

2023 YJ Link Sustainability Report

2022-01-01 ~ 2022-12-31

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1. The organization and its reporting practices

2-1

Organizational details

Company Overview

YJ Link Co., Ltd. is a global supplier that manufactures and exports board handling devices, laser marking equipment, and routers for SMT automation processes. After establishing a manufacturing plant in Galsan-dong, Seongseo, Daegu on June 16, 2009, the plant was expanded and relocated to Secheon, Daegu in 2012, and a production subsidiary in Vietnam was established in 2019 to expand the production base. With continuous product development in the SMT specialized field, product quality and responsiveness were recognized by customers around the world in the automotive, electrical/electronic, defense, and medical fields, and as an AVL (Approval Vendor List) company, continuous sales growth and the best SMT board handling manufacturing in Korea We are establishing ourselves as a business. In particular, at the center of the 4th industrial revolution, YJ Link provides fast and accurate services as well as satisfying customer needs by providing Smart Conveyor System and Visual Support for SMT automation processes, which are specialized services of YJ Link. In the future, we will move forward as a leader in linking the world by reflecting the needs of our customers along with steady technology development. thank you

Corporation (unlisted)

overseas network

YJ Link is expanding to the world with an export tower of 20 million dollars, with more than 90% of overseas exports.

Established and operated 7 corporations around the world / 2 overseas logistics warehouses / 29 partner companies

YJ LINK VINA CO.,LTD./ Manufacturing Corporation

SUZHOU YJ LINK CO.,LTD./ Corporation

YJ LINK JAPAN CO.,LTD./ Corporation

YJ LINK MEXICO S.A. DE C.V. / Corporation

YJ LINK INC./ Corporation

YJ LINK EUROPE GmbH/ Corporation

[company overview](#)

item	detail
company name	YJ Link Co., Ltd.
CEO	Soonil Park
Establishment date	June 16, 2009
location	110, Secheon-ro 1-gil, Dasa-eup, Dalseong-gun, Daegu
capital	KRW 600,000,000
business item	machinery, equipment, trade
major industry	SMT smart process equipment (PCB transfer/tracking, process before and after SMT)
Employees (persons)	78 people

[company profile](#) [YJ Link Homepage](#)

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 Entities included in the organization’s sustainability reporting

reporting scope
 The reporting scope covers the headquarters and six overseas subsidiaries (Vietnam Subsidiary, China Suzhou Subsidiary, Japanese Subsidiary, Mexico Subsidiary, U.S. Subsidiary, German Subsidiary), which account for more than 90% of overseas operating revenue. A separate explanation is provided for matters requiring attention in the reporting scope.

2-3
 Reporting period, frequency and contact point

reporting period
 Activity and performance report from January 01, 2022 to December 31, 2022
 It contains activities in terms of economy, environment, and social governance, and this report includes the contains information.

Report inquiries

division	detail
address	110, Secheon-ro 1-gil, Dasa-eup, Dalseong-gun, Daegu
contact	053-592-1723
Fax	053-592-1724
home page	https://www.yjlink.com/en/
Contact Email	sangpil8412@yjlink.com

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 Restatements of information

First publication of sustainability report

2-5
 External assurance

Assured by QuantifiedESG

2. Activities and workers

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Activities, value chain and other business relationships

business activities

As a company specializing in SMT smart process equipment, we manufacture and supply PCB transfer equipment, tracking equipment, and front and back process equipment to domestic and overseas markets.

global network

Our company exports to 6 overseas corporations, 2 logistics warehouses, 29 partner companies, 38 countries and global customers, and some overseas corporations directly supply parts, produce, assemble, process and provide finished products.

We are in charge of product promotion and sales agency with various overseas partners, and have shown an average annual growth rate of 22% in sales over the past 5 years, and are growing toward the goal of becoming the domestic No. 1 in SMT process equipment and the global TOP3.

economic performance

division	2020 (unit: KRW million)	2021 (unit: KRW million)	2022 (unit: KRW million)
take	20,735	47,754	56,298
net profit	-936	4,296	8,968
total assets	49,811	53,015	63,223
equity capital	9,329	13,625	22,593
credit rating			BBB

Source: Nice D&B Corporate Growth Report (2021)

Sales by Region (2022)

region	Amount (unit: KRW million)	ratio
domestic	3,498	5.95%
Asia	3,228	5.49%
Southeast Asia	6,479	11.48%
europa	19,415	33.03%
Americas	8,807	14.98%
Mexico	17,077	29.06%
South America	One	0.00%
Sum	58,776	100%

[company profile](#)

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Employees

Refer to reference data by employee gender and employment type

Employee information (total employees, full-time, part-time)

Division 1	Division 2	2020 (unit: persons)	2021 (unit: persons)	2022 (unit: persons)
Total Employees	Full-time	70	77	81
	contract worker	0	0	0
Full-time	male	59	66	64
	female	11	11	17
contract worker	male	0	0	0
	female	0	0	0

Number of new hires

division	2021	2022
under 30	Male: 10	Male: 3
	Female: 2	Female: 3
30 to 40 years old	Male: 8	Male: 11
	Female: 1 person	Female: 3
Under 40s and 50s	Male: 7	Male: 4
	Female: 1 person	Female: 1 person

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Workers who are not employees

No non-employee workers

3. Governance

2-9

Governance structure and composition

Composition and convocation of the board of directors

- The board of directors is composed of the board of directors.
- If there is a representative director or a director separately designated by the board of directors, the board of directors convenes a notice 3 days prior to the meeting date, and those who have special interests in the resolutions of the board of directors cannot exercise their voting rights.
- The resolution of the board of directors shall be the majority of the directors present and the majority of the directors present, except as otherwise provided in the laws and the articles of incorporation.

