CLASSYS SUSTAINABILITY REPORT 2025

EXPANDING POSSIBILITIES IN MEDICAL AESTHETICS

CLASSYS

About This Report

Reporting Scope

This report outlines the sustainability performance of Classys Inc., covering operations at our headquarters, our Munjeong Plant, and our Anyang Plant.

Reporting Period

The primary reporting period of this report is from January 1 to December 31, 2025. Select performance data from the first quarter of 2026 is also included, and where applicable, data for the three most recent years, 2023 through 2025, are presented for time series analysis.

Reporting Standards

The ESG information in this report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021, while financial data has been prepared on a consolidated basis in accordance with K-IFRS (Korean International Financial Reporting Standards).

Report Assurance

To ensure the credibility and accuracy of this report, the contents have been verified by the Korea Management Registrar (KMR), an independent third-party assurance agency. The assurance statement can be found in the Appendix.

Contact Information

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Our Vision

The World's #1
Provider of Medical Aesthetic Platform Company

To help people around the globe discover their best, most natural selves through relentless customer-centric innovation

Overview

Message from the Representative Executive Director

Dear Valued Stakeholders,
I am Yoon Suk Choi, Representative Executive Director of Classys Inc.

Expanding the Foundation for Sustainable Growth in the Global Medical Aesthetics Market

In 2025, Classys sustained strong momentum, achieving a three-year average growth rate of over 33% and moving closer to our vision of becoming the world's leading medical aesthetics platform provider. As a medical aesthetics platform company, we deliver consistent treatment experiences and meaningful value to customers worldwide. Backed by our strong cost competitiveness and high-quality standards, Classys continues to drive the mainstream adoption of medical aesthetic procedures and broaden access to medical aesthetic treatments.

Strengthening Scientific Leadership and Quality Controls

Our rapid growth is underpinned by a product portfolio with proven clinical efficacy and safety. From development through manufacturing, we use a preventive verification framework to identify and mitigate quality and safety risks, and all our manufacturing facilities comply with international quality standards, including ISO 13485 and MDSAP. In 2025, Volnewmer (Everesse) and Ultraformer MPT (Shurink Universe) obtained Europe's first CE MDR certifications in the Monopolar RF and HIFU categories, respectively. Backed by multiple SCI-indexed papers, these milestones further reinforce our scientific leadership and clinical credibility.

Enhancing Operational Efficiency and Environmental Performance through Manufacturing Innovation

A firm commitment to quality innovation drives our manufacturing efficiency and tangible environmental results. Through process optimization and an integrated quality control system, we have significantly boosted productivity. Consequently, despite record revenue growth, we reduced our carbon emissions intensity by 7.3% year on year. We are also expanding our circular business model by supplying manufacturer-certified refurbished products sourced from pre-owned equipment to global markets. This supports resource circulation while enabling more patients to access high-quality medical aesthetic treatments at a more affordable cost.

Fostering an Inclusive Corporate Culture and Strengthening Human Capital Competitiveness

We believe people are the foundation of our performance. Since our merger with Ilooda in 2024, we have maximized organizational synergy through successful post-merger integration under a "One Team" culture, creating a workplace where employees can stay engaged and perform at their best. This commitment is reflected in our latest organizational health survey, which recorded a high participation rate and broad-based improvements across key indicators. Building on our designation as a Best Job-Creation Company in Korea, we were also recognized as an Outstanding Company for Improving Inclusive Corporate Culture, further testifying to the strength of our workplace culture. Going forward, we will drive sustainable growth by fostering a culture that supports employee development, diversity, and inclusion.

Enhancing Transparent Governance and Shareholder Value

We have advanced our corporate governance in line with global standards. By introducing an executive officer system, Classys has clearly separated the Board's oversight role from management's executive functions, thereby strengthening accountability and transparency. In addition, we demonstrated our commitment to maximizing shareholder value through the cancellation of treasury shares and a cash dividend of KRW 1,000 per share, representing a 49.4% dividend payout ratio.

Advancing ESG Progress and Harmonizing Growth with Responsibility

As a result of these company-wide efforts, Classys achieved the highest ESG rating of AAA from MSCI, a global ESG ratings agency, in March 2026. This recognition reflects the progress we have made in embedding sustainability management as a core driver of our corporate competitiveness.

Classys envisions a future where the environment and communities around us flourish together. We believe the true value of Classys is realized when our innovative technologies contribute to a sustainable tomorrow. Guided by this belief, we will continue to stride forward with integrity and courage.

I extend my sincere gratitude to all our stakeholders who stand with us on this journey toward a sustainable future.

May 2026
Yoon Suk Choi
Representative Executive Director, Classys Inc.

About Classys

Inspired by its vision to become the world's number one provider of medical aesthetic platform, Classys is advancing its development into an integrated platform company in the medical aesthetic device market, with a focus on energy-based devices (EBD).

Classys offers combination treatment solutions that seamlessly integrate core technologies across HIFU, RF, microneedling RF, and lasers. By enabling treatment combinations tailored to each patient's skin condition and treatment objectives, we have expanded the range of options available to medical professionals while maximizing patient satisfaction.

Founded in 2007 by a practicing dermatologist, Classys has continued to address market needs through clinically grounded technology development and user-centric product design. In 2024, we both expanded our EBD portfolio through the strategic merger with Ilooda and strengthened our global distribution competitiveness by transitioning to direct sales operations in Japan and Brazil. Building on these technological and commercial advances, Classys continues to reinforce its leadership as an integrated medical aesthetic platform company.

By leveraging its product competitiveness, Classys is not only providing integrated solutions spanning education, marketing, and customer management but is also building a scalable business model across global markets. Through these efforts, we deliver consistent, safe treatment experiences for medical professionals and patients worldwide.

Backed by distinctive technologies featuring proven safety and clinical efficacy—along with strong global business capabilities—Classys is setting new standards and leading the global medical aesthetic device market.

Company Overview

Company Name	Classys Inc.	
Representative Executive Director	Yoon Suk Choi	
Incorporated/Listing Date	January 10, 2007 / December 28, 2017	
Headcount	532 employees [1]	
Business Premises	Headquarters	Classys, 208 Teheran-ro, Gangnam-gu, Seoul, Republic of Korea
	Munjeong Plant	15F/ 8F/ B3F, Unit A, and 7F, Unit B, H Business Park, 25, Beobwon-ro 11-gil, Songpa-gu, Seoul, Republic of Korea
	Anyang Plant	9F, Building A, Anyang IS Biz Tower Central, 25, Deokcheon-ro 152 beon-gil, Manan-gu, Anyang-si, Gyeonggi-do, Republic of Korea

1) Employee figures exclude board members as of the end of 2025.

Global Network

Products Sold in over 80 Countries Worldwide

ESG Ratings

(As of March 31, 2026)

AAA	A	AA
MSCI	KCGS	SUSTINVEST

About Classys

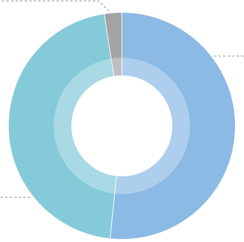
Business Portfolio

With core capabilities in EBD technologies, including HIFU, RF, microneedling RF, and lasers, Classys has supplied more than 45,000 platforms to over 80 countries worldwide, further solidifying its leadership in the global medical aesthetic device market. With a diversified product portfolio designed to address different skin layers and treatment objectives, we provide optimized total solutions for medical professionals and patients.

Our key products include the Ultraformer series, a HIFU-based platform leading the global lifting market; Volnewmer (Everesse), powered by monopolar RF technology; Quadessy, a microneedling RF platform supporting versatile treatment modes; and Reepot, a laser platform specialized for pigmentation treatment. Together, these products form a comprehensive lineup spanning the core segments of the medical aesthetic device market.

The Classys Portfolio is structured to support optimized combination treatments. Medical professionals can combine multiple energy modalities based on each patient's skin condition, thereby enhancing both procedural efficiency and patient satisfaction. Classys is also advancing a business model that combines platform sales with recurring consumables revenue. As our global installed base expands and procedure volumes increase, demand for consumables continues to grow. Through sustained R&D investment and portfolio expansion, we are strengthening our platform-based growth model and long-term competitiveness.

Revenue Breakdown



HIFU

Ultraformer MPT
(Shurink Universe)

MRF

Volnewmer
(Everesse)

Laser

Reepot

Curas Hybrid
(Eleray)

MNRF

Quadessy

Secret Duo

Hydrodermabrasion

Aquapure

History

Foundation
2007-2014

- Jan. 2007 • Establishment of Classys
- May 2011 • Launch of Cryolipo
- Feb. 2012 • Approval of Ultraformer by MFDS and KGMP
- Aug. 2014 • Launch of Ultraformer III (Shurink)

Product/Regional Diversification
2015-2021

- Mar. 2015 • CE certification of Ultraformer III (Shurink) in Europe
- June 2015 • CE Certification of Clatuu in Europe
- Nov. 2015 • Awarded the $5 Million Export Tower
- Apr. 2016 • Approval of Scizer by MFDS and KGMP
- Dec. 2017 • Listed on KOSDAQ/Headquarters Relocated to Classys Tower
- Sep. 2018 • Acquisition of Munjeong Plant
- Oct. 2021 • Approval of Ultraformer MPT (Shurink Universe) by MFDS and KGMP

Global Expansion
2022-2024

- Jan. 2022 • Headquarters Relocated to the New Classys Tower at 208 Teheran-ro, Seoul
- Mar. 2022 • Largest Shareholder Changed to BCPE Centur Investments, LP (a Bain Capital Fund)
- Aug. 2022 • Approval of Volnewmer (Everesse) by MFDS and KGMP
- Nov. 2023 • Approval of Scizer by the U.S. FDA
- Apr. 2024 • Approval of Volnewmer (Everesse) by the U.S. FDA
- May 2024 • Establishment of Classys Japan Inc.
- Sep. 2024 • Named a Best Job-Creation Company by Korea's Ministry of Employment and Labor
  - • Obtained ISO 14001 and ISO 45001 Certifications
- Oct. 2024 • Official Launch of the Merged Entity of Classys Inc. and the Former Ilooda

Reinforced Global Leadership
2025-

- Mar. 2025 • Named an Exemplary Disclosure Company on the KOSDAQ
  - • Volnewmer (Everesse) honored as the Best Laser Lifting Device Brand at the 2025 Korea Consumer Brand Awards
- May 2025 • Volnewmer (Everesse) obtained CE MDR certification in Europe
- July 2025 • Launched Quadessy in Korea
- Aug. 2025 • Ultraformer MPT (Shurink Universe) received CE MDR certification in Europe
- Sep. 2025 • Received the Excellence Award at the Korea IR Awards
- Oct. 2025 • Established Classys Brasil Ltda.
- Nov. 2025 • Obtained an A ESG rating from the Korea Institute of Corporate Governance and Sustainability (KCGS)
  - • Obtained a AA ESG rating from Sustinvest
  - • Named one of the Sustinvest ESG Best Companies 100
- Dec. 2025 • Received the President's Award from the Korean Institute for Gender Equality Promotion and Education as an Outstanding Company in Improving Inclusive Corporate Culture
  - • Transitioned to an executive officer management structure, with Yoon Suk Choi appointed as the new Representative Executive Director
- Jan. 2026 • Ultraformer MPT (Shurink Universe) named the top brand in the medical aesthetic device category at the 2026 Korea Brand Hall of Fame Awards
- Feb. 2026 • Volnewmer (Everesse) singled out for an award in the K-Medical category at TV Chosun's 2026 K-Brand Awards
- Mar. 2026 • Received a AAA ESG rating from MSCI

ESG Management

ESG Strategy

MISSION

To help people around the globe discover their best, most natural selves through relentless customer-centric innovation

Core Values

ESG Strategy

ESG Initiatives and Progress

	Key Initiatives	Risks & Opportunities	2025 Progress	Short-Term (2026) and Long-Term Goals
E	Climate Action and Environmental Management	• Risks - Strengthened domestic and international regulations on carbon neutrality - Rising energy and raw material costs leading to increased production expenses - Higher risk of damage to production facilities due to extreme weather events • Opportunities - Growing market demand and customer accessibility for eco-friendly and recycled products - Operational cost savings through improved energy efficiency - Productivity gains through process optimization and technological innovation - Enhanced resilience to physical and transitional risks of climate change	• Carbon emissions intensity reduced by 7.3% YoY • Improved energy efficiency through process optimization • ISO 14001 (EMS) certification maintained following a surveillance audit • 91 refurbished products sold • Phase-in shift to eco-friendly packaging materials	• Short-Term Goals - Reduce carbon intensity (emissions per unit revenue) by 1% - Renew ISO 14001 certification for the environmental management system - Sell 30 refurbished products • Mid-/Long-Term Goals - Cut total Scope 1 and 2 emissions to 515 tons by 2030 through revenue-based emissions intensity reductions on a separate basis - Transition to renewable energy - Establish Scope 3 inventory and reduction targets - Measure and disclose GHG emissions covering more than 95% of consolidated revenue - Establish an ESG indicator management system on a consolidated basis - Participate in value chain emissions reduction activities - Increase the number of products eligible for refurbishment to promote resource circularity - Establish green product standards (environmental stewardship criteria)
S	Talent Management	• Risks - Possible brain drain and talent shortage constrain growth - Localization of HR strategies in tandem with global expansion • Opportunities - Improved employee satisfaction and productivity through a healthy organizational culture - Continuous talent development via job-specific competency building	• Organizational health survey participation rate at 94.1%, up 0.5%p YoY • Stronger performance across all organizational health categories • Leadership development programs offered across all job levels, including managerial level • Industry-academia partnerships supporting talent development • Talent development supported through subsidiary assignments and job rotation • Recognized as an Outstanding Company for Improving Inclusive Corporate Culture by the president of the Korean Institute for Gender Equality Promotion and Education • Monthly learning programs available on diverse subjects • 100% completion of KPI setup and feedback • Company-wide consensus built through communication of KPI and competency evaluation criteria, and the compensation system	• Short-Term Goals - Develop talent through subsidiary assignments - Expand talent development through job rotation programs - Conduct an annual organizational health survey and improve positivity scores - Expand leadership and capability-building programs by job grade - Promote local talent development through industry-academia partnerships - Strengthen the system for measuring and monitoring the effectiveness of training programs • Mid-/Long-Term Goals - Expand global hiring and increase local hiring ratio at overseas subsidiaries - Advance performance evaluation and reward systems - Attain certification as a Great Place to Work
	Human Rights Management	• Risks - Potential for cultural conflicts during global expansion - Reputational risks from human rights violations • Opportunities - Strengthen global talent competitiveness through diversity, inclusion, and respect - Retain and attract top talent through fair HR and recruitment processes	• Resolution of all 5 reported employee grievances • 4 labor-management council meetings held, strengthening cooperative relations • Regular training to foster an inclusive corporate culture, including embedding organizational culture, defining and monitoring behavioral commitments, and preventing workplace discrimination and harassment • Increased employment opportunities for underprivileged groups • Best Job-Creation Company certification maintained with Korea's Ministry of Employment and Labor	• Short-Term Goals - Expand internal campaigns promoting a culture of mutual respect - Hold 4 labor-management council meetings - Maintain 100% grievance resolution rate • Mid-/Long-Term Goals - Human rights due diligence practices across global business sites - Introduce human rights protection guidelines for suppliers - Strengthen diversity through the inclusive hiring of underprivileged groups - Renew certification with Korea's Ministry of Employment and Labor as a Best Job-Creation Company
	Information Security	• Risks - Tighter regulations around data security - Legal compliance risks arising from business expansion into new regions and increasingly stringent regulations • Opportunities - Enhanced corporate competitiveness through advanced security systems	• Completion of improvement measures based on information security risk assessments - Data access control and security strengthened through the implementation of DB Safer • Conducted two security audits and reported the results to the Audit Committee • Disaster recovery simulation drills	• Short-Term Goals - Conduct two security audits - Strengthen database security - Make first information security disclosure - Enhance information security capabilities • Mid-/Long-Term Goals - Enhance personal data protection training - Strengthen the security framework and compliance with global information security regulations - Acquire ISMS-P certification

