EN
Verification Statement 2020	KR | EN
Verification Statement 2029	KR | EN
Verification Statement 2028	KR | EN

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Sustainability Reports

2025 Report (Published in 2026)

KR | EN

2024 Report (Published in 2025)	KR I EN
2023 Report (Published in 2024)	KR I EN
2022 Report (Published in 2023)	KR I EN
2021 Report (Published in 2022)	KR I EN
2020 Report (Published in 2021)	KR I EN
2019 Report (Published in 2020)	KR I EN
2018 Report (Published in 2019)	KR I EN
2017 Report (Published in 2018)	KR I EN
2016 Report (Published in 2017)	KR I EN
2015 Report (Published in 2016)	KR I EN
2014 Report (Published in 2015)	KR I EN
2013 Report (Published in 2014)	KR I EN
2012 Report (Published in 2013)	KR I EN
2011 Report (Published in 2012)	KR I EN
2010 Report (Published in 2011)	KR I EN

Awards

공정거래위원회 Fair Trade Commission	**Consumer-Centered Management (CCM) Certification** Based on the corporate philosophy of "a company that places customer value as a top priority," we have consistently practiced company-wide consumer-centered management. We have implemented various customer satisfaction activities for the innovation of customer experiences, such as developing customized products, offering customer satisfaction service, and systematically managing VOCs. In recognition of these efforts to enhance customer value, we were awarded the 2025 CCM certification by the Korea Fair Trade Commission.
Korea Management Association Consultants (KMAC)	**KCSI (Korean Customer Satisfaction Index)** Coway secured a triple crown by being ranked No. 1 in three categories—bidets, water purifiers, and beds—in the 2025 Korean Customer Satisfaction Index (KCSI) survey conducted by Korea Management Association Consulting (KMAC).
KSA 한국표준협회 Korean Standards Association (KSA)	**KS-SQI (Korean Standard-Service Quality Index)** In the 2024 KS-SQI (Korean Standard-Service Quality Index) administered by the Korean Standards Association, Coway received high scores in service expertise and service accuracy, and was awarded No. 1 in the A/S category for water purifiers (9 consecutive years) and air purifiers (8 consecutive years).
kpc 한국생산성본부 Korea Productivity Center (KPC)	**NCSI (National Customer Satisfaction Index)** Coway was awarded No. 1 in the water purifier, healthcare massage appliance, and rental care service categories in 2025. In the water purifier category, products including the Icon Water Purifier series received high recognition; in the healthcare category, Coway was acknowledged for its strong massage performance and technological capabilities; and in the rental care service category, Coway was recognized for its differentiated hygiene management and customer convenience services.
Korea Management Registrar (KMR)	**Innostar & Greenstar Awards** In recognition of its innovation and eco-friendliness, Coway received awards for a total of 28 products at the 2025 Innostar and Greenstar Awards. Six products, including the Icon Water Purifier series, the Noble Air Purifier 2, and the StyleCare Bidet, were selected as No. 1 in both Innostar (which evaluates innovation) and Greenstar (which evaluates eco-friendliness). An additional 16 products, including the BEREX Triple Chair, Pebble Chair, Mine Plus, Reclining Massage Bed, and W Induction, were named Green and Innostar Winners, demonstrating Coway's technological capabilities and product competitiveness across its entire portfolio.
U.S. Consumer Technology Association (CTA)	**CES Innovation Awards (Consumer Electronics Show Innovation Awards)** At CES 2025, Coway received Innovation Awards for three products: a digital healthcare bidet, an automatic filter-cleaning air purifier, and a personal space-tailored air purifier. The awards recognized Coway's distinctive approach to delivering enhanced user convenience and personalized life care solutions.
reddot design award Design Center of North Rhine Westphalia, Germany	**Good Design Award (GD)** The BEREX Triple Chair (MC-R01), a multifunctional product that combines three functions—work, relax, and massage—into a single design, was selected as a Good Design (GD) winner at the "2025 Good Design Awards" in recognition of its product excellence and service.
IDSA Industrial Designers Society of America (IDSA)	**IDEA Design Award** Coway's ICON Pro Water Purifier, recognized for delivering innovative convenience through its full-screen LCD display, won the main prize at the "2025 Pin Up Design Awards," Korea's most prestigious design competition. Coway also received the IDEA Award at the IDEA Design Awards for the 16th consecutive year, demonstrating its global design competitiveness and innovation.

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