The composition of the committee consists of the Audit Committee, Internal Transaction Committee, Compensation Committee, and other committees deemed necessary by the society.

- The term of office of directors is 3 years.

composition of the board of directors

name	phase	division	note
Soonil Park	other	Executive Director (Board Chairman)	
Sungkyun Lee	other	inside director	
Kim Dong Hyun	other	inside director	
Seongyeon Kim	other	inside director	
Kyungchan Park	other	outside director	Attorney (Park Kyung-chan Law Firm)
Chikyu Lee	other	outside director	Accountant (Hanlim Accounting Firm)
Lee Ho	other	outside director	Professor (Department of Robotics and Smart System Engineering, Kyungpook National University)

Board of Directors

division	Category 1	unit	2022	2023
board of directors	Number of times held	episode	5	
	Reporting and Resolution Agenda	case	5	
	Board attendance rate	%	100	
	inside director	%	100	
composition of the board of directors	outside director	%		
	number of board members	number of people	3	7
	inside director	number of people	3	4
	outside director	number of people	0	3
board diversity	male	number of people	3	7

division	Category 1	unit	2022	2023
	female	number of people	0	0
board expertise	finance, accounting	number of people		One
	management, economy	number of people	3	One
	lawyer	number of people		One

[Board of Directors Operation Regulations](#) [Rules for performing duties of outside directors](#)

[Internal Transaction Committee Operating Regulations](#) [Audit Committee Operating Regulations](#) [Compensation Committee Operating Regulations](#) [Minutes of the General Meeting of Shareholders](#)

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Nomination and selection of the highest governance body

a. The number of directors shall be between 3 and 10, and outside directors shall be appointed at least one quarter of the total number of directors.

b. Appointment of directors and representative director

- Directors are appointed at the general meeting of shareholders.
 - The appointment of directors shall be made with a majority of the voting rights of the shareholders present, but with at least a quarter of the total number of issued shares.
 - In the case of appointing two or more directors, the concentrated voting system stipulated in Article 382-2 of the Commercial Act is not applied.
- The representative director is appointed by the board of directors.

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Chair of the highest governance body

Park Soon-il, CEO

(The chairperson of the highest decision-making body also serves as an executive within the organization)

2-12

Role of the highest governance body in overseeing the management of impacts

The board of directors of YJ Link deliberates and decides on matters set forth in the laws and the articles of incorporation and important matters related to business execution, and supervises the directors' business execution.

[Board of Directors Operation Regulations](#)

2-13

Delegation of responsibility for managing impacts

YJ Link delegates authority and responsibility according to the current board of directors operating regulations.

[Board of Directors Operation Regulations](#)

2-14

Role of the highest governance body in sustainability reporting

ESG committee not established (ESG committee to be established later)

2-15

Conflicts of interest

Currently, there are internal transaction committee operation regulations and audit committee operation regulations, but separate prevention management processes and procedures have not yet been established.

[Internal Transaction Committee Operating Regulations](#) [Audit Committee Operating Regulations](#)

2-16

Communication of critical concerns

The duties and contents of each board committee are implemented in accordance with relevant regulations.

Major Activities of the Board of Directors

turn	held date	for medical advice	Approval
One	2022-03-07	Proposal 1 Matters concerning the settlement of accounts in 2021	Approved (3/3/3)
2	2022-06-09	Proposal 1 Issuance of convertible bonds	Approved (3/3/3)
3	2022-06-16	Proposal 1: Daegu Bank Trade Finance Limit Increase	Approved (3/3/3)
4	2022-07-19	Proposition 1 Joint guarantee by YJ Link Co., Ltd. for the borrowing from DH Precision Co., Ltd.	Approved (3/3/3)
5	2022-07-19	Proposal 1 Joint guarantee for DH Precision Co., Ltd. credit card	Approved (3/3/3)

[Board of Directors Operation Regulations](#)
[Rules for performing duties of outside directors](#)
[Internal Transaction Committee Operating Regulations](#)
[Audit Committee Operating Regulations](#)
[Compensation Committee Operating Regulations](#)

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Collective knowledge of the highest governance body

YJ Link recently appointed three new outside directors with expertise to strengthen its diversity and expertise compared to the previous ones. When appointing all directors, information on all directors is transparently disclosed at the shareholders' meeting.