ESG Strategy

ESG Initiatives and Progress

	Key Initiatives	Risks & Opportunities	2025 Progress	Short-Term (2026) and Long-Term Goals
S	Occupational Health & Safety Management	• Risks - Decline in corporate reputation and productivity due to industrial accidents - Decreased employee satisfaction and productivity from poor working conditions • Opportunities - Boost satisfaction and productivity through safe workplaces - Enhance talent attraction with strong safety credentials	• Enhanced safety training frequency and participation • Maintained ISO 45001 (OHSMS) certification following a surveillance audit • Implementation of occupational accident prevention programs and risk reduction measures - 629 (98.7%) safety issues resolved out of the 637 identified from regular and unscheduled risk assessments • 4 Occupational Health & Safety (OHS) Committee meetings held to hear the voices of on-site workers	• Short-Term Goals - Renew ISO 45001 (OHSMS) certification - Achieve zero-accident workplace record - Operate regular consultative bodies to expand channels for gathering employee feedback - Develop and utilize internal OHS training content - Expand employee participation in occupational health and safety activities • Mid-/Long-Term Goals - Hire one additional safety manager - Establish independent occupational health and safety organizations at each business site - Maintain ISO 45001 certification - Upgrade OH&S training systems and link them to evaluations and rewards - Build a self-regulatory safety system (labor-management collaboration) - Establish a global-level safety management system
	Supply Chain Management	• Risks - Global supply chain disruptions and raw material price volatility - ESG-related risks from suppliers - Risks of unfair trade and regulatory violations • Opportunities - Build sustainable supply chains with supplier support - Mitigate risks via strategic sourcing	• Supplier risk assessments and corrective actions conducted • Training and support for high-risk suppliers • Reaffirmed quality commitments and upgraded quality agreements	• Short-Term Goals - Annual supplier risk assessment and corrective actions - Strengthen supplier training and technical support • Mid-/Long-Term Goals - Strengthen eco-friendly and ethical supply chain governance - Establish early risk detection and a real-time response system
	Quality Management	• Risks - Product defects or recalls damaging brand trust - Decline in consumer confidence from off-label marketing • Opportunities - Competitive advantage through proactive quality management and market share expansion - Strengthen competitiveness via R&D-driven quality	• CE MDR certifications obtained for Volnewmer and Ultraformer MPT • Advanced internal processes for the quality management system (QMS) • Strengthened interactions with healthcare professionals • 4 High Performance Team contests held with expanded participation • Strengthened internal quality standards and reduced defect rates • Company-wide education on product and market insight	• Short-Term Goals - Obtain regulatory approval for Volnewmer in China - Strengthen global quality systems and expand FDA certifications - Enhance company-wide quality training - Increase HPT participation • Mid-/Long-Term Goals - Strengthen scientific evidence capabilities - Expand the premium market through quality upgrades - Increase R&D investment and secure next-gen technologies
G	Corporate Governance	• Risks - Reputational damage from poor management or unethical practices • Opportunities - Build corporate trust through transparent governance	• Board and committee evaluations conducted • 100% attendance rate by all directors at Board and committee meetings • Operation of Independent Directors' Council to enhance independence and transparency • Electronic voting and electronic proxy voting available at the general shareholders' meeting • Shareholder returns improved through retirement of shares and dividends • Board diversity increased by 16%p • Board leadership strengthened on ESG topics, including occupational health and safety	• Short-Term Goals - Strengthen shareholder returns • Mid-/Long-Term Goals - Enhance board diversity
	Ethical Management	• Risks - Corporate value undermined by unethical management practices - Growth dampened by unethical practices • Opportunities - Ensure sustainable growth through strong ethics and controls - Strengthen stakeholder trust	• Review and reporting of legal and compliance risks (e.g. corruption) to the board • Implemented the Compliance Program and reported the effectiveness assessment results to the Board • 100% resolution rate of internal reports; zero corruption cases	• Short-Term Goals - Ensure compliance with business ethics and anti-corruption standards - Advance the compliance program (CP) - Strengthen compliance training • Mid-/Long-Term Goals - Reinforce compliance due diligence - Build a global regulatory response framework

Materiality Assessment

Materiality Assessment Process and Results

Classys identified material issues related to sustainability management, based on their stakeholder and business impact, in accordance with the topic selection principles of the GRI Standards 2021. The three material issues identified were: strengthening customer trust through product responsibility, including product quality enhancement and responsible marketing practices; managing human capital through growth, inclusion, and safety, including attracting and retaining diverse talent, supporting work-life balance, increasing employee satisfaction, and developing employee competencies; and strengthening governance through ethics and transparency, including enhancing Board expertise and independence and advancing ethics and compliance management. Classys developed an issue pool reflecting stakeholder priorities through media analysis conducted from January 2025 to March 2026, stakeholder surveys conducted in March 2026, and analysis of the GRI Standards 2021 and global guidelines. The Company then finalized the material issues with significant business impact by comprehensively taking into account both financial and non-financial impacts.

Materiality Assessment Process

STEP1 | Issue Pooling

- Listing issues disclosed in the sustainability report
- Analysis of global ESG guidelines
- Industry benchmarking analysis
- Media analysis
- Stakeholder survey

STEP2 | Materiality Assessment of Actual and Potential Impacts

- Evaluation of financial impact materiality (inward)
- Evaluation of environmental and social impact materiality (outward)

STEP3 | Prioritizing Key Sustainability Issues

- Selection of Tier 1 issues through materiality assessment
- Reporting to management and the board of directors

Materiality Assessment Results

Materiality	Category	Topics Identified	Details	Contents	GRI
Tier 1	S	Strengthening Customer Trust Based on Product Responsibility	Product Quality Enhancement	Quality Management, Supply Chain Management	416
			Responsible Marketing Practices	Quality Management	417
	S	Human Capital Management Based on Growth, Inclusion, and Safety	Diverse Talent Retention	Talent Management, Human Rights Management, Health and Safety Management	401, 403, 404, 405, 406
			Work-Life Balance Support		
			Satisfaction Enhancement		
			Competency-Building		
	G	Strengthening Governance Based on Ethics and Transparency	Ethics and Compliance Management	Ethical Management	205
			Board Expertise and Independence	Corporate Governance	2-15, 2-17
Tier 2	E	Enhancing Energy Efficiency	Enhancing Energy Efficiency		
	E	Reducing Carbon Emissions	Reducing Carbon Emissions		
	E	Responding to Environmental Regulations	Responding to Environmental Regulations		
	S	Supply Chain Management	Supply Chain Management		
	S	Health & Safety Management	Health & Safety Management		
	S	Human Rights Management	Human Rights Management		
	S	Information Security System	Information Security System		
	G	Shareholder Returns	Shareholder Returns		

Materiality Assessment

Stakeholder Engagement

Classys identifies its primary stakeholders as shareholders and investors, business partners, employees, customers, and local communities. We value communication with stakeholders and maintain various channels to understand and strategically respond to their key concerns in relation to our sustainability management. In short, stakeholder feedback plays a crucial role in our efforts to create sustainable value.

Stakeholder Communication Channels and Key Concerns by Stakeholder Group

Stakeholder	Shareholders and Investors	Business Partners	Employees	Customers	Local Communities
Key Concerns	• Sustainable growth of corporate value • Stable financial performance • Integrated risk management • Transparent governance	• Mutual growth and cooperation • Environmental, health & safety, and human rights protection • Fair trade and competition	• Fair performance evaluation and compensation • Safe and comfortable work environment • Employee fringe benefits • Training and career development	• Product quality and safety • Product efficacy • Accurate product information • Customer satisfaction	• Revitalization of local economies and indirect economic effects (investment and employment) • Industry-academia partnerships
Communication Channels	• General shareholders' meeting • IR and disclosure materials • Investor presentations • Website	• Business Partner Visits and Engagement Events • Win-win partnership activities • Whistleblowing Channel • Communication channels for regular contracted partners (independent contractors)	• Town hall meetings • Surveys • Dialogue with management • Labor-management councils, occupational health & safety committees • Ombudsman Channel and Whistleblowing Channel	• Customer events and surveys • Customer Support Center • Website • Social media • Whistleblowing Channel	• Media • Press releases • Website • Whistleblowing Channel

Environmental

Climate Action and Environmental Management

In pursuit of our vision to become the world's No. 1 provider of medical aesthetic platforms, we place sustainability for future generations among our top priorities. That is why we set the detailed goal for reducing our carbon footprint and other environmental impacts, and actively participate in numerous green transition initiatives.

Environmental Management Framework & Governance

Classys operates structured governance to effectively develop and implement environmental management strategies. The board of directors reviews environmental management issues and evaluates opportunities and risks related to climate change at least twice annually, supervising the appropriate execution of strategies.

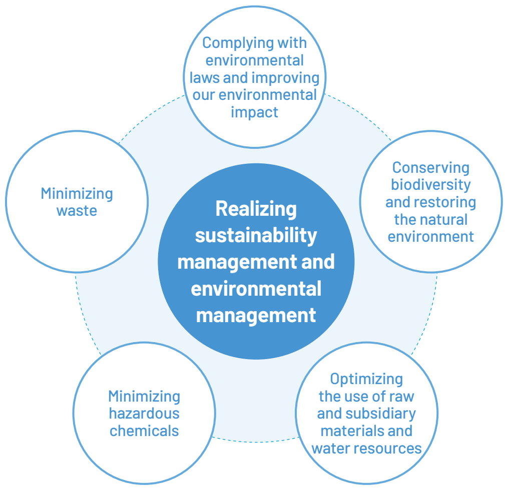
Our dedicated EHS (environmental, health, and safety) team implements strategies and works to reduce any present or potential environmental impact from our operations. The team also develops and maintains our environmental management system, manages certifications, assesses risks, and develops countermeasures. Another important task of the team is environmental awareness training for employees to strengthen organizational environmental competencies.

Environmental Management Policies

Classys implements a number of campaigns and activities to minimize our carbon footprint and environmental impact from the company's operations. These policies apply to all employees and are encouraged among our business partners as well. We have also established an environmental management system with clear performance goals and are committed to achieving them.

Environmental Management Policy

Environmental Policy



Environmental Compliance Management System

Classys regularly monitors EHS risks at our sites and production processes and devises key tasks to timely address identified risks. We keep these tasks in check through regular monitoring and indicator tracking to ensure that these tasks are substantially implemented. At the same time, we maintain environmental legal databases, monitor regulatory changes, and proactively address compliance risks.

Classys provides regular training and awareness activities to strengthen employees' environmental compliance capabilities and offers job-specific training to environmental management personnel. We continue to enhance our environmental management practices by benchmarking against the best practices at leading environmental companies. We also regularly publish sustainability reports, including environmental management performance, to communicate transparently with stakeholders. Driven by our robust environmental compliance system, Classys recorded no violations of environmental laws, environmental incidents, or litigation for the reporting period.

Environmental Management Process

At Classys, all major investment decisions are made only after a meticulous review of non-financial risks. Relevant departments review risks and then top management, or the BOD when necessary, reviews and approves the investment plans after careful consideration.

In the risk review process, we thoroughly identify not only financial impacts such as current and future revenue stream and cash flows, but also non-financial factors that include environmental considerations, and comprehensively reflect them in investment decision-making. Of particular note, we consider the compliance history of investment targets, implementation of corrective actions, energy efficiency, pollutant emissions, and the use of eco-friendly energy.

Specifically, these assessment protocols systematically incorporate environmental risks into investment decisions as we seek opportunities for enhancing our environmental values in the process.

Environmental Education and Campaigns

Classys provides extensive environmental management training to employees to help them raise their environmental consciousness and incorporate the environmental policies into their daily business activities. In particular, the EHS team separately receives advanced course instruction to cultivate expertise in their environmental management practices. We also conduct various campaigns to encourage employees' voluntary participation and promote an organizational culture of mutual respect and support.

Offline One company-wide in-person event to deliver the Representative Executive Director's ESG message to all employees

ESG Campaign Encouraging participation in the energy conservation campaign with free gifts

Climate Action and Environmental Management

ISO 14001 (EMS) Certification and Internalizing Global Standard Environmental Management

Classys has continued to strengthen its company-wide environmental management capabilities to respond to climate change and advance a resource-circulating society. By enhancing its environmental management system to maximize energy efficiency, reduce greenhouse gas emissions, and establish a resource-circulation framework, Classys obtained ISO 14001 certification, the international standard for environmental management systems (EMS), in 2024. Classys has since remained compliant with the rigorous requirements of ISO 14001 and has consistently maintained this certification. Through these efforts, the Company has established a systematic process for environmental risk management and performance improvement aligned with global standards, while also verifying the effectiveness of its environmental management capabilities through annual surveillance audits. Based on an internationally recognized environmental management framework, Classys will continue to minimize its environmental impact and practice environmentally sustainable management in line with global standards.

Employee Compensation Linked to ESG Management Performance

To secure execution capabilities for company-wide environmental management and sustainable value creation, Classys strategically links employees' performance-based compensation to ESG management goals. This approach is designed to encourage all employees to recognize environmental and social responsibility as core values of corporate management and to actively participate in related initiatives.

Sustainability management goals are reflected as KPIs in the performance evaluations of all employees, including senior management. Each department establishes detailed ESG indicators tailored to its business characteristics and uses them in evaluations to drive tangible change.

In 2025, Classys achieved every ESG goal set for senior management through well-coordinated company-wide efforts. For 2026, the Company has established more advanced targets designed to create synergies with its core business competitiveness. In particular, senior management KPIs are directly linked to the Company's mid- to long-term value enhancement. Key indicators include reducing company-wide carbon emissions intensity and improving energy efficiency through production process innovation; advancing product quality management and information security systems to protect brand trust; and strengthening organizational expertise and employee engagement as future growth drivers.

2025 Top Management KPIs		Evaluation Category	Linked Compensation Item
Low-Carbon Process Innovation	Reducing carbon emissions intensity and improving energy efficiency through production process innovation	Quantitative	Short-term incentive compensation
Trust Protection	Strengthening product security and information protection systems	Quantitative/ Qualitative	Short-term incentive compensation
Talent Management	Strengthening organizational expertise and employee engagement	Quantitative/ Qualitative	Short-term incentive compensation

Climate Action and Environmental Management

Climate Action

Climate Risk and Opportunity Identification

Classys conducted a thorough climate change scenario analysis in 2025 to proactively identify and systematically respond to the potential impacts of climate change on its business. By considering both a low-carbon scenario (SSP1-2.6), which assumes a transition to a sustainable low-carbon economy, and a high-carbon scenario (SSP5-8.5), which assumes that greenhouse gas emissions continue along current trends, Classys identified key physical risks that may affect its major business sites and supply chain and subsequently established response directions.

Based on a comprehensive analysis of the frequency and intensity of climate hazards under each scenario, as well as site exposure and vulnerability, Classys identified heatwaves and floods as key physical risks.

- **Analysis scenarios:** Low-carbon scenario (SSP1-2.6) and high-carbon scenario (SSP5-8.5)
- **Analysis periods:** Baseline, 2030 short- to mid-term, 2040 mid- to long-term, and 2050 long-term
- **Analysis method:** Assessment of the frequency and intensity of climate hazards under each scenario, and analysis of site exposure and vulnerability

Based on the results of this climate change scenario analysis, Classys continues to enhance risk management at each business site and plans to expand the scope of management across its supply chain, including key suppliers. The Company also plans to gradually establish a system to quantitatively manage identified climate risks by linking them to financial impacts.

Physical Climate Risk Assessment Results by Business Site

Category		Yeoksam HQ				Munjeong Plant				Anyang Plant			
		Cold Waves	Heat waves	Droughts	Floods	Cold Waves	Heat waves	Droughts	Floods	Cold Waves	Heat waves	Droughts	Floods
SSP1-2.6	2030	A	C	A	A	A	C	A	A	A	C	A	A
	2040	A	C	A	B	A	C	A	B	A	C	A	B
	2050	A	C	A	B	A	C	A	B	A	C	A	B
SSP5-8.5	2030	A	C	A	A	A	C	A	A	A	C	A	B
	2040	A	D	A	B	A	D	A	B	A	D	A	B
	2050	A	D	A	B	A	D	A	B	A	D	A	B

Risk Level: A (Low) to D (High)

Category	Current and Mid- to Long-Term Potential and Financial Impacts	Response Strategies
Heatwaves	• Increased occupational health and safety risks, potentially leading to workforce disruptions and additional health and safety management costs • Sharp increase in cooling energy demand and operating costs, including electricity costs, to maintain appropriate indoor temperatures at business sites • Reduced work efficiency and productivity due to shortened operating hours and unsuitable temperatures • Production disruptions and delivery delays caused by facility and equipment overheating, shutdowns, and efficiency losses	• Strengthen employee safety management by proactively adjusting working hours and flexibly operating rest systems to protect workers • Maximize infrastructure and energy efficiency by proactively introducing process automation, layout optimization, and peak power load management to prevent energy waste at the source • Inspect cooling equipment efficiency across all business sites, replace equipment with high-efficiency models, and secure reserve power to stabilize mid- to long-term electricity supply
Floods	• Asset damage and recovery costs caused by direct flooding and damage to low-lying business sites and production facilities due to heavy rainfall • Temporary production stoppages, revenue decline, and deterioration in customer trust caused by disruptions to power supply systems and major access routes • Increased logistics costs and heightened supply chain instability due to delays in raw and subsidiary material procurement and logistics and transportation	• Proactively reinforce infrastructure by fully upgrading disaster prevention facilities, including increasing drainage pump capacity and installing flood barriers at major business sites, based on projected extreme precipitation levels • Diversify the supply chain and secure its resilience by establishing dual supply chains for key raw materials; maintain essential safety stock so that localized disasters in specific regions do not lead to production disruptions; diversify and decentralize logistics and warehouse locations • Activate the business continuity plan (BCP) by immediately implementing disaster response protocols when preliminary typhoon or heavy rain advisories are issued and by minimizing damage through preemptive facility inspections

Climate Action and Environmental Management

Net Zero Roadmap

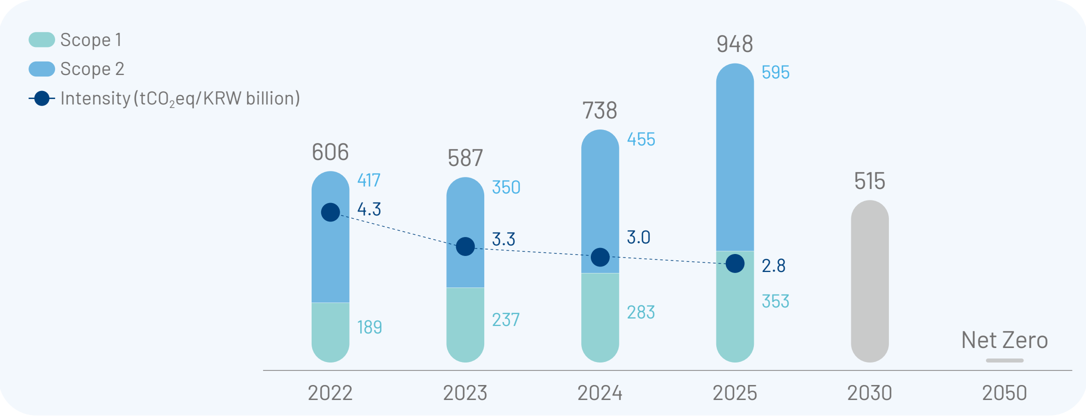
Classys has been implementing a low-carbon, high-efficiency growth strategy to minimize its environmental footprint amid rapid business expansion, with a three-year CAGR of over 33%. To prevent top-line growth from automatically driving up carbon emissions, we are pursuing an in-house-developed Net Zero Roadmap that pairs process innovation with energy efficiency.

Setting 2022 as the baseline year, Classys established a Scope 1 and Scope 2 emissions inventory and set short-term targets to manage emissions intensity, measured as emissions per unit of revenue.

In 2025, despite a 38.6% year-on-year surge in revenue, Classys reduced its carbon emissions intensity by 7.3% year on year through process optimization. This represents a 34.1% improvement compared to the 2022 baseline.

Notably, following the October 2024 merger with Ilooda Co., Ltd., Classys promptly applied its advanced process innovation initiative to the integrated manufacturing lines. As part of this drive, the newly added Anyang Plant was successfully reorganized to align with Classys' stringent energy-efficiency standards. Furthermore, through process streamlining and production optimization, the plant's active floor space was reduced by more than 50%. While the merger increased absolute emissions, resource efficiency gains and process-integration synergies delivered a substantial reduction in company-wide carbon emissions intensity.

Going forward, Classys will continue to fundamentally reduce process-related emissions at the source and reduce total greenhouse gas emissions by transitioning to renewable energy. Over the mid- to long term, we plan to expand our management scope to Scope 3, covering the supply chain and product-use phase, in order to mitigate greenhouse gas impacts across the entire value chain. Ultimately, we will pursue a sustainable growth strategy that helps achieve our 2050 Net Zero goal.



Greenhouse Gas and Energy Reduction Initiatives

Classys is committed to pursuing environmental protection and economic value creation simultaneously by reducing carbon emissions and improving resource efficiency.

Production Facilities and Process Efficiency

Classys is driving production facility optimization and process streamlining to minimize its environmental footprint across the entire manufacturing lifecycle. Through these initiatives, we are simultaneously curtailing energy consumption and carbon emissions, thereby securing a sustainable edge in manufacturing competitiveness.

By advancing process automation and layout optimization, Classys is maximizing spatial efficiency while increasing production output and reducing its environmental impact. Consequently, we have boosted workforce productivity, enhanced the operating efficiency of our infrastructure, and continued to bolster output even as we reduce the physical footprint of our production facilities.

- **Process automation and layout optimization:** By replacing manual operations with automated robotics and cutting-edge machinery, we have shortened per-unit production cycles and effectively minimized energy input intensity per product. Mirroring the successful 2023 consolidation of the Misa Plant into the Munjeong Plant, we redesigned workflows at the Anyang Plant—from material warehousing to finished-product shipment—to minimize travel distances and optimize the operating frequency of internal logistics equipment. As a result, the active floor area of the Anyang Plant was reduced by over 50% following the merger.
- **Maximizing resource efficiency and yield:** By optimizing production yield—the ratio of output to raw material input—Classys fundamentally reduces manufacturing waste at the source, which directly translates into lower carbon emissions per unit of production.
- **Peak energy load management:** We enhance power consumption efficiency and prevent energy waste by optimizing production scheduling to strategically distribute peak power loads.
- **Adoption of eco-friendly logistics equipment:** We are actively phasing out diesel- and LPG-powered models in favor of electric alternatives for our on-site logistics fleets. Transitioning to electric equipment reduces greenhouse gas intensity while fostering a safer, cleaner, and healthier workplace by reducing noise and exhaust emissions.

Climate Action and Environmental Management

Transition to Eco-Friendly Packaging

Classys is progressively transitioning its product packaging to eco-friendly certified materials, translating the core value of resource circulation into practice. In addition to reducing waste, this initiative enhances recyclability and fosters a circular resource framework, allowing us to deliver sustainable products to our customers while minimizing resource waste.

- **Adoption of sustainable materials:** To safeguard forest resources, Classys is replacing its packaging with eco-friendly materials certified by the Forest Stewardship Council (FSC).
- **Waste reduction and enhanced recyclability:** By optimizing packaging structures and utilizing single-material designs, we reduce resource waste and establish a circular resource framework that maximizes recyclability at the end of a product's lifecycle. We intend to continuously expand this sustainable packaging strategy so that we can deliver high-quality products to our customers while actively fostering shared environmental value.

Resource Efficiency and Production Innovation

Classys has developed an innovative technology that nearly doubles cartridge capacity while maintaining the same specifications and design, effectively curbing resource consumption, minimizing waste, and advancing a circular resource economy. This technology, which maximizes capacity within a limited physical space, highlights our continuous R&D advancement. By unlocking higher output through existing production lines and resources, this technology not only minimizes the environmental footprint of our manufacturing process, but also ensures swift, reliable service for our customers. These breakthroughs have both slashed manufacturing costs and optimized resource efficiency, anchoring our transition to a sustainable production model.

Global Expansion and Environmental Responsibility

Classys is a premier global medical aesthetic device company, generating 66.7% of its total revenue from overseas markets. In 2025, the Company cemented its global presence by recording a steep export growth of 36.9% year on year. As our business scales, we are managing the environmental impacts of our logistics network by executing energy-efficient distribution strategies and actively shrinking our carbon footprint. Recognizing that sea freight generates significantly lower carbon emissions than air freight, we strategically optimize our transport mix to mitigate energy consumption and environmental risks. In addition, by sharing demand forecasting data with our global distribution partners, we maintain optimal inventory levels and consistently streamline shipping routes, effectively driving down the environmental burden of transportation.

Product Refurbishment Process

Classys integrates a circular economy model into its core business strategy to minimize waste generation, simultaneously fulfilling our environmental responsibilities and creating social value. We pursue diverse initiatives across the entire product lifecycle, including developing products for resource circularity, enhanced repairability, pre-owned equipment buyback programs, and the exploration of recycling opportunities. Notably, our refurbishment process goes beyond driving resource circulation—it expands global access to Classys' high-quality medical aesthetic services.

Our core business model centers on platform-based medical equipment paired with consumable components. As the installed base of our platform equipment expands, it accelerates customer inflow and triggers ongoing consumables sales, creating a virtuous cycle. By blending climate action with end-of-life resource circulation into this business model, Classys has built a robust pre-owned equipment refurbishment framework.

Through this framework, we supply manufacturer-certified refurbished products at competitive prices, with safety and quality directly guaranteed by our rigorous quality management standards. This effectively lowers the initial capital expenditure for clinics adopting new systems. By lowering the barriers to entry for our devices and treatments, we enable a broader patient population to access safe and affordable medical aesthetic procedures.

Because medical devices directly affect patient health and safety, Classys enforces the same stringent quality management standards on refurbished products as on brand-new equipment. As such, we not only use an advanced tracking system to systematically monitor product origins and repair histories, but we also re-verify safety and efficacy in strict compliance with local regulatory authorities. Additionally, all refurbished products are backed by dedicated maintenance and comprehensive warranty coverage, ensuring that providers and patients can fully depend on their performance.

In 2025, Classys exported a total of 91 refurbished products to international markets. Looking ahead, we will continue to deliver environmental value through safe, sustainable resource circulation, building a more sustainable and accessible medical aesthetic ecosystem that brings safe and effective medical aesthetics services to more people around the world.

Refurbishment Process

Collection of Pre-owned Products	Refurbishment and Quality Inspection	Identifier Assignment and Tracking Management	Distribution Compliance	Shipping
• Retrieve pre-owned equipment through trade-in programs	• Inspect and refurbish the retrieved equipment for resale against standards equivalent to new products	• Assign serial numbers (SN) to refurbished products; track supply and return histories	• Verify compliance with the import country regulations and requirements	• Ship products

Social

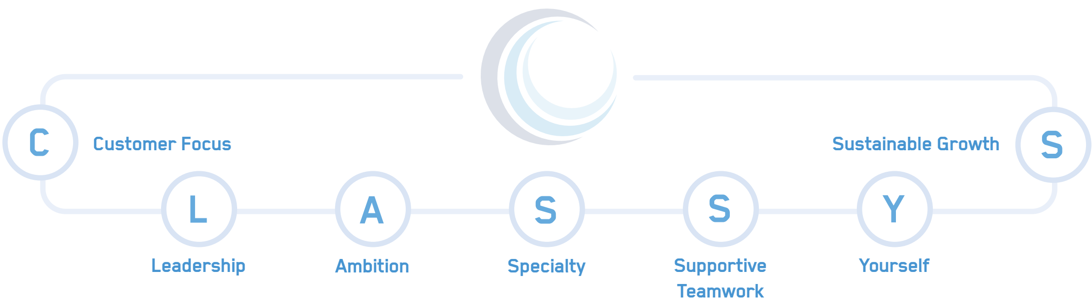
Talent Management

Our people are a key driver of Classys' sustainable growth. We are committed to attracting, developing, and retaining talented employees through a structured talent management framework. To support this, we provide competitive compensation and benefits, along with various HR initiatives designed to enhance employee growth and well-being. In addition, we foster a healthy and inclusive workplace by offering structured career development opportunities, professional training programs, and policies that support work-life balance and diversity.

Talent Management Philosophy

Who We Want

Classys aims to achieve sustainable growth with talent who excel in upholding and practicing our core values: customer focus, leadership, ambition, specialty, supportive teamwork, yourself (respect), and sustainable growth.



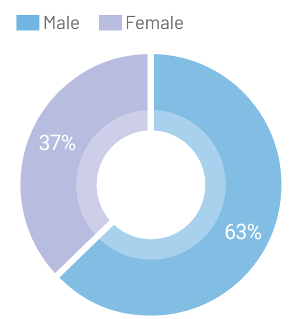
CLASSYS Core Values

C	Customers are at the heart of our business; every task begins with their needs and ends with their satisfaction.
L	We lead by example with initiative and a positive attitude.
A	Our ambition inspires us to embrace challenges and drive continuous innovation.
S	Our unique expertise drives our growth as a leading global company.
S	We realize the highest customer value through strong and supportive teamwork.
Y	We care for, respect, and embrace one another.
S	Our relentless passion and effort drive sustainable growth for the company, employees, and shareholders alike.

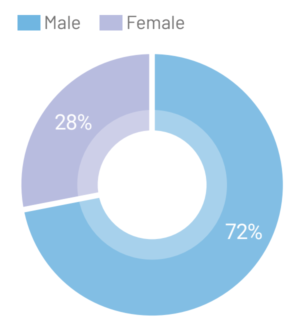
Promoting Diversity, Equity, and Inclusion

Classys fosters a workplace culture built on mutual respect and a deep appreciation for workplace diversity. By fostering an inclusive environment, we empower professionals from varied backgrounds and distinct perspectives to collaborate and drive our sustained market expansion. To prevent any potential discrimination across critical HR milestones—including recruitment, performance evaluation, salary reviews, promotions, corporate benefits, and training opportunities—we mandate regular human rights compliance training for our entire workforce. This curriculum fully addresses sexual harassment prevention, disability awareness, and the eradication of workplace harassment and bullying. Through targeted diversity initiatives and ongoing awareness programs, Classys internalizes these values, ensuring respect and inclusion are actively practiced daily. Furthermore, we strictly prohibit discrimination based on underrepresentation or minority status in hiring and career progression. Classys takes great care to ensure that all personnel receive equitable treatment and fair access to corporate advancement under identical operational conditions. At the same time, we utilize structured methodologies to secure and retain pivotal, high-potential talent. By clearly articulating our long-term corporate vision and foundational talent philosophy, we proactively accelerate employee capability development. This is achieved through comprehensive onboarding integration, executive leadership pipelines, specialized expert tracks, and sponsored external educational opportunities. Through these integrated strategies, Classys continues to secure key talent while anchoring its corporate identity in an inclusive, high-performance culture.

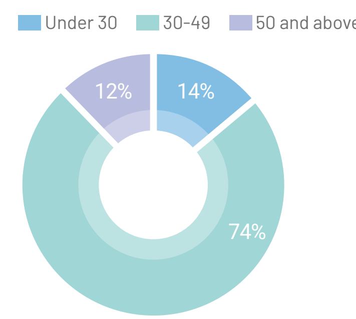
Gender Breakdown of the Total Workforce



Gender Breakdown of Management Positions



Age Breakdown of the Total Workforce



Talent Management

Policy Framework

Policy	Details
Rules of Employment	• Establishes fundamental labor conditions and code of conduct for both the Company and employees, and serves as the foundation for HR management across the full employee lifecycle, from recruitment to retirement • Embeds strict guidelines to champion diversity, enhance workplace inclusion, and guarantee equitable advancement opportunities • Available to all employees at all times through the internal portal
Code of Ethics and Anti-Corruption Policy	• Codifies baseline ethical criteria and code of conduct that employees are expected to follow, including guidance on preventing conflicts of interest, conducting business fairly, and complying with applicable laws and regulations • Available to all stakeholders at all times through the official website and internal portal
Human Rights Policy	• Formalizes the Company's core commitment to safeguarding employee human rights and enforcing a strict zero-tolerance policy against discrimination • Upholds actionable standards for creating a workplace that respects diversity and inclusion
Labor-Management Council Regulations	• Provides the basis for establishing and operating the Labor-Management Council • Establishes a communication channel through which employee feedback can be reflected in management, supporting the shared interests of both labor and management
Occupational Health and Safety Policy	• Places employee health and safety as a top priority while also setting out management principles for preventing occupational accidents and creating a safe, comfortable workplace • Ensures compliance with applicable laws and regulations and promotes continuous improvement in occupational health and safety through employee participation
Whistleblower Policy	• Provides an independent channel for employees to report any misconduct or ethical violations • Strictly upholds whistleblower protection, confidentiality, and prohibition of retaliation

High-Caliber Talent Acquisition and Development Strategies

Structured Talent Development Pipeline

To support its high-growth momentum with a CAGR of more than 30%, Classys manages an integrated talent pipeline spanning recruitment, retention, and professional development. We are dedicated to providing fair opportunities without discrimination based on gender, religion, political beliefs, or other factors. We continue to strengthen the foundation for long-term, sustainable growth within a corporate culture that values diversity, equity, and inclusion.

Classys maintains a continuous recruitment system to build talent pools for key roles and secure candidates through multiple sourcing channels, including employee referrals, industry-academia partnerships, the P-TECH program, and targeted external recruitment. Our employee referral program offers incentives for successful referrals, helping attract candidates with strong organizational fit. At the same time, our P-TECH program enables us to identify and develop high-potential technical talent early, with hands-on capabilities, and to hire outstanding performers as full-time employees. We also continue to recruit external specialists who can support our global competitiveness. Throughout the recruitment process, we apply standardized procedures and transparent criteria to ensure fair, competency-based selection. From the start of employment, Classys provides structured onboarding programs and leadership training across all levels to support smooth organizational integration and strong early performance for both external hires and internally transferred employees. We also support long-term employee engagement by offering diverse career pathways, including job rotations and opportunities at overseas subsidiaries, along with role- and level-specific competency-building roadmaps aligned with our global business expansion. Our commitment to human capital management has helped us build a stable employment environment and a competitive compensation and benefits system. Going forward, Classys will continue to strengthen its organizational capabilities through fair and transparent recruitment and systematic talent development.

Industry-Academia Collaboration

Classys operates work-based industry-academia training programs with local educational institutions to develop talent specialized in the medical device industry and support local youth employment. Our paid training programs combine classroom learning with hands-on workplace training to help close technical skills gaps, and trainees who demonstrate strong performance in regular evaluations may be offered full-time positions. Classys also operates the P-TECH program in partnership with government-accredited local colleges, supporting employees in pursuing associate or bachelor's degrees while continuing to work. As of the end of 2025, three employees were enrolled in associate degree programs and three in bachelor's degree programs.

Program	Target	Key Details	No. of Participants
Industry-Academia	Universities	Medical device industry research projects in collaboration with business administration departments and career development mentoring	37
P-TECH	Associate Degree Program	Work-and-learn program combining technical training with degree completion for apprenticeship graduates	3
Employee Work-and-Learn	Bachelor's Degree Program	Advanced work-and-learn training program for employees pursuing a bachelor's degree.	3

Talent Management

Talent Management

Performance Evaluation and Feedback Process

Classys is strengthening its leadership foundation to respond effectively to the evolving business environment and support sustainable growth. Through strategic goal alignment, fair evaluation, career development support, and performance-based motivation, we help employees realize their full potential.