In addition, through this year's IPO promotion listing, we have newly reorganized the articles of incorporation and various regulations, and are striving to create transparent management and a transparent board of directors.

2-18

Evaluation of the performance of the highest governance body

Details of board of directors, director evaluation and compensation are currently in progress.

2-19

Remuneration policies

Remuneration of the board of directors is not disclosed externally.
(to be disclosed after listing)

2-20

Process to determine remuneration

Same as 2-18

2-21

Annual total compensation ratio

Same as 2-18

4. Strategy, policies and practices

2-22

Statement on sustainable development strategy

In a rapidly changing environment, demands and expectations for corporate social responsibility are growing day by day. YJ Link was able to grow because it overcame and endured with YJ Link stakeholders even in the COVID-19 situation that has not yet ended over the past three years. In addition, due to rapid climate change and environmental problems, companies are now expected to play a high-level role. Accordingly, YJ Link is also taking steps toward ESG sustainability management, and plans to organize and establish an ESG committee within the board of directors to manage active performance and issues of ESG activities. We will transparently disclose our efforts and achievements every year.

Based on the world's best technological competitiveness and steady R&D investment, we will go forward together with our stakeholders with the goal of becoming Korea's No. 1 global TOP 3 in the field of SMT equipment.

Based on ESG management, we will strengthen transparent and fair management activities and contribute to the development of local communities through human rights, win-win cooperation and social contribution.

thank you

Park Soon-il, CEO of YJ Link Co., Ltd.

2-23

Policy commitments

Establishment of environmental management system and policy (possession of ISO14001 certification)
YJ Link is striving for global eco-friendly management and efficient operation and reduction of resources and energy.

In order to reduce carbon emissions, we are making constant efforts such as installing solar panels and replacing LED lighting fixtures.

ethical management

YJ Link establishes ethical standards along with strengthening ESG management, and provides decision-making and behavioral criteria for ethical conflict situations that may occur in the course of work so that executives and employees can correctly understand and practice the ethical standards. All executives and employees are required to comply with this Code of Ethics.

Human Rights and Labor Policy

YJ Link pays the utmost attention to ensure that human rights violations do not occur due to direct business operations or business relationships in the course of business operation. In order to fulfill its social responsibilities and obligations as a corporate citizen, YJ Link has enacted talent recruitment and development strategies, safety and health environment policies, ethical standards, etc., to strictly comply with human rights protection principles in business activities and to become a company that can be respected by society. try to grow

[Environmental Management System ISO14001](#) [YJ Link Code of Ethics](#) [Human rights and labor standards and policies](#)

2-24

Embedding policy commitments

Environmental Management Practice ISO 14001

YJ Link is striving to get all employees to participate in environmental management practice by acquiring ISO14001 environmental management system certification in 2022 and establishing an integrated management policy and posting it company-wide.

In addition, a company-wide electricity use reduction activity campaign to reduce carbon emissions is specified and is in the process of effort.

In the future, through the establishment of an ESG organization, internal control and management, organizational strategy, and operational policy procedures for each sector will be established and reflected.

[Integrated management policy](#)

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Processes to remediate negative impacts

Practice ethical management

YJ Link newly enacted ethics regulations in January 2023 to practice ethical management, and is seeking procedures and directions such as an internal reporting system in accordance with the regulations.

Preparing to build an integrated risk management system

YJ Link plans to establish a risk-related committee and management system through the establishment of an ESG organization in the future.

[YJ Link Code of Ethics](#)

2-26

Mechanisms for seeking advice and raising concerns

YJ Link is currently scheduled to be established in relation to the internal reporting system procedure and employee grievance handling procedure.

Currently, the board of directors audit committee is formed, and it is held at least once a year, as needed, and it is stipulated that management audit, work audit, financial audit, compliance audit, and IT audit be conducted by function.

In addition, according to the internal transaction committee composition and operation regulations, it is scheduled to be held more than once a year, and if necessary, to control and manage it.

[Internal Transaction Committee Operating Regulations](#) [Audit Committee Operating Regulations](#)

2-27

Compliance with laws and regulations

According to 2-26, YJ Link plans to comply with laws and regulations according to the operating regulations of the Audit Committee and Internal Transaction Committee.

2-28

Membership associations

Currently not applicable.

5. Stakeholder engagement

2-29

Approach to stakeholder engagement

YJ Link is defined as executives and employees, shareholders and investors, business partners, overseas corporations/partners, customers, and local stakeholders, and pursues sustainable growth through mutual growth and various communication channels with all stakeholders.

2-30

Collective bargaining agreements

YJ Link holds regular labor-management council meetings and strives to promote worker participation and cooperation according to the labor-management council operation regulations.

[Labor-management council regulations](#)

GRI 3. Material Topics

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1. Disclosures on Material Topics

3-1
Process to determine material topics

In order to derive key ESG issues and respond to the global internal and external environment, YJ Link intends to introduce and analyze a double materiality test that considers not only the environmental and social impacts, but also the possibility of having a significant financial impact on the company. We have derived major ESG issues by considering the financial and non-financial impacts by collecting the opinions of various internal and external stakeholders. We plan to manage the risks of the identified major issues in advance and actively integrate and reflect them in corporate management activities.

Double materiality assessment method

Step1	Step2	Step2-1	Step3
Composition of ESG issues (International standard and ESG evaluation indicator analysis, similar industry trend analysis, global company and industry analysis, internal and external media issues, etc.)	Social and environmental impact analysis (Review of standard guideline requirements, collection of stakeholder opinions, media analysis, benchmarking, etc.)	Financial Impact Analysis (ESG financial recommendations and evaluation agency analysis, analysis of financial importance by internal management issues and ESG issues)	Selection and reporting of final ESG material issues (comprehensive analysis and final issue selection)

3-2
List of material topics

- GRI 201 Economy
- GRI 302 Energy
- GRI 303 Water and Wastewater
- GRI 305 emissions
- GRI 308 Supplier Environmental Assessment
- GRI 401 Employment
- GRI 403 Occupational Safety and Health

3-3

Management of material topics

Through a double materiality assessment, YJ Link identifies 7 material issues that will have environmental, social, and financial impacts when promoting major businesses, continuously manages the selected material issues, and reports plans, activities, and performance related to ESG issues in the report. We will disclose it transparently.

☰ Main subject management

No.	important topic	detail
One	GRI 201 Economy	Analysis and management of financial statements, analysis and management of financial impacts of climate change and risk opportunities for business activities, establishment of eco-friendly financial goals, and financial risk management, etc., analysis and management of various indicators.
2	GRI 302 Energy	Starting in 2022, we plan to identify and analyze major causes through data management of direct and indirect energy consumption details, emission management, etc., and systematically manage them. Once the management system is established, we are planning an integrated management by linking with overseas subsidiaries and collecting data.
3	GRI 303 Water and Wastewater	Water-related waterworks are used only, and use and management are limited to restaurants and living water.
4	GRI 305 emissions	Recently, in order to reduce climate change and greenhouse gas emissions, we are trying to plan and manage major risks related to climate change, and we are acquiring and maintaining ISO14001 environmental management certification. In addition, in order to manage greenhouse gas emissions, we are in the process of identifying and controlling the source of emission through emission data management. Through this, direct and indirect emission information is recorded and managed to evaluate the reduction potential.
5	GRI 308 Supplier Environmental Assessment	Establishment of procedures related to supplier environmental assessment when establishing an ESG organization and holding a committee
6	GRI 401 Employment	In order to secure excellent talent, we are participating in linkage agreements with local institutions and schools, leading to recruitment linkage, and as a military service special service company, we are helping to recruit and settle industrial technical personnel and supplementary personnel every year. In order to increase employee satisfaction, we operate various welfare programs and strive to improve the working environment. We operate a fair and transparent recruitment process for new/experienced employees when hiring executives, and we strive to secure excellent talent in various fields through various recruitment routes. there is.
7	GRI 403 Occupational Safety and Health	We prioritize matters related to safety and health at the workplace over all policies, and intend to comprehensively apply related policies to all stakeholders within the scope of business influence, including executives and employees. This is because safety and health issues are cited as serious risks that may occur in actual industrial sites, as well as strengthening domestic safety and health related laws and enforcement of the Severe Accident Punishment Act. We seek to actively respond to changes in the internal and external business environment by acquiring ISO45001 safety and health management system certification, which is a global standard, and strengthening the safety and health management system.

Topic-Specific Disclosures

GRI 200. Economic

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GRI 201 : Economic Performance

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Management of Economic Performance

statement of financial position

division	2020 (Unit: KRW million)	2021 (Unit: KRW million)	2022 (Unit: KRW million)
sales amount	20,735	47,754	56,298
asset			
1. Current assets	24,198	28,952	36,935
(1) Quick asset	16,741	25,178	31,301
(2) Inventory	7,457	3,774	5,633
2. Non-current assets	25,613	24,063	26,288
(1) Investment assets	3,127	6,804	7,167
(2) Tangible assets	22,255	16,762	18,035
(3) Intangible assets	65	334	951
(4) Other non-current assets	166	163	136
Total assets	49,811	53,015	63,223
liability			
1. Current liabilities	20,847	22,870	24,143
2. Non-current liabilities	19,635	16,520	16,487
total liabilities	40,482	39,390	40,630
equity			
1. Capital stock	600	600	600
2. Capital Surplus	214	214	214
3. Capital Adjustment	-3	-3	-3
4. Accumulated other comprehensive income	1,257	1,257	1,257
5. Retained Earnings - Earned Reserves		31	31
6. Retained earnings	7,261	11,526	20,494
total equity	9,329	13,625	22,593
Liabilities and Total Equity	49,811	53,015	63,223

[YJ Link 2021 Financial Statements](#)

201-1

Direct economic value generated and distributed

Economic Value Distribution Status

division	Division 1	2020 (Unit: KRW million)	2021 (Unit: KRW million)	2022 (unit: KRW million)
executives	salary	1,522	1,506	1,855
	bonus	13	295	193
	retirement benefit	176	126	158
	Employee benefits	164	149	144
	education and training expenses	31	One	0.2
government	corporate tax	-183	921	

201-2

Financial implications and other risks and opportunities due to climate change

YJ Link will seek preventive activities and management plans by discussing risks and opportunities related to climate change through the operation of the board of directors and the establishment of an ESG committee organization in the future, and strive to create stable climate change risk management and sustainable business performance. will.