Annual Performance Management Cycle

Beginning of the Year	Monthly	August	January	February	March
Set KPIs	KPI Review	Mid-Year Review	Performance Evaluation	Competency Evaluation	Compensation & Promotion
Establish individual KPIs aligned with organizational objectives	Monitor KPI progress and regular feedback from supervisors	Review mid-year performance and conduct coaching sessions	Conduct performance evaluations and provide individual feedback	Conduct competency evaluations and provide individual feedback	Finalize compensation and promotions based on performance and competency results
Goal-setting and ongoing management		Mid-Year review	Evaluation and feedback		Compensation & Promotion

Core Principles

Performance and competency evaluation results are tied to compensation, including salary increases, incentives, and promotions, with feedback provided transparently to employees.

KPIs and Regular Feedback

Classys sets KPIs to align individual and team performance with the company-wide objectives. Through core values training, town hall meetings, dialogue with management, and other communication channels, we help employees understand the Company's vision and mission. Manager feedback further strengthens the alignment between individual goals and the Company's core values. Classys fosters a culture where managers and employees communicate with mutual respect and inclusion, reinforcing the effectiveness of its feedback process. Employees can monitor and understand their progress through performance-tracking systems, while monthly feedback from managers and executives helps them stay engaged and carry out key tasks effectively. We support a growth-oriented culture through regular informal feedback and coaching, while ensuring consistency and predictability in the evaluation system through formal evaluations carried out twice a year.

Performance Evaluation

Classys conducts objective and fair evaluations, aligning individual goals with the organizational objectives. Company-wide objectives are aligned with team and individual targets, enabling all employees to understand and contribute to the Company's strategic direction. Performance evaluations consider both quantitative and qualitative indicators and provide specific feedback and guidance for improvement to support continued performance enhancement.

Competency Evaluation

Classys conducts competency evaluations by assessing employees' current capabilities and future growth potential. Based on the Company's core values, the evaluation covers multiple dimensions, including technical competencies, leadership capabilities, and the practice of core values. Evaluation results are linked to individual development plans, helping employees build on their strengths and address areas for improvement.

Internal Career Mobility

Classys promotes internal mobility to support employee career development and company-wide knowledge sharing. Through promotions, job rotations, departmental transfers, project assignments, and opportunities at overseas subsidiaries, we help employees gain a greater breadth of experience and expand their capabilities. These initiatives optimize the Company-wide workforce deployment while enhancing employee job satisfaction and engagement.

Talent Management

Employee Job Competency and Knowledge Development Training

Training Coverage **100.0**% (Entire Workforce)

Per-employee Avg. Training Hours **51** hours

Talent Development Program Framework

"Building a high-performance culture that respects diversity and brings about results through collaboration"

Strengthening a Respect-Based Culture of Collaboration

Building an organic collaboration ecosystem based on mutual understanding and embedding the value of DEI

Enhancing Practical Expertise

Strengthening competitiveness through industry-specific job training and enhanced global business capabilities

Advancing Leadership Capabilities

Improving organizational effectiveness and driving engagement through tailored training by job level

2026 Training and Organizational Culture Framework

Statutory/New Hires

ON-BOARDING
- Welcome OT/Classys-On
- 1-on-1 OJT for new executives
- Development course for new executives

LEGAL & COMPLIANCE
- Sexual harassment and bullying prevention training
- Occupational health and safety/disability awareness training
- Compliance/Retirement pension training

Common Competencies

CORE SKILLS
- Business communication/Writing/Negotiation
- Enhanced global business skills
- Renewal of division-level work practices

INSIGHT & GROWTH
- Learning lab
- Activities to broaden business insight
- Internal campaigns to promote a culture of learning

Job Competencies

INDUSTRIAL SPECIFIC
- Specialized training on medical device regulatory approvals
- Advanced training on process validation and ISO standards
- Monitoring and quality systems

FUNCTIONAL COMPETENCY
- Sales/Marketing capability-building programs
- R&D/Production problem-solving programs
- Practical training tailored to each job function

Leadership Competencies

LEADERSHIP PIPELINE
- Executive Course
- Senior leadership training for senior managers and department managers
- Junior leadership training for assistant managers and associates

DIAGNOSIS
- Multi-rater assessment for managers
- Leadership reflection based on objective diagnostics
- Training to raise leadership capabilities across the organization

Organizational Culture

CULTURE & VALUES
- Core values internalization workshops
- Team-level behavioral commitment workshops
- Action item execution through practice-based initiatives

COMMUNICATION
- Townhall/Year-end Party
- Activities to promote a DEI-based organizational culture
- 2026 organizational culture diagnosis and renewal

Through systematic training, Classys not only strengthens the competencies required by each job level and function, but also enhances work engagement and organizational commitment through core value-based culture improvement.

Talent Management

Talent Development Programs

Structured Development System (Core/Functional/ Leadership)	1. Building an **education system based on performance/competency evaluation** to nurture job experts 2. Integrating internal and external training resources under a **unified process** 3. **Expanding onboarding programs** for early adaptation of new hires 4. Strengthening the leadership pipeline and **soft skill development**
Fostering a Culture Rooted in Core Values	1. Conducting workshops centered on the five core competencies: leadership, ambition, specialty, teamwork, and respect 2. **Creating shared employee experiences** through company-wide events such as town hall meetings and the annual year-end party
Enhancing Operational Efficiency	1. Promoting the Smart Meeting campaign to improve work efficiency 2. Establishing a culture of collaboration and open communication across departments

Classys takes a strategic and systematic approach to human capital management, ensuring leadership continuity through a robust leadership pipeline. We evaluate the competencies and potential of all employees to identify future leaders and implement personalized development plans accordingly.

In 2025, we continued to provide tailored training by job level, from new hires to executives, while defining and supporting the development of the core competencies required for each role. Our career development framework is closely integrated with performance and competency evaluations, providing structured pathways for both leadership advancement and professional specialization. This approach allows us to help employees build long-term careers within the organization and continue to grow over time. By the end of the year, employees had completed an average of 51 hours of training per person, with 100% of employees completing core competency and leadership training programs.

Probation Program

All new employees at Classys participate in a structured probation program. During the three-month probation period, new hires are introduced to the company's culture, core values, and job-specific expertise, while receiving ongoing feedback to support their successful integration within the organization. Upon completion, performance evaluations help define the direction of each individual's career path at Classys.

Onboarding & Core Competency Programs

Core Competencies

To enhance organizational capabilities through regular, year-round online and offline training programs.

Program	Target	Objectives & Curriculum Highlights
New Hire Onboarding	New Hires	• Early adaptation through the understanding of our business and peer networking
Office Automation Skills	All Employees (Optional)	• Basic and advanced OA training to enhance data utilization capabilities
Development of Core Competencies	All Employees (Mandatory)	• Deriving actionable behavioral pledges based on departmental characteristics to drive performance

Classys operates integrated capability-building programs designed to support the successful onboarding of new hires, the continued growth of existing employees, the achievement of company-wide goals, and the internalization of core values. For external hires, we provide structured onboarding programs that help them quickly understand how Classys works and build networks with colleagues. These programs include dialogue sessions with the Representative Executive Director and executives, training on Classys' vision and core values, ethical management, and key products and services, supporting early integration into the organization.

We also support the development of common competencies and soft skills to improve practical work efficiency and collaboration across the organization. This includes OA training for work automation and data utilization, as well as mandatory core competency-building programs that define behavioral commitments by division and link them to tangible performance outcomes.

In addition, Classys holds regular town hall meetings and values internalization workshops to share the Company's strategic direction and strengthen cross-functional collaboration. By communicating business updates transparently and embedding a feedback culture that recognizes performance, we help employees clearly understand how their individual roles contribute to the Company's success.

Through these company-wide communication and knowledge-sharing programs, Classys promotes collaboration among employees and creates an environment where individuals and the organization can grow effectively toward shared goals.

Talent Management

Leadership-Building Program

Leadership Competencies

To strengthen soft skills—such as mindset, communication, and collaboration—tailored to employees' roles and responsibilities.

Program	Target	Objectives & Curriculum Highlights
Executive	C-Level & Executives	• Goal alignment through interdepartmental communication and collaboration
Leader	Supervisors & PMs	• Roles and responsibilities expected of organizational leaders • Effective one-on-one performance management skills
Senior	Senior-Level	• Strengthening the leadership capabilities of senior employees
Junior	Entry-Level	• Enhancing self-awareness and self-leadership capabilities

Classys operates tailored programs by job level to help employees develop strategic thinking and decision-making leadership. These leadership development programs are designed to support leaders at each level in driving organizational growth and progress.

Our leadership and core competency development programs are not limited to managers. They are designed to include all employees, including general staff, with our leadership pipeline structured by job level to support practical management capabilities and job-related skills.

- **Executive leadership:** training on strategic goal alignment across organizations and integrated decision-making
- **Advanced leadership – Leaders/Senior-level employees:** building high-performance teams, performance management, 1-on-1 coaching skills, collaborative leadership, and conflict management
- **Foundational leadership – Junior-level employees:** strengthening self-awareness, self-leadership, individual performance management, and effective communication skills

Through these programs, Classys proactively develops next-generation leaders and systematically supports all employees in building capabilities aligned with global standards.

Expert Training Programs

Functional Competencies

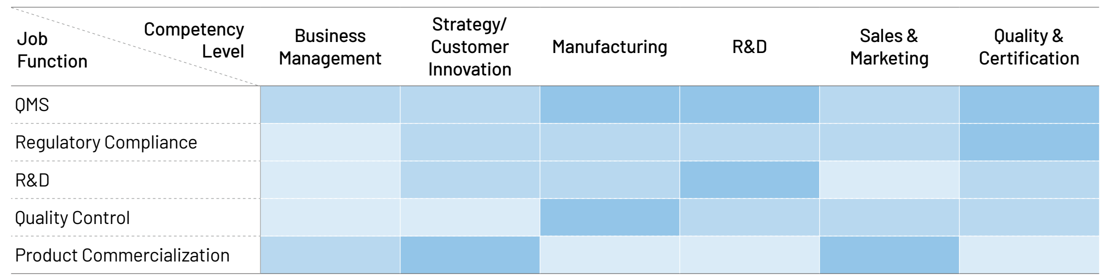
To develop technical and field expertise through structured in-house and external training systems.

Program	Target	Objectives & Curriculum Highlights
Function-Specific (Product)	Sales/R&D/Quality	• Practical insights into HIFU, RF, MNRF, and laser products • Basic & Advanced technical training as necessary • Fostering field experts
Industry-Specific (Job Function)	All Employees	• Training to fulfill mandatory job qualifications • Continuous professional development support

Based on our established core competency models, we support employees in their pursuit to keep abreast of the latest technological trends, which is fully in step with the evolving industrial environment.

Employees are encouraged to participate in technical training to deepen their expertise, while also attending global industry conferences and seminars to gain broader insights as well as to stay ahead of market and technology shifts.

Competency Framework by Organizational Function



Professional execution level: capable of establishing strategies and independently performing specialized tasks
Practical collaboration level: capable of collaborating with relevant departments and assessing the impact of work
Work linkage understanding level: understanding basic concepts and how tasks are connected across functions

Classys places particular emphasis on product quality training and offers structured programs to deepen cross-functional understanding. These programs help our employees cultivate their respective expertise and the agility to contribute across organizational functions.

Talent Management

Job-Specific Global Leadership Core Competency Model

To realize its vision as a global medical aesthetic platform company, Classys has in place a job-specific core competency model that articulates the expertise and leadership traits required in each business area. The model anchors Classys' approach to hiring high-potential talent, conducting fair performance evaluations, designing tailored leadership programs, and developing succession plans for next-generation leaders.

Classys Core Competency Model by Function

Top Leaders:
Experts who demonstrate excellence in leadership, regulatory insight, business operations, organizational culture building, and team management, with all of these traits grounded in strategic thinking and market analysis, to lead innovation efforts in the global medical aesthetics device market.

Sales/Marketing Leaders:
Professionals with expertise in market analysis, sales strategies, digital marketing, customer relationship management, regulatory knowledge, and who are equipped to enhance brand value and drive the company's competitive advantage in the global marketplace by expanding and optimizing global market share.

Regulatory Affairs/Clinical Leaders:
Specialists with a deep understanding of and proven experience in global medical device regulations (FDA, NMPA, CE), clinical trial management, and post-market surveillance, these leaders ensure global healthcare compliance and assurance through a strong command of regulatory frameworks.

R&D Leaders:
Innovation leaders in the medical aesthetics device industry with expertise in product development and core technologies such as HIFU and RF, these individuals combine extensive engineering knowledge with proficiency in regulatory standards (FDA, NMPA, CE), technological innovation, and intellectual property management.

Manufacturing Leaders:
Professionals who drive global quality assurance and cost competitiveness by optimizing production processes, enhancing quality control, reducing costs, and improving supply chain and automation systems to maximize productivity and operational efficiency.

Strategic Planning Leaders:
Experts in business strategy, M&A, partnerships, portfolio management, and market trend analysis who possess the capabilities to secure and sustain a competitive advantage in the global medical aesthetics device industry through long-term strategic development.

Customer Innovation Leaders:
Professionals focused on elevating customer satisfaction and cultivating lasting relationships, they lead customer-centric innovation by managing customer service, clinical applications, training programs, key opinion leader (KOL) engagement, and feedback analysis.

Business Management Leaders:
Corporate professionals with expertise in global financial management, human resources strategy, and IT risk management, these individuals are committed to maximizing organizational efficiency and driving sustainable corporate growth through robust governance and integrated business operations.

Internal Mobility and Support for Degrees and Certifications

Classys supports career growth through structured internal mobility and customized development pathways. Performance evaluations and feedback inform individualized growth plans, while two career tracks—manager and master specialist—give employees clear paths for advancement. Employees also gain opportunities to broaden their capabilities through diverse job experiences, including role changes and, where appropriate, overseas assignments. These opportunities are open to all employees regardless of job grade. Classys also offers tuition support for undergraduate and graduate degree programs, helping employees build the capabilities needed to grow into core talent within the organization.

17 cases	26 cases	8 cases	4 cases
Undergraduate and graduate tuition	Language training	Professional certifications	Job-related academy programs

Continuous Improvement

Classys continues to refine its talent management, development, retention, and attraction strategies to support the long-term growth of both employees and the organization. Employee feedback, job performance, and professional development outcomes inform our assessment of training effectiveness, while program content is regularly updated to reflect industry trends and the Company's growth strategy. Through continuous improvement of its talent development framework, Classys is helping its people grow alongside the Company and preparing key talent to lead future growth.

Talent Management

Comprehensive Compensation and Benefits

Performance-Based Rewards

Classys operates a fair and competitive compensation system grounded in performance and competency evaluations. Compensation combines fixed pay and variable pay, with rewards commensurate with individual and organizational performance. We also offer growth and motivation programs, including leadership recognition, outstanding employee awards, participation in global conferences, and job rotation. Our performance-based variable compensation system applies to all employees regardless of job function or grade, encouraging every employee to contribute to the Company's financial and non-financial goals. Information on compensation and benefits is communicated through company-wide briefings, the internal portal, email, and other channels.

Variable Pay for All

Classys operates a short-term incentive (STI) program across every job group, providing performance-based cash incentives to all employees, including non-sales employees. Variable pay reflects financial indicators such as revenue, profitability, and cash flow, as well as team and individual KPI achievement linked to the execution of sustainable management strategies. This structure connects individual performance directly to company-wide value creation.

Long-Term Incentives

Classys operates a long-term incentive (LTI) program for selected employees, including non-sales employees, as part of its strategy to secure and retain key talent. As of the end of 2025, 3.9% of employees were eligible for LTI benefits. The program provides equity-based incentives tied to the Company's mid- to long-term financial and non-financial goals and performance results over a period of three years or more.

Fair and Competitive Total Rewards

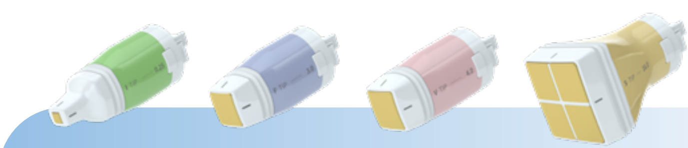
Classys pursues a comprehensive total rewards system that combines financial compensation with career growth opportunities. Regular benchmarking keeps compensation levels competitive in the market, while performance evaluation results are directly linked to incentives, annual salary increases, and promotions, ensuring clear rewards for high performers and reinforcing a high-performance culture. We also support a healthy work environment and work-life balance through benefits such as health check-ups, retirement pension plans, long-service awards, and flexible leave programs and working hours.

Transparent Performance Evaluation Process

Classys holds regular HR briefing sessions to strengthen the transparency and fairness of its performance evaluation process and clearly communicate evaluation standards and methods to employees. Evaluation criteria, methods, and cycles are disclosed in advance, with the same standards applied consistently across the organization. KPI targets, which form the basis for performance evaluation, are set through employee participation and discussion. Employees also receive feedback on their evaluation results to support their continuous growth. Classys continues to review and improve its performance evaluation process, incorporating employee feedback to enhance its effectiveness and better reflect organizational needs.

Peer Appreciation Program

Classys operates a peer-nominated appreciation program to foster a positive organizational culture. The program encourages employees to recognize one another's strengths, build trust, and strengthen collaboration and mutual understanding. Appreciation among colleagues helps create a workplace grounded in trust and psychological safety, enabling employees to create a positive impact together. Through this program, Classys aims to retain talent and grow together.