Management of major risks related to climate change

No.	identification risk	management plan	period
One	Risk management of human/property damage such as damage to facilities and human casualties due to natural disasters such as typhoons, floods, and natural disasters	Creation of emergency scenarios for each situation, emergency response drills, occasional safety inspection management, etc.	Short/Quarterly
2	Risk management of increased carbon emissions due to increased power consumption for heating and cooling due to global warming and rapid climate change	Central heating and cooling control and control management and real-time monitoring, proper temperature maintenance campaign, plan to install eco-friendly renewable energy (solar power generation facilities), etc.	mid- to long-term
3	Risk management such as expansion of renewable energy and low-carbon emission in line with strengthened environment-related policies and regulations	Plans to install eco-friendly renewable energy (solar power generation facilities), expand investment in research and development of eco-friendly products, maintain ISO14001 certification, etc.	short/mid term

201-3

Defined benefit plan obligations and other retirement plans

Welfare/wage status table

1. Welfare	division	unit	2021	2022
Retirement pension support	Subscribers (DC)	number of people	78	80
	Operating Amount_Separate Standard (DC)	one million won	260,326,230	339,594,056
	Subscribers (DB)	number of people	0	0
	Operating Amount_Consolidation Standard (DB)	one million won	-	-
2. Employee wage status	division	unit	2021	2022
1) Gender average base pay	Average basic salary for women	one	32,581,356	34,755,692
	Average basic salary for men	one	45,026,976	52,419,950
	Member remuneration rate	%	72.4	66.3
2) Average basic salary by position	division	unit	2021	2022
executive position	male	One thousand won	85,143	181,400
	female	One thousand won	-	-
	executive (Manager or higher, excluding executives)	One thousand won	48,700	51,673
	female	One thousand won	39,333	48,000
	non-management (below acting)	One thousand won	33,006	35,004
	female	One thousand won	30,049	32,300
3) Average compensation by position (basic salary + bonus)	division	unit	2021	2022
executive position	male	One thousand won	90,115	185,360

1. Welfare	division	unit	2021	2022
	female	One thousand won	-	-
Administrative positions (Manager and above, excluding executives)	male	One thousand won	52,529	53,559
	female	One thousand won	42,333	49,850
Non-management position (below assistant manager)	male	One thousand won	35,286	36,232
	female	One thousand won	32,374	33,333

Performance evaluation status table

division	unit	2021	2022
Number of people subject to performance evaluation	number of people	62	63
Number of employees who received regular performance evaluation	number of people	62	63
Percentage of employees who received regular performance evaluation	%	100	100

201-4

Financial assistance received from government

Government subsidy status table

Project Title	degree	Total Project Cost (Unit: KRW)	government contribution	2021 (Unit: KRW)	2022 (Unit: KRW)
				government contribution	Amount used
1. Export voucher business	1/1	140,200,000	70,100,000	70,100,000	
2. Export voucher business	1/1	39,831,667	23,899,000	23,899,000	11,907,968
3. Small and Medium Business Technology Innovation Development Project	1/4 year	330,000,000	320,000,000	320,000,000	
4. Small and Medium Business Technology Development Project	Year 2/4	330,000,000	320,000,000	320,000,000	286,106,221
5. New product development business with purchase conditions	1st/2nd year	207,000,000	200,000,000	200,000,000	
6. New product development business with purchase conditions	Year 2/2	207,000,000	200,000,000	200,000,000	180,372,131
7. Regional Cooperation Zone Industry Promotion Project	1/1	289,500,000	280,000,000	280,000,000	

GRI 300. Environment

GRI 302 : Energy

3-3_302

Management of Energy

Against the recent tightening of greenhouse gas emission (carbon emission) regulations and rapid climate change, YJ Link plans to replace LED lighting fixtures and install photovoltaic power generation facilities to save energy and reduce carbon emissions, and is in the process of planning. there is. Starting in 2022, we plan to identify and analyze major causes through data management of direct and indirect energy consumption details, emission management, etc., and systematically manage them. Once the management system is established, we are planning an integrated management by linking with overseas subsidiaries and collecting data.

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302-1

Energy consumption within the organization

electricity usage

division	2021 (Unit: GJ)	2022 (Unit: GJ)
Headquarters factory	1787.2	1,556.6
2nd factory	1559.2	1532.4
Sum	3,346.2	3,089

302-2

Energy consumption outside of the organization

Vehicle fuel and calorific value

division	2021 (Unit: GJ)	2022 (Unit: GJ)
gasoline	213.5268	247.0212
Diesel (diesel)	87.9228	104.67
Sum	301.4496	351.6912

302-4

Reduction of energy consumption

energy reduction activities

- Encourage participation in the company-wide energy saving campaign and make it a part of daily life
- System cooling and heating real-time monitoring and control system
- Energy saving by replacing high-efficiency LED lamps in the factory (February 2022)
- Scheduled to install 100Kw solar power generation facility (22 years)

energy consumption

division	unit	2021	2022
electricity consumption	GJ	3,346.2	3,089
diesel and petrol	GJ	301.4496	351.6912
Sum	GJ	3,647.6496	3,440.6912

302-5

Reductions in energy requirements of products and services

We plan to reduce energy consumption and carbon emissions due to the eco-friendly energy installation plan in 2022.

- Solar power plant installation plan (100KW)

GRI 303 : Water and Effluents

3-3_303

Management of Water and Effluents

YJ Link uses only water-related waterworks and uses it only for restaurants and living water.

Water management (water supply)

division	unit	2021	2022
1st factory	ton	1,184	1,269
2nd factory	ton	625	555
total water consumption	ton	1,809	1,824

GRI 305 : Emissions

3-3_305

Management of Emissions

YJ Link plans and manages major risks related to climate change in order to reduce recent climate change and greenhouse gas emissions, and is acquiring and maintaining ISO14001 environmental management certification.

In addition, in order to manage greenhouse gas emissions, we are in the process of identifying and controlling the source of emission through emission data management. Through this, direct and indirect emission information is recorded and managed to evaluate the reduction potential.

Management of major risks related to climate change

No.	identification risk	management plan	period
One	Risk management of human/property damage such as damage to facilities and human casualties due to natural disasters such as typhoons, floods, and natural disasters	Creation of emergency scenarios for each situation, emergency response drills, occasional safety inspection management, etc.	Short/Quarterly
2	Risk management of increased carbon emissions due to increased power consumption for heating and cooling due to global warming and rapid climate change	Central heating and cooling control and control management and real-time monitoring, proper temperature maintenance campaign, plan to install eco-friendly renewable energy (solar power generation facilities), etc.	mid- to long-term
3	Risk management such as expansion of renewable energy and low-carbon emission in line with strengthened environment-related policies and regulations	Plans to install eco-friendly renewable energy (solar power generation facilities), expand investment in research and development of eco-friendly products, maintain ISO14001 certification, etc.	short/mid term

305-1

Direct (Scope 1) GHG emissions

There is no direct greenhouse gas emission in the work process

305-2

Energy indirect (Scope 2) GHG emissions

Calculation of indirect greenhouse gas emissions from electricity use

Indirect greenhouse gas emissions (Scope 2)

division	unit	2021	2022
1st factory	tCO2-eq	270.51	242.06
2nd factory	tCO2-eq	211.89	168.24
Sum	tCO2-eq	482.4	410.3

305-3

Other indirect (Scope 3) GHG emissions

Calculation of other GHG emissions from vehicle operation

Other indirect greenhouse gas emissions (Scope 3)

division	unit	2021	2022
gasoline	tCO2-eq	14.251	16.811
Diesel (diesel)	tCO2-eq	5.998	7.070
Sum	tCO2-eq	20.249	23.821

Disclosures

Disclosure Contents

Data Tables Files URLs Business Cases

305-5

Reduction of GHG emissions

GHG Emission Reduction Activities

- Reduction of greenhouse gas emissions through completion of replacement of LED lighting fixtures in factories and in-house power consumption reduction campaigns, etc. are working hard for
- Plans to install 100kW solar power generation facilities by seeking ways to utilize eco-friendly energy
- We are planning to replace our corporate vehicles with electric and hybrid vehicles.

greenhouse gas emissions

division	unit	2021	2022
Scope1	tCO2-eq	-	-
Scope2	tCO2-eq	482.4	410.3
Scope3	tCO2-eq	20.249	23.821
Sum	tCO2-eq	502.649	434.121

305-6

Emissions of ozone-depleting substances (ODS)

None

305-7

Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions

None

GRI 308 : Supplier Environmental Assessment

3-3_308

Management of Supplier Environmental Assessment

Establishment of procedures related to supplier environmental assessment when establishing an ESG organization and holding a committee

308-1

New suppliers that were screened using environmental criteria

To be reviewed later

308-2

Negative environmental impacts in the supply chain and actions taken

action to be taken

GRI 400. Social

Disclosures

Disclosure Contents

Data Tables Files URLs Business Cases

GRI 401 : Employment

3-3_401

Management of Employment

In order to secure excellent talent, YJ Link is participating in linkage agreements with local institutions and schools, leading to recruitment linkage, and as a military service special service company, it is helping to recruit and settle industrial technical personnel and supplementary personnel every year.

YJ Link strives to operate various welfare programs and improve the working environment to increase employee satisfaction.

YJ Link operates a fair and transparent recruitment process for new/experienced employees when hiring employees, and strives to secure excellent talent in various fields through various recruitment routes.