Volnewmer (Everesse) Tip

Talent Management

Inclusive Non-Pay Benefits for Work-Life Balance

Classys believes that employees' physical and mental well-being, financial stability, and work-life balance are essential to sustainable innovation and growth. To support global best practices in human capital management, Classys operates a broad and inclusive range of non-pay benefit programs.

Workforce Eligibility & Inclusivity

Inclusivity defines Classys' non-pay benefit programs. Our benefits apply equally to all employees, including full-time, part-time, and contract workers. Certain benefits, including parental leave and wellness activity subsidies, are provided without discrimination to all employees who have worked for at least six months, regardless of employment type. This ensures stable and equitable support across the workplace.

Health & Wellness

Classys operates a range of wellness programs that support employees' physical and mental health and enhance their overall vitality.

- **Comprehensive Health Check-Ups:** Classys provides annual support for comprehensive health check-ups for all employees, helping them detect diseases early and manage their health with professional care.
- **Wellness Activity Subsidies:** Classys provides self-development subsidies of up to KRW 1 million per year, which employees may use for fitness center memberships or personal wellness programs, encouraging daily health management.
- **In-House Rest Facilities:** Classys operates employee lounges equipped with massage chairs and body composition analyzers, as well as an in-house cafeteria offering complimentary coffee and beverages, helping employees relieve fatigue and stress during working hours.

Work Environment & Work-Life Balance

Classys provides flexible working arrangements and support programs that improve work efficiency and enhance personal well-being.

- **Flexible Working Hours:** Classys has fully implemented a flexible working hours system that allows employees to adjust commuting times based on job characteristics and personal lifestyles, supporting more efficient time management.
- **Office Air Quality Management:** Classys maintains a pleasant and healthy work environment by installing air purifiers and managing appropriate indoor humidity levels.
- **Rest and Vacation Support:** In addition to statutory annual leave, Classys provides separate paid summer leave and vacation allowances. We also support access to resort facilities, giving employees an opportunity to relieve stress and spend quality time with their families. Employees may use leave time flexibly, including two-hour and half-day leaves, as well as an annual leave of absence.
- **Long-Service Awards:** Employees who have served for 10 years receive additional reward leave and monetary awards in recognition of their dedication and to provide meaningful opportunities for rest and refreshment.
- **Family Events and Life Milestone Support:** Classys provides congratulatory and sympathy gifts, monetary support, and special leave for family events involving employees and their families. We also strengthen employees' sense of belonging through birthday presents and welcome packages for new hires.
- **Maternity Leave and Parental Leave:** Classys applies maternity and parental leave policies to all employees, regardless of gender, marital status, or employment type. At our Korean worksites, all pregnant employees, including full-time, part-time, and contract workers, are entitled to 90 days of maternity leave, or 120 days for multiple births. All employees who have worked for at least six months may take up to one year of parental leave per child, regardless of employment type. To prevent income disruption, employees receive 100% of their ordinary wages for the first 60 days of maternity leave. Employees whose spouses give birth are entitled to 20 working days of paid leave, regardless of length of service. Classys also strictly ensures that the use of maternity or parental leave does not result in any disadvantage in employment or personnel decisions. After returning from leave, employees are guaranteed reinstatement to their previous role or to a position with equivalent compensation. Maternity and parental leave periods are fully included in total length of service for severance pay calculation, annual leave entitlement, and promotion review, ensuring equal opportunities and supporting an inclusive organizational culture.

Talent Management

Financial Security

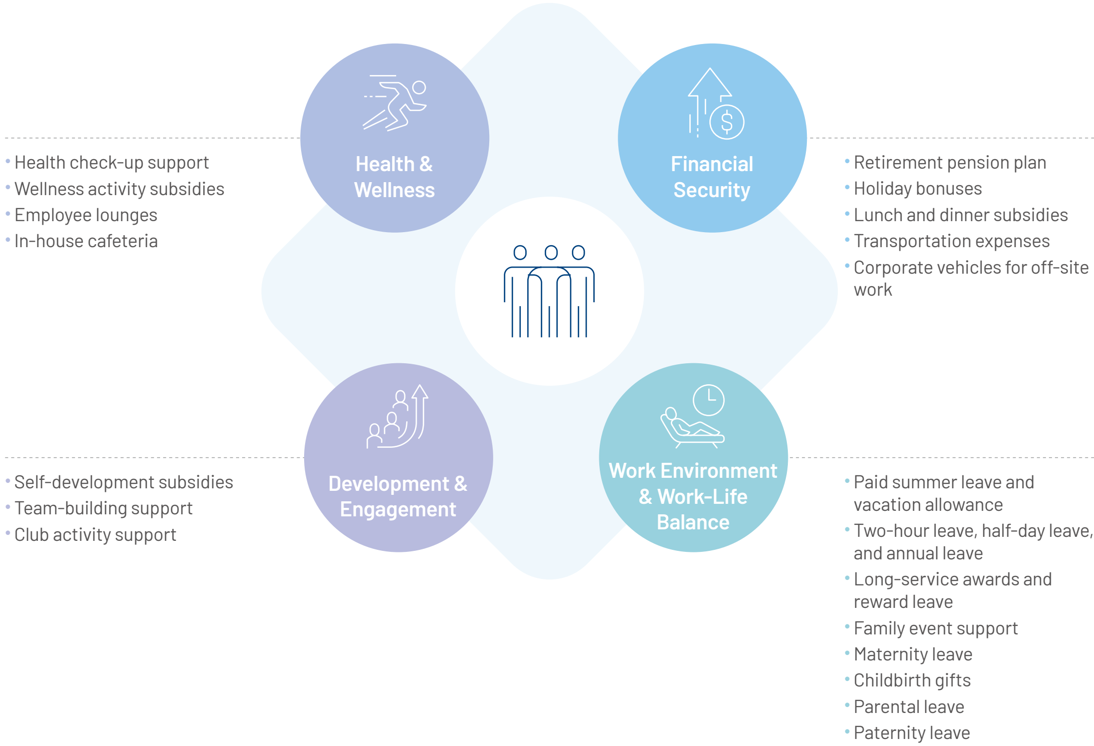
Classys offers financial support programs designed to promote financial security for employees, not only while they are employed with the company but also after retirement.

- **Retirement Pension Plan:** Classys operates a defined contribution (DC) retirement pension plan to support post-retirement income security and long-term financial stability. Each year, the Company contributes one-twelfth of an employee's annual salary to the employee's individual retirement pension account. Employees manage the accumulated balance based on their own financial goals and investment preferences. Upon retirement, they may receive the total balance—including Company contributions and investment gains or losses—as either a lump sum or pension payments, depending on their lifestyle needs. All employees with at least one year of continuous service who work 15 or more prescribed hours per week are eligible for the same Company contribution, regardless of employment type, including full-time, contract, and part-time workers.
- **Holiday Bonuses:** Classys provides holiday bonuses for Lunar New Year and Chuseok, supporting employees during Korea's major holidays.
- **Meal and Transportation Support:** Classys subsidizes lunch and dinner to support employees' daily well-being. The Company also provides corporate vehicles for off-site work and reimburses actual transportation expenses for employees returning from external assignments or commuting home after overtime work.

Development and Engagement

Classys invests in employees' continued professional development and a positive, connected organizational culture.

- **Self-Development Subsidies:** Classys provides up to KRW 1 million per employee each year for education and self-development, including degree programs, capability-building courses, seminars, and workshops. The program supports employees' self-directed learning and career development.
- **Team-Building and Club Activities:** Classys regularly supports departmental team-building activities and in-house clubs across sports, culture, and other areas to strengthen communication and teamwork. In 2025, 206 employees participated in clubs spanning a wide range of interests, including futsal, billiards, economics, and reading, contributing to stronger connections and engagement across the organization.



Talent Management

Ensuring a Communicative Culture and Talent Retention

Labor-Management Council for Improving Working Conditions

The Classys Labor-Management Council promotes mutual benefits through participation and cooperation. The council coordinates opinions and conducts negotiations on diverse labor issues, improves working conditions, and develops fringe benefits programs. In 2025, the council held four meetings and discussed nine key issues. The council contributes to enhancing efficiency and productivity by protecting employee rights and aligning its aims with management goals.

Labor-Management Council Agenda Items

Date	Agenda Items
Mar. 24, 2025	• Additional categories/places to use development subsidies
June 25, 2025	• Additional categories/places to use development subsidies • Expanded implementation of flexible working hours system • Company-wide promotion of a culture of respect
Sep. 25, 2025	• Discussion of company-wide CSR activities • Company-wide organizational culture improvement activities • Birthday events for employees
Dec. 23, 2025	• Discussion of support for professional certifications • Extension of the pilot project for flexible working hours

Regular Employee Satisfaction and Engagement Survey

Classys conducts an annual organizational health survey through an independent external agency to assess the Company's organizational characteristics and key performance drivers across culture, systems, and overall effectiveness. The survey identifies improvement priorities and informs practical actions for organizational development. Classys also monitors employee perceptions of the factors most closely tied to effective work, including organizational culture, ways of working, and the work environment.

The survey is conducted once a year for all employees. Based on the results, Classys identifies short-, mid-, and long-term improvement priorities at the company-wide level and implements them each year. The survey is administered anonymously, with responses that could compromise reliability excluded from analysis.

In the 2025 survey, 94.1% of employees participated, up 0.5 %p from the previous year. The survey covers three areas: organizational effectiveness, positive practices, and organizational growing pains. Overall, employee satisfaction continues to improve, reflecting Classys' continued efforts to incorporate employee feedback, enhance the work environment, and execute organizational culture initiatives.

Organizational Health Survey Results

Category		2023	2024	2025	Remarks
Number of Employees Surveyed		331	378	476	(Note 1)
Number of Respondents		309	354	448	(Note 1)
Response Rate		93.4%	93.6%	94.1%	
Survey Results	Organizational Effectiveness	5.49	5.79	6.00	
	Positive Organizational Practices	5.29	5.48	5.75	
	Organizational Growing Pains	4.93	4.75	4.71	* Positive if decreased

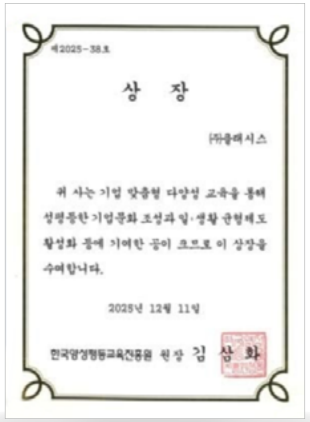
(Note 1) The survey encompasses the entire workforce. However, discrepancies between the number of employees surveyed and the number of respondents arise because adjustments are made to preserve anonymity and prevent result distortion.

Talent Management

DEI in Practice: An Outstanding Company for Improving an Inclusive Corporate Culture

Classys received the President's Award from the Korean Institute for Gender Equality Promotion and Education for embedding diversity, equity, and inclusion (DEI) across the organization and building a healthier corporate culture. The award recognizes Classys' structured approach to tailored diversity training and institutional practices that ensure employees are respected and can perform to their full potential, regardless of gender, generation, or background.

Classys reflects DEI values across its systems and culture, creating a workplace where all employees can grow on the basis of fair opportunity. We will continue to advance an inclusive and sustainable organizational culture so that employee diversity becomes an even greater source of corporate competitiveness.


제2025-38호

상 장

(주)클래시스

위 사는 기업 맞춤형 다양성 교육을 통해 성평등한 기업문화 조성과 일·생활 균형제도 활성화 등에 기여한 공이 크므로 이 상장을 수여합니다.

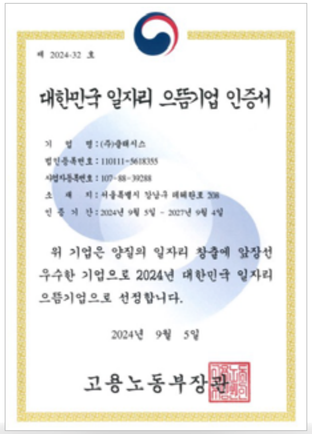
2025년 12월 11일

한국양성평등교육진흥원 원장 김 삼 화

A Best Job-Creation Company

Classys was named a 2024 Best Job-Creation Company in Korea by the Ministry of Employment and Labor in recognition of both quantitative job creation and qualitative employment growth. The award reflects the Company's continued contribution to quality job creation through a stable employment environment, structured benefit programs, stronger job security, and expanded employment opportunities for underprivileged groups.

Classys has built a workplace where employment stability and work-life balance reinforce one another. The Company also contributes to local job creation through continued hiring, while structured job training and flexible working hours strengthen employee development and engagement. At the same time, Classys fulfills its social responsibility by expanding job opportunities for underprivileged groups and operating a non-discriminatory recruitment process.


제 2024-32 호

대한민국 일자리 으뜸기업 인증서

기 업 명 : (주)클래시스
법인등록번호 : 110111-5618355
사업자등록번호 : 107-88-39288
소 재 지 : 서울특별시 강남구 테헤란로 208
인 증 기 간 : 2024년 9월 5일 ~ 2027년 9월 4일

위 기업은 양질의 일자리 창출에 앞장선 우수한 기업으로 2024년 대한민국 일자리 으뜸기업으로 선정합니다.

2024년 9월 5일

고용노동부장관

Going forward, Classys will continue to create quality jobs, improve the employment environment, and strengthen the foundation for shared growth between employees and the Company.

Talent Retention and Turnover Rate

Classys' voluntary turnover rate has averaged 11.3% over the past three years, down from more than 20% previously. The rate stood at 12.6% in 2023, 8.4% in 2024, and 12.8% in 2025, confirming a more stable talent retention trend. This reflects the effectiveness of Classys' integrated HR management system, including engagement surveys, non-pay benefit programs, and talent development initiatives.

Voluntary Turnover Rate

Category	2023	2024	2025	Three-Year Weighted Average
Voluntary Turnover Rate *	12.6%	8.4%	12.8%	11.3%

* Excludes mandatory retirement, expiration of fixed-term contracts, and other involuntary separations.
* Calculated as the number and percentage of employees who voluntarily resigned during the fiscal year relative to the average number of regular employees.

Volnewmer (Everesse)

Human Rights Management

Classys is committed to respecting human rights. To minimize potential human rights risks across its business activities, the company practices comprehensive human rights management. In addition to establishing a code of ethics, Classys has implemented a company-wide human rights policy, operates both online and offline grievance handling systems, and provides a variety of training programs to promote a culture of respect for human rights.

Human Rights Policy

One way Classys builds and maintains positive relationships with stakeholders is by upholding human rights. Our human rights policy is founded on seven key principles: prohibition of discrimination and harassment, prohibition of human trafficking, prohibition of forced labor, prohibition of child labor, protection of vulnerable workers, guarantee of minimum wage, and protection of other fundamental rights. We are committed to the proactive prevention of human rights violations and the minimization of adverse human rights impacts. Under the principle of human rights management, we systematically manage potential human rights risks across our operations and diligently fulfill our responsibility to respect human rights.

Human Rights Policy

Human Rights Risk Management and Monitoring

To strengthen our human rights management system, Classys conducts regular human rights risk assessments for all employees and continuously evaluates our response capabilities. We identify potential human rights risks through external surveys, internal questionnaires, and analysis of grievance reports, after which we implement preventive measures based on these findings.

Through organizational health surveys and other tools, we have recognized the need to enhance internal communication and mutual understanding. Accordingly, we host communication and respect-building training sessions and workshops on a regular basis. At leadership workshops targeting executives and team leaders, we emphasize communication for heightened synergy and mutual understanding, coupled with training on the prevention of human rights violations.

Furthermore, we provide regular human rights training for all employees and distribute communication guides to foster a culture of trust within the organization. Classys also strives to create a transparent and safe organizational culture where employees can freely express their voices. Going forward, we will continue to enhance our human rights risk management efforts and actively promote human rights protection.

Human Rights Risk Management Process

Procedure	Content
Identification of Human Rights Risk Factors	• Identification of potential human rights risks and impacts through independent external surveys and grievance reports, with potentially vulnerable stakeholder groups—including employees and consumers—covered within the assessment scope • Analysis of incidents related to personnel actions and working environments to categorize violation types and frequencies • Analysis of major external cases
Establishment of Human Rights Risk Mitigation Measures	• Periodically review the necessity of revising policies and procedures for the prevention of human rights violations • Strengthen human rights education, improve organizational culture, and enhance processes for handling human rights violation cases
Monitoring	• Assessment of the effectiveness of mitigation measures through analysis of violation frequency and whistleblower satisfaction with the reporting program • Continuous monitoring through regular surveys and feedback, including education satisfaction assessments, to improve human rights management practices

Human Rights Policy-Based Risk Assessment

Category	Non-compliance	Improvement Required	Corrective Actions Completed
Prohibition of Discrimination and Harassment	0	Project to promote a culture of respect	Developing and implementing behavioral commitments
Prohibition of Human Trafficking	0	-	-
Prohibition of Forced Labor	0	-	-
Prohibition of Child Labor	0	-	-
Protection of Vulnerable Workers	0	Support for the independence of employees with disabilities	Improving work convenience and the work environment
Guarantee of Minimum Wage	0	-	-
Occupational Health and Safety	0	-	-
Information Security	0	Strengthening data security and BCP planning and execution	Deploying database access control solutions Conducting disaster recovery simulation drills
Consumer Rights Protection	0	-	-

Human Rights Management

Strengthening Human Rights Education

Classys conducts annual human rights-related training sessions for all employees, including sexual harassment prevention training and disability awareness training. In addition, we provide various foundational and ethics education programs to safeguard human rights and prevent discrimination within the organization. We are committed to ongoing education and management to prevent workplace misconduct such as sexual harassment, bullying, forced labor, child labor, and other violations of labor rights and human rights. As of 2025, all employees had successfully completed mandatory training courses in sexual harassment prevention, workplace bullying prevention, and disability awareness.