401-1

New employee hires and employee turnover

Employee information (total employees, full-time, part-time)

Division 1	Division 2	2020 (unit: persons)	2021 (unit: persons)	2022 (unit: persons)
Total Employees	Full-time	70	77	81
	contract worker	0	0	0
Full-time	male	59	66	64
	female	11	11	17
contract worker	male	0	0	0
	female	0	0	0

Number of new hires

division	2021	2022
under 30	Male: 10	Male: 3
	Female: 2	Female: 3
30 to 40 years old	Male: 8	Male: 11
	Female: 1 person	Female: 3
Under 40s and 50s	Male: 7	Male: 4
	Female: 1 person	Female: 1 person

resigning employee

division	Category 1	2021	2022
by age	under 30	11 people	3 people
	30~40 years old	9 people	12 people
	40~50 years old	3 people	4 people
	50+	0 people	2 people
Sum		23 people	21 people
gender	male	18 people	20 people
	female	5 people	1 person
Sum		23 people	21 people

401-2

Benefits provided to full-time employees that are not provided to temporary or part-time employees

YJ Link provides various welfare benefits so that employees can concentrate on their work while maintaining physical and mental health.

Welfare system

division	detail
healthcare	Operation of in-house gym, men's and women's lounge, rooftop futsal court, health check-up
Motivation	In-house dormitory operation, in-house cafeteria operation, continuous service reward, year-end award, resort benefit support (Sono Hotel & Resort), birthday gift certificate
family happiness	Congratulatory and congratulatory leave and congratulatory and condolence money, support for congratulatory money for children entering school, child care

401-3

Parental leave

Parental leave status

division	Division 1	2021	2022
maternity leave user	number of users		
	returning personnel		
	return rate		
parental leave user	male	1 person	1 person
	female		
Return to work after parental leave	male	1 person	1 person
	female		
Rate of return to work after parental leave	male	100%	100%
	female		

GRI 403 : Occupational Health and Safety

3-3_403

Management of Occupational Health and Safety

YJ Link prioritizes matters related to the safety and health of the workplace over all policies, and intends to comprehensively apply related policies to all stakeholders within the scope of business influence, including executives and employees. This is because safety and health issues are cited as serious risks that may occur in actual industrial sites, as well as strengthening domestic safety and health related laws and enforcement of the Severe Accident Punishment Act.

We intend to actively respond to changes in the internal and external business environment by acquiring ISO45001 safety and health management system certification, which is a global standard, and strengthening the system.

403-1

Occupational health and safety management system

YJ Link is committed to safety and health management to create a safe and secure work environment at the workplace, and induces all employees to participate in safety and health activities by establishing and announcing integrated management policies. In 2023, we are preparing to acquire the safety and health management system ISO45001 certification, and we are trying to establish a more systematic management system.

In addition, through the operation of the Occupational Safety and Health Committee, the committee is held every quarter to maintain the health and safe working environment of employees, and an annual workplace risk assessment (risk management) and safety and health management promotion plan are established and implemented.

YJ Link promotes mutual communication and cooperation by sharing safety and health management policies of in-house partner companies, creating a safety inspection log in relation to contracts, and holding consultative groups with partners at least once a month.

Formation and holding of the Occupational Safety and Health Committee

division	company side	worker side	note
chairman	CEO	production team leader	Held once every quarter
commissioner	Safety and health manager	Purchasing team leader	
commissioner	managing director	Production Management Team Leader	
commissioner	Health manager (Central Occupational Environmental Health Center)	battlefield design team leader	
commissioner	Safety Manager (Occupational Safety and Technology Institute)	Mechanism Design Team Leader	

[Integrated management policy](#)
[Safety management promotion plan](#)
[Occupational Safety and Health Management Regulations](#)
[Risk assessment data](#)
[Safety and health management organization chart](#)

403-2

Hazard identification, risk assessment, and incident investigation

Business site risk assessment

YJ Link plans and conducts a risk assessment in the workplace through an ad hoc assessment once a year, if necessary, to make sure that harmful risk factors in the workplace are identified and improved.

Implementation of safety and health education

YJ Link conducts safety and health education for each relevant education targeting all employees.

☰ Safety and health education contents

division	training time	number of training sessions	Target
Regular safety and health education	2 hours per month (6 hours per quarter)	12 times (monthly)	All employees
Training for new hires	8 hours per day when hired	Progress every time hiring	new employee
Special safety and health education	12 hours within 3 months after the first 4 hours	limited to the worker	Crane and pressure vessel users
Management Supervisor Training	16 hours once a year (8 hours at accident-free workplaces)	Once a year	Group training for 2 or more people every year (chief level or higher)
Forklift operation training	21 hours or more per session	first time	Forklift user (2 persons completed)

[Risk assessment data](#) [Risk assessment implementation plan](#) [Safety and health education management ledger](#)

403-3

Occupational health services

In order to improve the health of employees, YJ Link strives to maintain employees' health management through health-related consultation and measurement through a monthly health management agency. Health check-up for workers is conducted once a year, and tracking and management are conducted based on the check-up results. To prevent musculoskeletal disorders, we encourage frequent health management, such as operating an in-house gym.

403-4

Worker participation, consultation, and communication on occupational health and safety

YJ Link holds a committee once a quarter to maintain the health and safe working environment of employees through the operation of the Industrial Safety and Health Committee. We are discussing and selecting the strengthening of health activities and overall safety and health management, and are trying to put them into practice.

In addition, we share the safety and health management policy of our in-house partners, create a safety inspection log in relation to contracts, and hold consultative groups with partners at least once a month to promote mutual communication and cooperation.

Formation and holding of the Occupational Safety and Health Committee

division	company side	worker side	note
chairman	CEO	production team leader	Held once every quarter
commissioner	Safety and health manager	Purchasing team leader	
commissioner	managing director	Production Management Team Leader	
commissioner	Health manager (Central Occupational Environmental Health Center)	battlefield design team leader	
commissioner	Safety Manager (Occupational Safety and Technology Institute)	Mechanism Design Team Leader	

Supplier Council

division	Target	Number of meetings attended by the council
contractor	CEO of YJ Link	Once a month every year (total of 12 times a year)
Subcontractor (Supplier)	Representatives of 4 companies	Once a month every year (total of 12 times a year)

[Occupational Safety and Health Commission Regulations](#) [Operating Regulations of the Contracting Consultative Body](#)

403-5

Worker training on occupational health and safety

YJ Link conducts safety and health education every year for all employees to create a safe working environment for workers and raise safety awareness.

☰ Safety and health education contents

division	training time	number of training sessions	Target
Regular safety and health education	2 hours per month (6 hours per quarter)	12 times (monthly)	All employees
Training for new hires	8 hours per day when hired	Progress every time hiring	new employee
Special safety and health education	12 hours within 3 months after the first 4 hours	limited to the worker	Crane and pressure vessel users
Management Supervisor Training	16 hours once a year (8 hours at accident-free workplaces)	Once a year	Group training for 2 or more people every year (chief level or higher)
Forklift operation training	21 hours or more per session	first time	Forklift user (2 persons completed)

☰ [Safety and health education management ledger](#)

403-6

Promotion of worker health

YJ Link provides various in-house welfare facilities for health management and health promotion of employees. In-house welfare facilities include a gym, men's and women's rest rooms, and futsal courts.

We strive to maintain workers' health through annual health checkups and follow-up management according to the checkup results.

We are looking for a way to proceed in connection with related government offices such as health management related (obesity, smoking cessation, healthcare) programs.

☰ Status of Health Checkup

division	unit	2021	2022
All Target	number of people	67	76
examinee	number of people	64	72
Excluded (long-term overseas business trip, etc.)	number of people	3	4

403-7

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

YJ Link promotes safety awareness by conducting safety and health education for all employees, conducting workplace risk assessment, and eliminating risk factors in the workplace to prevent health and safety in the workplace.

Safety signs are attached to each danger zone to ensure that workers are always aware of risk factors. In addition, in order to strengthen safety and health management, we will select annual tasks to be implemented to create a safe workplace and manage risks in advance.

- In accordance with the implementation of the Serious Accident Punishment Act, YJ Link is also applicable for 2023 to strengthen the establishment of a safety and health management system.
We are in the process of getting a consultation.
- Acquisition and establishment of safety and health management system certification (ISO45001) planned

☰ [Safety management promotion plan](#) [Risk assessment data](#)

403-8

Workers covered by an occupational health and safety management system

Established YJ Link integrated management policy (safety and health/environment/quality) and announced to all employees
 Organization of safety and health management organization through Occupational Safety and Health Committee and encouragement of participation of all executives and employees
 ISO45001 Health and Safety Management System Certification Acquisition Preparation and Implementation Scheduled
 Post company-wide information related to the implementation of the Serious Accident Punishment Act and encourage participation in strengthening the establishment of a safety and health management system

[Integrated management policy](#) [Safety management promotion plan](#)

403-9

Work-related injuries

YJ Link has no industrial accidents for 3 years (accident-free workplace)

Industrial Accident Status Table

division	Category 1	unit	2020	2021	2022
number of victims	executives	number of people	0	0	0
	partner	number of people	0	0	0
Number of Injuries (Death + Serious Injury + Minor Injury)	executives	number of people	0	0	0
	partner	number of people	0	0	0
number of deaths	partner	case	0	0	0
	executives	case	0	0	0
number of serious injuries	executives	case	0	0	0
	partner	case	0	0	0
Number of minor injuries	executives	case	0	0	0
	partner	case	0	0	0
Number of serious accidents	executives	case	0	0	0
	partner	case	0	0	0
industrial accident rate	executives	%	0	0	0

403-10

Work-related ill health

YJ Link has not had any work-related diseases in the past 3 years

Status table of work-related diseases

division	Division 1	unit	2020	2021	2022
occupational disease	executives	case	0	0	0
	partner	case	0	0	0
Incidence rate	executives	%	0	0	0
	partner	%	0	0	0

Appendix. Independent Assurance Statement



2023 YJ Link Sustainability Report