Grievance Reporting and Escalation Path

Overview

Classys operates a grievance-handling system to protect employee rights and eliminate unfair conduct in the workplace. Anchored in practical resolutions and reporter protection, the system strengthens a healthy organizational culture. Reports may be submitted through online and offline channels. Under the Whistleblower Policy, Classys strictly protects the identity of reporters and all information related to reports.

This protection covers reporter information, report details, and the full handling process, all of which are managed under strict security procedures. Information generated during grievance handling is accessible only to a limited number of authorized personnel under the Whistleblower Policy, and unauthorized sharing is strictly prohibited. Any attempt to identify a reporter is subject to serious disciplinary action. Additionally, no information is disclosed externally without the reporter's consent. Classys also takes measures to prevent the reporter's identity from being exposed at any stage and blocks unnecessary information sharing.

Grievance officers review and address submitted cases without delay. Where necessary, they implement additional protective measures so that reporters can proceed in a safe environment. Actions taken and outcomes are reported to the Representative Executive Director, with unnecessary disclosure strictly restricted throughout the process.

Whistleblower Policy

Grievance Resolution and Escalation Process

Classys operates a three-step grievance resolution process based on the nature and severity of each case. Employees may consult with their direct manager or HR representative to discuss and submit grievances. Where necessary, employees may request an independent investigation and formal resolution through the designated Grievance Officers or dedicated human rights reporting channels. In addition, Classys operates multiple reporting channels, including a 24/7 online whistleblowing channel, and ensures the anonymity and confidentiality of all reporters throughout the reporting and investigation process.

Grievance Handling Process

Procedures	Details
Grievance Reporting	• Employees can raise issues or concerns through their supervisors or designated grievance channels. • Protection measures are applied to safeguard the identity of the whistleblower and the confidentiality of the report.
Investigation and Analysis	• Prompt investigation of the grievance to identify the root cause and nature of the issue • Engagement of external experts, if necessary
Action Plan Development and Implementation	• Formulation of an action plan to resolve the identified issue and implementation of appropriate corrective measures
Result Notification and Feedback	• Communicating investigation results and corrective actions to the whistleblower and relevant parties & collecting feedback from them
Post-Monitoring and Recurrence Prevention	• Implementing preventive measures to avoid recurrence of similar incidents • Monitoring for retaliation and taking additional protective actions if necessary
Documentation and Reporting	• Keeping detailed records of all procedures and reporting outcomes to senior management • Applying strict security measures to all records

Human Rights Management

Confidentiality, Anonymity, and Non-Retaliation Policy

Classys protects and promotes every employee's right to raise concerns and report issues safely and transparently. Confidentiality is protected at every stage of the grievance-handling process to preserve reporters' trust and strengthen the system's effectiveness. All report details and related information are securely stored and processed in accordance with the Personal Data Protection Act. Authorized personnel are bound by strict confidentiality obligations.

Classys also enforces an identity protection policy so that employees who raise grievances do not face retaliation or discrimination. Reporter identities are shared only among the minimum number of personnel necessary within the Company, and no identity information is disclosed against the reporter's will. Separate from general reports on corruption or misconduct, Classys operates a dedicated human rights protection and grievance resolution process for workplace bullying, discrimination, sexual harassment, and other human rights and labor issues. The process focuses on finding practical resolutions and includes immediate and effective measures to protect affected employees. Investigations are conducted fairly and in accordance with all applicable laws and internal HR regulations.

Classys maintains a strict non-retaliation policy. Employees may raise concerns without fear of retaliation or disadvantage, helping the organization identify and address issues early. Classys upholds a zero-retaliation principle, formalizes it in internal regulations, and manages it rigorously. Even after a grievance case is closed, Classys monitors whether personnel evaluations, position changes, work assignments, and other employment-related decisions involving the reporter are handled fairly for at least six months. If suspected retaliation is identified, Classys immediately conducts a reinvestigation and takes corrective action. Perpetrators are subject to strict disciplinary action under a zero-tolerance principle, reinforcing an effective human rights protection system.

Employee safety and trust remain top priorities. In the future, Classys will continue to uphold confidentiality and fairness throughout the grievance-handling process.

The Three Principles of Classys' Whistleblowing Program

Anonymity
The reporter's personal information and identity are kept anonymous to protect and promote reporting free of concerns and with confidence.

Confidentiality
Every report is processed through an independent and confidential process, with all related information strictly protected.

Non-Retaliation Policy
Classys strictly prohibits any form of retaliation, including employment-related disadvantages or unfair treatment, arising from reports.

Ombudsman Channels

Procedures	Details
Public Channels	• 24/7 • Address: https://classys.co.kr/cs-center/audit/audit-information/ • Email address 1: compliance@classys.com • Email address 2: helpyou@classys.com (exclusively for women) • Email address 3: withyou@classys.com (exclusively for human rights issues) • Contact: +82-2-1544-3481
Internal Mailbox	• 24/7
Ombudsman	• 24/7 • Appointment of an ombudsman (investigations, resolutions, grievance and complaint counseling)
Organizational Health Survey	• Annually
Ethical Awareness Survey	• Annually
Labor-Management Council	• Quarterly

Grievance Handling Results

Procedures	Details
Number of Reports	• 5 employee grievances
Resolution Rate	• 100%
Recurrence Rate	• 0%
Resolutions	• Identify and analyze the cause of the report; conduct interviews with involved parties if necessary; provide appropriate feedback or implement improvement measures

2025 Grievance-Handling Performance

Employee Grievances Received
5 cases
A total of five employee grievances were received through official channels in 2025.

Grievances Handled and Resolved
100%
All received grievances were handled promptly and fairly, achieving a 100% resolution rate.

Information Security

Classys operates a global-standard information security management system to safeguard information assets—one of the foundations of our corporate competitiveness—and uphold the trust of both customers and stakeholders alike. In response to increasingly sophisticated cyber threats, we continuously innovate our security infrastructure and maintain a zero-incident track record, with zero data breaches since our establishment.

Information Security Policy and Management System

Classys strictly complies with applicable information security and personal information protection laws and regulations, including Korea's Personal Information Protection Act and the Act on Promotion of Information and Communications Network Utilization and Information Protection. The Company has established and implemented an Information Security and Personal Information Protection Policy and Privacy Policy, which are publicly available on the Classys website. The Privacy Policy sets out how personal information is collected, retained, used, and destroyed, allowing data subjects to review the Company's personal information management practices at any time. To further strengthen information security governance, Classys operates a dedicated information security function under the Chief Information Security Officer. This function monitors compliance with internal security policies and regularly reports key findings to senior management.

Information Security and Privacy Policy

Information Security Training and Awareness

To mitigate potential security blind spots, Classys provides annual information security training for all employees and works to embed security awareness across the organization. The program is designed to strengthen employees' ability to respond to emerging cyber threats, with advanced training provided separately for roles with higher levels of data and system management responsibility. We also regularly communicate security guidelines to reduce the risk of data leakage caused by human error and to embed security as a core element of our corporate culture.

Information Security Training for IT Personnel

Training Topic	Hours	Participants	Remarks
Incident diagnosis and remediation	4	5	-
DB Safer administrator training	4	5	-
Consulting on the security solution (Office Keeper)	4	4	-

Risk Assessment and Mitigation Outcomes

Classys operates a company-wide information security response framework to protect information assets and personal data against evolving cyber threats.

Each year, we conduct company-wide information security risk assessments to pinpoint potential vulnerabilities across our business value chain. Identified risks are addressed through technical and administrative remediation measures based on their priority and potential impact. This process helps protect our information assets from external attacks and internal data leakage.

In particular, Classys prioritizes building cyber resilience to prevent security incidents and to swiftly restore core business functions in the event of an unexpected breach or disruption. To this end, we continue to deploy advanced security solutions, upgrade real-time monitoring systems, and strengthen employee security awareness. These efforts reinforce our standing as a trusted global medical aesthetics company that protects customer data and ensures service continuity across operating environments.

Information Security Infrastructure Upgrade and Data Protection

Based on the 2025 risk assessment results, Classys identified data leakage prevention and stronger access control as key priorities. We also significantly upgraded our security infrastructure to align with our newly built on-premises internet data center (IDC).

- **DB Access Control Solution (DB Safer):** This solution provides integrated monitoring of access routes to critical data and blocks unauthorized access at the source, thereby addressing security vulnerabilities and preventing the risk of data leakage.
- **Enhanced Security Monitoring:** We have strengthened our capabilities to detect cyber threats in real time and improved our responsiveness to potential risks.

Systematic Security Audits and Business Continuity

Classys conducts comprehensive inspections across physical security, network security, and other key areas to mitigate potential security blind spots.

- **Regular Internal Security Audits:** Twice a year—once in the first half and once in the second half—we inspect employees' computer security status, network and physical access controls, and IDC operations. We have also strengthened visibility into our cloud environment through M365 log analytics and usage & activity monitoring.
- **Business Continuity Planning (BCP):** To minimize service disruption risks, we conducted an IT infrastructure disaster recovery (DR) mock drill in 2025. By recreating a real server outage scenario in the MES development environment, we reviewed the recovery process and verified our ability to maintain service continuity in the event of an unexpected disruption.

Occupational Health and Safety Management

Classys is committed to creating a healthy and safe work environment through systematic safety management and continuous improvement initiatives.

Occupational Health and Safety Policy

Classys has established occupational health and safety policies and implements a safety and health management system to protect employee well-being and ensure workplace safety. Hazard and risk factors are systematically evaluated, and a robust safety management system is in place with clear performance targets to drive continuous improvement. Senior management leads major decision-making on health and safety initiatives, while periodic training promotes employee awareness and engagement in safety activities.

Occupational Health and Safety Policy

ISO 45001 Certification and Global-Standard Occupational Health and Safety Management

As part of its consistent endeavors towards a healthier and safer work environment, Classys has reinforced its internal systems to secure employee safety, prevent occupational accidents, and improve working conditions. As a result of our efforts, we obtained ISO 45001 certification, a globally recognized standard for occupational health and safety management. We are dedicated to sustaining a safe workplace and maintaining compliance with stringent international standards.

Classys places employee health, safety, and well-being at the center of its corporate management priorities and continues to strengthen its occupational health and safety (OHS) management system to ensure a healthy, accident-free workplace. Through company-wide efforts to prevent occupational accidents and build a safer working environment, Classys has maintained ISO 45001 certification, the international standard for OHS management systems, since first obtaining it in 2024.

Under our systematic risk assessment process, hazards and risk factors are regularly identified and addressed across all business sites, while annual surveillance audits by external agencies verify the effectiveness of our OHS management capabilities. Building on this global-standard OHS management system, Classys will continue to oversee a sustainable business environment where employees and business partners can work with confidence while also advancing toward accident-free operations.

Occupational Health and Safety Management

Health and Safety Risk Management Process

Accident Prevention Process

Task Identification	• Detailed breakdown of all tasks and activities
Risk Assessment	• Risk assessment after checking frequency and intensity through on-site inspections
Preventive Activities	• Regular health and safety training • Fostering a safety culture
Countermeasures	• Refining work processes • On-site inspections
Implementation and Monitoring	• Verifying compliance with on-site risk assessments
Review and Improvement	• Ongoing compliance management and effectiveness evaluation • Regular and ad-hoc revisions of work rules • Enhancement of health and safety processes

Accident Response Process

1 **Accident Occurrence**
- Dissemination of information
- Accident status analysis

2 **Emergency Measures**
- Implementation of immediate response actions

3 **Investigations**
- Analysis of causes
- Establishment of countermeasures

4 **Recovery**
- Execution of recovery measures

5 **Recurrence Prevention**
- Development and implementation of measures to prevent recurrence
- Evaluation of the accident response system's effectiveness

Risk Assessments

Classys has established a risk assessment framework to systematically manage hazardous and harmful factors and conducts regular and ad hoc risk assessments with active employee participation. For any risk factors that exceed permissible thresholds, specific corrective actions are promptly established and implemented. All assessment processes and results are systematically documented and managed. Through this robust risk management approach, we continue to cultivate a safer, healthier work environment where the well-being of our employees is our highest priority.

Risk Improvements

Activity	Improvements Identified	Improvements Completed
Near Miss	21 cases	21 cases
Ad Hoc Risk Assessments	128 cases	121 cases
Regular Risk Assessments	189 cases	188 cases
Environmental Improvements	299 cases	299 cases
Total	637 cases	629 cases

Employee Participation in Health and Safety Activities

At Classys, employee health and safety are fundamental values. We conduct regular general and special health examinations and ensure rigorous follow-up management based on examination results. The EHS team provides guidance and advice, identifies potential risks through regular inspections and emergency response management, and implements continuous improvements to maintain a safe working environment.

We proactively review changes in relevant laws and regulations to minimize potential risks and operate various participatory programs and incentive schemes to enhance employees' health awareness and encourage active engagement.

Additionally, Classys has established a robust safety culture grounded in the principle of "safety first," in which employees take shared responsibility for one another's safety. Based on case studies of occupational accidents, we set safety targets and key behavioral rules, provide relevant training, and strive to achieve an accident-free workplace.

Occupational Health and Safety Management

Occupational Health and Safety Training

Classys provides regular occupational health and safety (OHS) training for all employees. In 2025, all employees finished the OHS course, achieving a 100% completion rate. Training content is tailored to job function and work environment, with a focus on strengthening prevention capabilities for site-specific risks.

We also provide safety training for new hires and offer Material Safety Data Sheet (MSDS) training to instill safety awareness in our workforce from the start. For safety managers, health managers, and supervisors, Classys provides job-specific training courses through external professional institutions to continuously strengthen their expertise.

Furthermore, to improve safety when using automated facilities, we updated operating manuals and offered training on their safe operation, thus helping prevent workplace risks before they could lead to any incidents.

Creating a Safe and Comfortable Work Environment

Classys continually invests in improving the workplace environment to ensure that employees can work safely and comfortably. We conduct regular inspections of facilities and equipment and carry out objective environmental assessments through third-party workplace environment measurements.

To minimize exposure to hazardous factors, we provide electrostatic dissipative (ESD) footwear and install local exhaust ventilation systems. Furthermore, we have added more lounge areas for employee relaxation and recovery, and we reinforce workplace safety through facility upgrades such as the maintenance of firefighting equipment and ventilation systems.

Ultraformer MPT (Shurink Universe) Cartridge

Accident Management and Prevention

Classys has established a rigorous management system to steer clear of accidents at work. In the event of an incident, we take prompt measures to prevent recurrence by means of a thorough root cause analysis. In particular, through company-wide sharing of accident case studies, we strengthen preventive actions and, when necessary, reinforce the accident prevention framework through additional safety training and improvements to personal protective equipment (PPE).

Industrial Accident Statistics

Category	2023	2024	2025
Cases	1	1	1
Occupational Accident Rate *	0.26%	0.19%	0.19%
Accident Type	Work-related accidents	Off-site sports event incidents	Work-related accidents
Preventive Measures	• Re-training on PPE compliance • Raising alertness through awareness campaigns	• Raising awareness through accident case study training • Safety training and warm-up exercises before group activities • Refraining from extreme sports activities during any company-wide group events	• Root-cause corrective actions, including the adoption of fixed chairs and relocation of work instruction sheets • Safety awareness training based on shared accident cases

* Accident rate per 100 workers

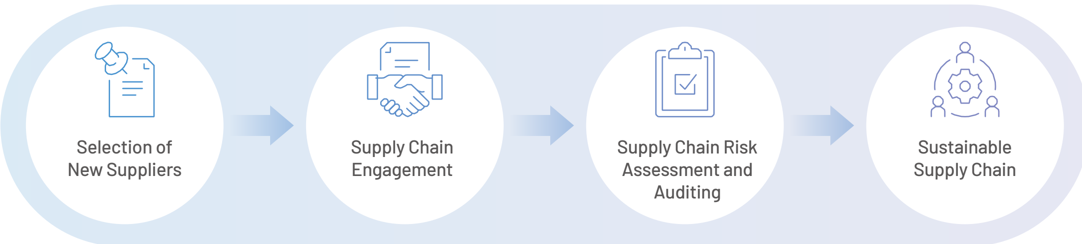
Emergency Response System

Classys has established comprehensive emergency action plans to address both operational crises (fires, power outages, etc.) and natural disasters (floods, typhoons, etc.). We have also developed a variety of response scenarios to ensure preparedness. To minimize potential loss of life and property damage, we conduct evacuation drills to strengthen our emergency response capabilities. Moreover, we have developed and implemented site-specific and situation-specific recovery manuals to enable rapid restoration in the event of a disaster.

Supply Chain Management

Classys is committed to fostering a transparent and sound industrial ecosystem based on trust with its partners. We strive to build a culture of mutual growth through fair trade practices and technological advancement, promoting shared prosperity with all of our partners.

Supply Chain Management Strategy



Classys operates a systematic assessment framework to ensure supply chain sustainability and to proactively identify and respond to potential risks. We conduct risk assessments across the entire supply chain, and that includes suppliers of raw and subsidiary materials. For high-risk suppliers, Classys personnel conduct regular due diligence assessments, including on-site quality audits, at least once a year. To mitigate or resolve risks identified during the assessment process, Classys requires relevant suppliers to establish and implement their own risk management and mitigation plans. We then monitor implementation progress to strengthen supply chain resilience.

Regular due diligence assessments review quality management and control, business management, manufacturing capabilities, and materials management. Through this process, Classys examines not only product safety and quality but also suppliers' internal management capabilities and production reliability. Suppliers that achieve strong results in routine due diligence assessments may be granted higher supply volumes or opportunities to participate in new product development. Suppliers that do not meet assessment criteria are assigned improvement indicators and supported in implementing corrective actions. After improvement measures are completed through procedures such as corrective and preventive action (CAPA), Classys conducts a series of reassessments to verify that progress has indeed been made. At the same time, we apply strict supply chain risk management by terminating transactions with suppliers that continue to pose serious quality issues or significant supply instability. Also, for existing suppliers considered to have a significant environmental impact, Classys recommends obtaining ISO 14001 certification and continues to monitor their progress toward certification.

Multi-tier Supply Chain Quality Certification and New Supplier Selection

Classys operates a structured process for selecting competitive new suppliers. At Classys, suppliers are classified by risk levels based on procurement volume, the nature of supplied items, and the availability of substitutes. Selection is based on comprehensive evaluations covering compliance with quality standards, manufacturing capabilities, quality systems, and ISO 9001 and ISO 14001 certifications. Tailored criteria are applied according to the supplier's risk level to maintain a stable supply chain.

Tier 1 (Direct Suppliers) Regular On-Site Quality Audits

For all suppliers that directly provide Classys with key raw materials and components, we classify risk levels by analyzing their potential impact on quality and regulatory compliance. Based on this classification, Classys conducts on-site quality audits at least once a year for high-risk suppliers among our Tier 1 suppliers. These audits are conducted by Classys personnel to rigorously verify the safety and reliability of manufacturing processes.

Tier 2 (Indirect and Sub-Tier Suppliers) Expanded Quality Process Management

Our quality control scope extends to indirect suppliers through the production part approval process (PPAP) and separate quality assurance agreements. Under both the PPAP and these agreements, Classys requires Tier 1 suppliers to establish, operate, and manage quality management systems aligned with Classys' latest standards. We are also gradually introducing document-based and on-site quality audits for key Tier 2 suppliers.

Tier 3 (Raw Materials) Regular Raw Material Quality Testing and Incoming Inspection Controls

For basic raw materials and standard-specification items at the lower end of the supply chain, Classys requires all procured materials to undergo strict incoming quality control (IQC) and regular quality testing before entering production. The IQC and regular quality testing we carry out ensure that all basic raw materials used in our products fully meet global regulatory requirements and Classys' internal quality and safety standards, even when provided by our pre-approved, highly qualified suppliers.

Supply Chain Management

Supply Chain Policy and Engagement

In promotion of ESG practices on our supply chain, Classys has established a Supply Chain Code of Conduct and promotes responsible transactions with all partners. Through this, we encourage suppliers to respect human rights, ensure worker dignity, and operate in an environmentally friendly and ethical manner. This Code of Conduct covers six areas: human rights, health and safety, environmental protection, ethics including anti-corruption and fair competition, protection of trade secrets and intellectual property, and quality management. All suppliers must sign an agreement to comply with these standards and participate in annual compliance screenings to verify ethical management and anti-corruption practices across the supply chain.

Supply Chain Policy

Classys also operates a Whistleblowing Channel round the clock, allowing suppliers and workers across the supply chain to safely and anonymously submit VOCs arising from business interactions with Classys. They can also use this same system to report unethical conduct, human rights breaches, and occupational health and safety concerns. All grievances and risks reported through the channel are promptly investigated and addressed in accordance with strict principles of confidentiality and non-retaliation.

Furthermore, we operate a production part approval process (PPAP) to pre-define quality standards for mass production components through quality assurance agreements with each supplier. We clearly communicate key management points, inspection agreements, certificates, and packaging specifications to ensure their full understanding and compliance. When quality standards change, we collaborate with suppliers through prior consultations and conduct validation tests to manage transitions smoothly.

We also reiterate our quality management commitment annually to all suppliers to maintain a sustainable supply chain and support their mid- to long-term business planning.

Tailored Training and Support to Enhance Quality Management on the Supply Chain

A stable supply chain depends on our suppliers' sustainable management capabilities. To raise overall quality standards across the supply chain and proactively mitigate risks, Classys operates a two-track supplier quality management training program tailored to each supplier's risk level.

Quality Training for All Suppliers

Each year, Classys provides all suppliers, without exception, with the Company's latest quality standards, regulatory requirements, and quality guidelines. We also provide regular follow-up guidance and basic training to ensure that suppliers across every tier of the supply chain clearly understand and comply with our stringent quality management expectations and standardized processes.

Targeted Capacity-Building for High-Risk Suppliers

Based on the results of annual supply chain risk assessments and regular on-site audits, Classys identifies high-risk suppliers that require immediate risk management measures or are more likely to experience quality nonconformities, at which time we provide targeted capability-building training and in-depth consulting. Every month, we work with these suppliers to analyze the root causes of quality nonconformities and provide practical technical support, including developing limit samples and technical guidance on key quality control points. Through these initiatives, Classys helps suppliers strengthen their core competencies in procurement and quality competitiveness.

In addition, Classys provides practical support to improve the sustainability of quality management systems across the supply chain, including financial support for producing reusable corrugated plastic boxes to replace single-use packaging, thereby streamlining procurement and significantly reducing supply chain waste.

Supply Chain Management

An Emergency Response and Risk Mitigation System to Ensure Product Supply Continuity and Safety

Classys places the highest priority on delivering safe, high-quality products to customers without interruption, even during emergencies such as unpredictable natural disasters and global supply chain disruptions. As part of our business continuity planning, we have established and operate a robust emergency response and mitigation control system to ensure the reliability and safety of all supplies. Our three core supply chain resilience strategies are as follows.

Dual Sourcing for Critical Raw Materials

Classys strategically maintains a dual-sourcing structure for key raw materials and components to reduce dependence on any single country or supply chain and to mitigate procurement risk. Even if procurement disruptions occur at a specific supplier or in a particular region, we can promptly source safe raw materials from pre-qualified alternative suppliers, preventing production disruptions at the source.

Proactive Inventory Buffering for Irreplaceable Critical Components

For irreplaceable critical components with long procurement lead times or a direct impact on product performance and safety, Classys applies a disciplined inventory management policy by proactively securing an appropriate level of inventory buffering based on global demand forecasts. This enables us to safeguard the continuity of production and supply even in the face of temporary supply chain shocks or sudden market volatility.

Supply Chain Protection through Distributed Logistics and Warehousing

To minimize the impact of localized disasters or incidents such as fires or infectious disease outbreaks on the overall supply chain, Classys not only diversifies its product warehouses and logistics hubs but also operates them in a physically dispersed manner. Through a complementary logistics and inventory network, we ensure that even if operations at one site are interrupted, products can continue to be supplied to medical settings from other locations in a timely manner and without disruption.

Based on this proactive risk mitigation framework, Classys is able to most effectively manage its operations, ensuring a stable supply of products needed in medical settings, even during emergencies.

Quality Management

Classys builds customer trust by reliably delivering products of the highest quality and integrity. Quality management is one of our core values, with customer satisfaction and continuous quality improvement set as our top priorities.

Quality Management System

Classys operates a comprehensive quality management system (QMS) built on international standards, including ISO 13485 for medical device QMS and the Medical Device Single Audit Program (MDSAP). We enhance our quality through rigorous and regular precautionary testing for emerging quality/safety concerns across all products and services, including raw material testing, in-process testing, process control and validation, and product release testing. These practices strengthen our quality competitiveness and support consistent product reliability. We also manage the health and safety impacts of our products and services through a structured quality risk management process. Covering the entire product lifecycle, this process provides a systematic framework for identifying, assessing, controlling, communicating, and reviewing potential risks that may affect product quality.

Detailed quality management requirements are defined in our Quality Manual. These requirements apply across all stages of our operations, including design and development, purchasing, manufacturing, sales, distribution, and post-market management. Through documented procedures and records, Classys demonstrates strict regulatory compliance and maintains full traceability across its quality management system.

All manufacturing facilities and quality processes are subject to regular internal and external audits to ensure compliance with stringent global standards. Internal audits of the QMS are conducted at least once a year to verify effectiveness and proactively identify risks. Improvement opportunities identified through these audits are addressed through corrective action plans, with implementation and effectiveness monitored on an ongoing basis. To ensure independent quality assurance, Classys also undergoes periodic external audits of its QMS. Every manufacturing facility has obtained certifications under international medical device quality standards, including ISO 13485, GMP, MDSAP, EU-MDR, and CE-MDD. Compliance with global standards is verified each year through renewal and surveillance audits. We further strengthen the reliability of our in-house QMS through regular training programs, ensuring that employees responsible for quality-related duties have the expertise required to perform their roles effectively.

Certification Scope

Category	Headquarters	Munjeong Plant	Anyang Plant
KGMP Quality System	○	○	○
MDD/MDR	○	○	○
ISO 13485 Quality System	○	○	○
MDSAP Quality System	○	○	○

Risk and Quality Management

Classys implements a risk management process that systematically identifies, evaluates, and controls risks in accordance with ISO 14971 (Medical Devices—Application of Risk Management to Medical Devices) across the entire product lifecycle—from R&D through production, distribution, and post-market activities. We proactively manage potential quality and safety issues, identifying and addressing risks arising from new technologies, materials, and changes in intended use environment at an early stage. All risk assessment protocols, evaluation results, and design change records are meticulously documented. When necessary, clinical evaluations or clinical trials are conducted to verify the safety and effectiveness of the product.

End-to-End Quality Management Process

Risk and Quality Management at the R&D Stage
- Identifying and minimizing risk factors from the earliest design stages based on ISO 14971
- Ensuring product safety and efficacy through multidimensional testing, including material properties, usability, and environmental adaptability

Quality and Risk Management in the Supply Chain
- Managing raw material quality through supplier evaluations
- Driving continuous quality improvements across the supply chain based on a CAPA (Corrective and Preventive Action) system

Quality and Risk Control in the Manufacturing Stage
- Adhering to global quality standards such as ISO 13485, GMP, and MDSAP
- Applying preventive quality management methodologies to ensure consistent product quality and prevent recurrence of quality issues

Quality and Risk Management in Sales and Distribution
- Enabling product traceability through serial number tracking
- Ensuring quality throughout the distribution process through dealer and user training

Quality and Risk Monitoring during Customer Use and Support
- Providing user education and accurate product information
- Collecting and incorporating customer feedback to implement user-centered quality improvements

Post-Market Surveillance
- Conducting post-market studies and responding to quality claims
- Continuously improving product quality through data-driven analysis and actions

Quality Management

Risk and Quality Management at the R&D Stage

Classys applies rigorous risk and quality management from the R&D stage, the starting point of the product lifecycle. This approach enables us to optimize safety and effectiveness from the design phase and prevent risks that may arise during production and distribution. Specifically, we apply a systematic risk management system based on ISO 14971 to identify and mitigate potential hazards from the earliest stages of product design. Product safety and effectiveness are verified through a comprehensive testing framework that includes new material testing, usability testing, and accelerated aging testing.

New Material Testing	Biocompatibility testing results evaluating the long-term impact of new materials on the human body
Usability Testing	Test results identifying potential user errors across diverse user groups
Accelerated Aging Testing	Test results predicting potential performance degradation of devices during long-term storage, such as test data simulating storage conditions over a period of five years
Environmental Adaptability Testing	Performance testing under anticipated extreme conditions, such as high temperature and humidity
Cybersecurity Testing	Test results identifying cybersecurity vulnerabilities in medical devices connected via wireless communication

Risk and Quality Management on the Supply Chain

Classys maintains a supplier evaluation system to ensure quality management across the supply chain. Suppliers undergo regular quality assessments and audits and must meet Classys' quality standards and applicable regulatory requirements. This process helps identify potential issues early and prevent quality risks from materializing.

On a monthly basis, we work with suppliers to implement quality improvement activities and corrective and preventive action (CAPA) processes. This enables continuous quality management covering both current issues and potential future risks.

Quality and Risk Management in the Manufacturing Stage

Classys maintains strict quality control across all manufacturing processes, from raw material receipt to product release, in accordance with ISO 13485, GMP, MDSAP, and other quality management systems and standards. Manufacturing process consistency is ensured through design verification and validation, and process failure mode and effects analysis (P-FMEA) is applied to proactively identify and mitigate potential failure risks. Any changes to manufacturing processes are implemented only after assessing their potential impact on quality and safety and obtaining the necessary approvals in accordance with established change control procedures.

We have also established a real-time quality data analysis system to verify whether raw materials, work-in-process items, finished products, packaging materials, and serial labels meet defined quality control standards. The system enables real-time quality monitoring by detecting abnormalities during production. Before market release, all products are verified against predefined specifications. Classys conducts rigorous inspections of raw materials, in-process items, and finished products at each stage, from incoming inspection through production to market release. Under our systematic quality management framework, we ensure the performance, safety, and consistency of all products.

Manufacturing equipment is also subject to regular maintenance and calibration. Issues identified through internal quality audits or manufacturing processes are analyzed and addressed through CAPA measures to resolve root causes and prevent recurrence.

Procedures	Raw Material Quality Inspection	Process Quality Inspection	Finished Product Quality Inspection
Details	• Visual Inspection • Specification Inspection • Functional Inspection	• Process Compliance Inspection • Functional Inspection • Visual Inspection	• Visual Inspection • Electrical Stability Inspection • Performance Stability Inspection

Quality Management

Enhanced Quality Management Activities

Process Failure Modes and Effects Analysis (PFMEA)

Classys conducts PFMEA from raw material input through to finished product shipment, identifying potential failure modes based on severity, occurrence, and detectability. This proactive approach mitigates risks that could impact product functionality and process reliability.

Additionally, Classys reinforces production processes with robust poka-yoke systems to prevent human errors and defects, utilizes validated vision AI automated inspection equipment to ensure inspection capability and traceability, and employs real-time monitoring via established Q-Gate systems.

These integrated activities support the delivery of consistent, high-quality, and traceable products to customers.

Corrective and Preventive Action (CAPA) Process

Classys swiftly implements corrective and preventive actions to resolve issues and proactively prevent recurrence, safeguarding customer safety and product quality. A structured CAPA system thoroughly defines issues, analyzes root causes, and develops fundamental solutions. By reviewing interconnected processes, Classys enhances proactive quality management capabilities across every stage of production.

Quality and Risk Management in Sales and Distribution

Classys efficiently manages medical device information through serial number tracking, enabling comprehensive traceability throughout production and distribution processes. Distributor training and adherence to domestic and international regulatory standards further enhance quality assurance.

Quality and Risk Monitoring during Customer Use and Support

Classys provides comprehensive user manuals and training programs to ensure correct product usage, and follows responsible marketing practices that reflect regulatory approvals and truthful communication. Internal procedures systematically collect and analyze customer feedback to continually enhance product quality and user satisfaction.

Mechanisms for External Stakeholders to Submit Complaints

Classys operates multiple channels through which external stakeholders can report complaints about non-conforming products. These mechanisms are designed to protect customer safety and satisfaction even after products are sold. Customers, partners, and other external stakeholders may report product defects or request improvements to our products at any time through our global distributor network, regular customer events and surveys, Classys Academy programs and satisfaction surveys, dedicated sales and technical support (TS) teams, product inquiry channels on the official website. Potential quality or safety concerns may also be reported through the anonymous whistleblowing channel. All complaints received are promptly reviewed under our CAPA process, followed by timely root-cause analysis, corrective action, and quality improvement.

CAPA Process

Quality Management

Post-Market Surveillance and Quality Improvement

Classys carries out data-driven continuous improvements through a post-market surveillance (PMS) system. Complaint handling, quality claims, and potential recall risks are analyzed to enhance our quality management processes. We recognize that customer trust and satisfaction are directly linked to long-term business success and brand value. Accordingly, Classys operates an advanced customer relationship management framework aligned with global standards and continues to advance feedback-driven quality innovation.

Multi-Channel Communication Tailored to Customer Preferences

Classys maintains a diverse set of communication channels so that clinics, hospitals, and patients worldwide can reach us through a channel most convenient for them. These include dedicated TS teams, product inquiry channels on our official website, official social media channels, our global distributor network, and regular Classys Academy programs. By operating both online and offline communication channels tailored to different customer preferences, Classys captures the voice of the customer (VOC), without blind spots, across global markets.

Integrating Customer Feedback into Product and Service Development

VOC and market insights collected through these channels extend beyond customer service responses. They are systematically fed back into product planning and R&D. This process ensures customer needs are reflected throughout the product development cycle, including UI/UX design for new products, enhancement of combination treatment protocols, and improvement of cartridge performance. By institutionalizing customer feedback as an essential part of product development, Classys advances genuine customer-centric innovation.

Transparent and Consumer-Friendly Complaint Handling

Any complaint about product quality or service is immediately forwarded to our internal CAPA system to identify the root cause and develop root-cause corrective actions. This process is designed not only to meet regulatory requirements but also to provide a transparent and consumer-friendly complaint handling experience. Classys shares progress updates and final outcomes with customers in a timely and clear manner. Each case is tracked and monitored until fully resolved, helping protect consumer rights and safety.

Suggestion and Reward System

All employees are encouraged to propose improvements regarding our products, manufacturing methods, and work processes. Various collaborative structures are in place to facilitate the practical implementation of these suggestions.

Specifically, task force (TF) teams can be formed around topics or issues of particular interest. Through TF activities, diverse improvement projects are executed to enhance productivity, optimize process efficiency, and reduce defect rates. Throughout these projects, continuous feedback and collaboration help identify optimal solutions.

To share the results and achievements of these improvement initiatives, we regularly organize a High Performance Team (HPT) Contest. During HPT events, employees have the opportunity to showcase their contributions and achievements, promoting a culture of mutual understanding and respect for colleagues' work. Classys motivates its employees by fostering a culture of improvement, thus driving continuous innovation.

Quality Management

Role-Based Training for Internal Stakeholders under the QMS

Classys provides structured quality management training for all employees, including part-time and contract workers, to help them acquire the capabilities required to uphold product quality. Product quality and applicable requirements are the core course of our onboarding program for new hires, with regular training also given to all employees.

Of particular note, Classys provides role-based training for internal stakeholders whose responsibilities are tied to the quality management system (QMS). For employees whose roles directly affect product quality, training completion is strictly managed through the QMS. After training, employees must also complete a comprehension assessment and achieve a minimum required score. This approach ensures training effectiveness and systematically verifies employees' readiness to perform quality-related duties.

Product Quality Training

Target	Course	Frequency
All employees and new hires (including part-time and contract workers)	• Product quality briefing sessions • Distribution of product quality guidance materials	• At least once a year
Role-specific quality management training	• Manufacturing roles: production and service provision, control of non-conforming products, etc. • Purchasing roles: purchasing, management responsibility, etc. • R&D roles: design and development, data analytics, etc. • Regulatory/Clinical roles: design and development, approvals, etc. • Sales-related roles: quality management system and manual, customer management, etc.	• Ongoing • Comprehension assessments conducted

Zero Recalls of Medical Devices by Authorities and Transparent Post-Market Surveillance

As a result of our QMS prioritizing product quality and safety, Classys has not received any product safety recall orders or administrative actions over the past three years from global regulatory authorities, including Korea's Ministry of Food and Drug Safety, the U.S. FDA, and European CE/MDR authorities, in relation to our core medical device business. This reflects the rigorous application of a global-standard quality assurance system across the full product lifecycle, from product planning to post-market surveillance (PMS).

Classys also applies transparent and responsible quality management to its homecare businesses, a new business area outside medical devices. In the first quarter of 2026, parts of one particular homecare product, Shurink Home Lift2Glow, were found to have exceeded the test limits related to interference with other electronic devices during an electromagnetic compatibility review carried out by Korea's National Radio Research Agency. Although this issue was not related to human safety or health risks, Classys suspended sales of the product immediately and implemented voluntary corrective actions as a proactive consumer-protection measure. In accordance with guidance from the relevant authorities, we promptly completed technical improvements and re-verification under our CAPA process, after which normal sales resumed.

Classys will continue to maintain transparent and strict quality management across both medical devices and homecare products, further strengthening brand trust in global markets.

Quality Management

Responsible Marketing

Responsible Marketing Policy

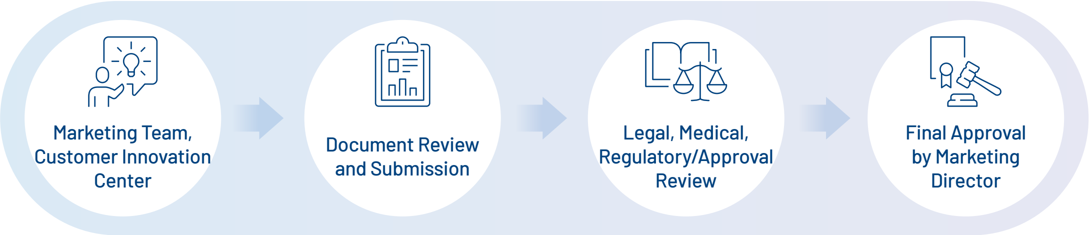
Classys operates a responsible marketing policy aimed at systematically managing legal and ethical risks arising from marketing activities, thus enhancing our global brand value. We strictly comply with both domestic and international marketing regulations across all advertising and promotional activities, actively preventing false or exaggerated claims. At the same time, Classys provides accurate information to consumers regarding product purposes, indications, and usage methods, thereby avoiding misleading statements. In collaboration with business partners, we also apply our responsible marketing policy to mitigate ethical risks, while doing our utmost to integrate consumer feedback through various channels to maintain high levels of trust.

Responsible Marketing Policy

Ultraformer MPT (Shurink Universe)

Marketing Monitoring and Regular Marketing Compliance Audits

Under a stringent marketing management framework, we proactively review legal, medical, regulatory risks, ensuring that only pre-approved materials are used in all marketing activities.



To ensure effective implementation of our responsible marketing policy, we have established detailed internal control procedures and a self-monitoring system supported by ongoing education. We have therefore developed processes such as reports on transfers of value provided to healthcare professionals and self-reviews of advertising materials to enable employees to verify compliance independently. High-priority issues are subject to additional oversight, and follow-up reviews are conducted to evaluate the effectiveness of internal responses and identify improvement measures.

We further strengthen our compliance framework through an established compliance program (CP), including annual audits and effectiveness evaluations. All employees are required to immediately report any suspected or confirmed violations of the responsible marketing policy to the marketing department head, who subsequently takes prompt action to address the issue. All stakeholders, including customers and business partners, may anonymously report unethical marketing practices through our online whistleblowing system, with every report being thoroughly investigated and reporters' identities fully protected.

Classys continuously monitors whether products are distributed in compliance with applicable laws and regulations in domestic and international markets by analyzing customer feedback, service requests, and whistleblowing reports to detect signs of potential off-label use. If inappropriate practices are identified, corrective actions are promptly taken, and in cases involving illegal or criminal activities, Classys reports this to the relevant authorities after seeking legal advice.

Quality Management

Education and Activities for Responsible Marketing, Advertising, and Promotion

Classys operates structured training programs to ensure that all employees—including part-time and contract workers—as well as business partners fully understand and comply with our responsible marketing policy. All new hires, including entry-level employees, experienced hires, and fixed-term employees, receive monthly onboarding training. In addition, job-specific training is regularly provided to employees in sales, marketing, and customer innovation—functions directly involved in promotional activities. This specialized job-specific training covers a wide range of compliance topics, including the marketing code of conduct, fair competition policy, anti-corruption and anti-bribery measures, conflict of interest management, social media management, and interactions with healthcare professionals and government officials. To promote company-wide alignment, annual training on product indications and intended uses is also delivered to employees across other functions, ensuring that all personnel have a clear understanding of and ability to comply with the responsible marketing policy. Furthermore, Classys conducts an annual ethical awareness survey to assess employees' understanding of internal policies and reinforce a culture of ethical conduct throughout the organization.

Responsible Marketing Education Overview

Targets	Programs	Frequency
Sales and Marketing Teams	• Understanding accurate usage purposes, indications, and methods for products and services • Understanding responsible marketing policies and anti-corruption policies • Interactions with healthcare professionals	• At least once annually • Self-monitoring through marketing compliance guidelines and checklists
All Employees (including part-time and contract workers)	• Understanding accurate usage purposes and indications of products and services • Overview of responsible marketing policies	• Annually
New Employee Onboarding	• Responsible marketing policy orientation	• Monthly, 1-hour sessions

Interactions with Healthcare Professionals

Classys continues to strengthen collaboration with healthcare professionals to provide customers with reliable and balanced information about our products. All employees are required to comply with our fair trade compliance rules for marketing activities when engaging with healthcare professionals. As such, these interactions must not influence the independent professional judgment or research activities of healthcare professionals.

Furthermore, Classys operates a management framework to ensure that marketing activities are conducted ethically and responsibly, in accordance with applicable laws, regulations, and internal compliance standards.

We also provide regular training programs to help healthcare professionals fully understand the intended use, indications, and proper use of our products. Through domestic and international user meetings and symposiums, Classys creates opportunities to share the latest medical technologies and clinical insights.

In particular, lectures and panel discussions led by specialists and clinical experts help educate healthcare professionals on the safe and effective use of our products, with these initiatives supporting broader access to up-to-date product and clinical information.

CLASSYS
GLOBAL CUSTOMER SUMMIT 2025

CLASSYS
ACADEMY & USER NIGHT


CLASSYS
GLOBAL PARTNERS' MEETING 2025

CLASSYS
USER SUMMIT & AWARDS 2025

Off-Label Marketing and Product Labeling Management

Classys recognizes that off-label marketing can negatively affect patient safety and market integrity and therefore strictly prohibits any promotional activities beyond approved indications in accordance with applicable laws, regulations, and internal compliance policies.

We also ensure full compliance with medical device labeling regulations in each country where we operate. All product labels include essential information such as the manufacturer and product information, batch or lot number, manufacturing date, expiration date (if applicable), volume or weight, and storage conditions. Additional information required under local regulations is also incorporated accordingly. To ensure proper labeling management, we have established internal procedures that support systematic oversight by country and by product. Labels are inspected prior to final product release to verify compliance with applicable labeling requirements and to identify and resolve any discrepancies before shipment.

Governance

Corporate Governance

Classys is committed to establishing a transparent and sound governance structure by implementing appropriate policies and fulfilling its governance responsibilities with integrity.

General Shareholders' Meetings and Shareholder-Friendly Policies

Shareholder-Friendly Policies

Classys values shareholder input and works hard to reflect this input in corporate decision-making. To that end, we encourage shareholders' participation and their exercise of voting rights at general shareholders' meetings.

To ensure that shareholders can exercise informed voting decisions, Classys discloses meeting details—such as the date, venue, and agenda descriptions—via Korea's DART and KIND platforms at least two weeks in advance. For added convenience, notices of convocation, business reports, and audit reports are also made available on the company website. For international shareholders and investors, we make disclosures whenever needed in English and publish investor relations (IR) materials and annual reports in English.

Classys has introduced a range of measures to encourage shareholder participation in decision-making. Since the 8th Annual General Shareholders' Meeting (AGM) held in March 2023, we have adopted electronic voting. From the 9th AGM in 2023 through the 11th AGM in 2025, we held our AGM on non-peak dates to improve shareholder accessibility. Classys also actively encourages the exercise of voting rights by soliciting proxies through multiple channels, including mail, fax, and the Company's website.

To enhance shareholder understanding of our business and operations, Classys maintains open communication through active investor relations, prompt and accurate public disclosures, and diverse information channels on its website.

Shareholder Return Policy

Classys remains committed to maximizing shareholder value by strengthening the competitiveness of its key products, including Ultraformer and Volnewmer. The shareholder return policy is determined based on business performance. Dividends are proposed by the Board of Directors in accordance with the Articles of Incorporation and finalized upon approval at the GSM. The dividend payout is determined after comprehensive consideration of business performance, future strategic investments for sustainable growth, financial soundness, and distributable profits under the Commercial Act.

As revenue and profits have grown, so too have shareholder returns. Classys has issued dividends for nine consecutive years since its listing, with per-share dividends increasing from KRW 116 in 2022 to KRW 200 in 2023, KRW 257 in 2024, and KRW 1,000 in 2025. The total cash dividend payout also grew from KRW 7.5 billion in 2022 to KRW 12.8 billion in 2023, KRW 16.8 billion in 2024, and KRW 65.1 billion in 2025.

At the extraordinary general meeting (EGM) held in 2025, Classys transferred KRW 96.4 billion from capital reserves to retained earnings, thereby expanding available dividend resources. This enhanced dividend flexibility and strengthened the sustainability of the Company's shareholder return policy. At the FY2025 AGM held in 2026, Classys paid dividends using KRW 16.1 billion from these newly available resources. By additionally using existing retained earnings, the Company distributed total dividends of KRW 65.1 billion. With a dividend payout ratio of 49.4%, Classys met the criteria for high-dividend companies, allowing individual shareholders to receive tax benefits at their discretion.

In addition to dividends, Classys has also pursued treasury share buybacks and cancellations. From 2022 to 2023, the Company acquired KRW 20.0 billion in treasury shares and cancelled the full amount in 2024. From 2024 to 2025, Classys acquired an additional KRW 18.3 billion in treasury shares, part of which was used for employee compensation, with the remaining shares cancelled in early 2026. These buybacks and cancellations were carried out to enhance per-share value while sharing profits with shareholders.

Classys will continue to pursue a disciplined capital allocation policy that balances growth investment and shareholder returns based on free cash flow.

Dividend History for the Last 5 Years

Category	Cash Dividend per Share	Total Cash Dividend	Consolidated Payout Ratio	Dividend Yield
2021	66 KRW	4,271,313,024 KRW	9.8%	0.3%
2022	116 KRW	7,471,451,656 KRW	9.9%	0.6%
2023	200 KRW	12,799,903,800 KRW	17.2%	0.5%
2024	257 KRW	16,833,843,352 KRW	17.2%	0.5%
2025	1,000 KRW	65,153,489,000 KRW	49.4%	1.9%

Corporate Governance

Results of the 11th Annual General Shareholders' Meeting

At the 11th AGM held on March 31, 2026, all three reported agenda items and 10 resolution items included in the meeting notice were approved as originally proposed. A total of 71.7% of issued shares with voting rights, excluding treasury shares and other non-voting shares, were represented at the meeting.

Results of the 11th Annual General Shareholders' Meeting

Agenda Item	Approval/ Disapproval	Ratio to Total Voting Shares			Remarks
		Attendance Rate	Approval Rate	Dissent/ Abstention Rate	
Agenda Item 1. Approval of the 11th term consolidated and separate financial statements, including a cash dividend of KRW 1,000 per share	Approved	71.7%	70.3%	1.4%	
Agenda Item 2. Partial amendment to the Articles of Incorporation	Approved	71.7%	69.3%	2.4%	
Agenda Item 3-1. Appointment of Dong-wook Kim as a non-executive director	Approved	71.7%	69.0%	2.7%	
Agenda Item 3-2. Appointment of Hyun-seung Kim as a non-executive director	Approved	71.7%	69.3%	2.4%	
Agenda Item 3-3. Appointment of Wan-jin Park as a non-executive director	Approved	71.7%	68.9%	2.8%	
Agenda Item 3-4. Appointment of Kyung-ja Shin as an independent director	Approved	71.7%	71.7%	0.0%	
Agenda Item 4-1. Appointment of Hyuk-jin Kwon as an independent director who will also serve as a member of the Audit Committee	Approved	48.6%	48.5%	0.1%	
Agenda Item 4-2. Appointment of Jun-hong Park as an independent director who will also serve as a member of the Audit Committee	Approved	48.6%	48.5%	0.1%	
Agenda Item 5. Appointment of Kyung-ja Shin as a member of the Audit Committee	Approved	48.6%	48.5%	0.1%	
Agenda Item 6. Approval of the remuneration cap for directors	Approved	71.7%	71.7%	0.0%	

Note 1) Shares with restricted voting rights under the Commercial Act were excluded.

Board of Directors

Appointment and Composition of the Board of Directors

The board of directors (BOD) is responsible for determining the company's management objectives and strategies, as well as effectively supervising management to promote growth and protect stakeholders' interests. To fulfill these functions effectively, the BOD is organized and operated with transparency in accordance with all legal procedures.

The Board of Directors consists of directors elected at the GSM in accordance with the Commercial Act and the Articles of Incorporation. As of the end of March 2026, the Board consisted of seven directors: four non-executive directors and three independent directors.

Information on director candidates is disclosed in detail in the notice of convocation and the electronic voting system, with final appointments confirmed at the GSM. In accordance with Article 363 of the Commercial Act and Article 21 of the Articles of Incorporation, shareholders are notified at least two weeks prior to the meeting by written or electronic notice, specifying the date, location, and agenda. When the appointment of directors is included on the agenda, candidate names, backgrounds, and relevant information are provided.

Director candidates are recommended from various channels, including shareholders and stakeholders. Evaluation and selection criteria comprehensively consider diversity, expertise, and alignment with the company's direction. Factors such as race, nationality, gender, place of origin, or religion are not limiting. Rather, independence of judgment is a key criterion. Candidates who share the company's vision and management philosophy and can provide meaningful insights are selected.

For independent directors, candidates undergo additional review and recommendation by the Nomination Committee to ensure objectivity. The committee also reviews selection criteria annually to ensure appropriateness and continuous improvement.

Corporate Governance

Key Profiles of BOD Members (as of March 2026)

Name	Gender	Position	Key Experience	Term Expiry Date
Kim Dong-wook	Male	Non-Executive Director Compensation Committee Member	Bachelor's in Electrical Engineering, Seoul National University MBA, Columbia Business School 2006-2020 Managing Director of Citigroup Global Markets Securities 2020-present Partner, Bain Capital Private Equity 2022-present Non-executive Director, Classys	Mar. 30, 2028
Kim Hyun-seung	Male	Non-Executive Director Chair of the Board Nomination Committee Member	B.S. in Industrial Engineering, Seoul National University 2018-present Managing Director, Bain Capital Private Equity 2022-present Non-executive Director, Classys	Mar. 30, 2028
Park Wan-jin	Male	Non-Executive Director Compensation Committee Member	BA in Economics, Stanford University MS in Management Science & Engineering, Stanford University 2016-present Managing Director, Bain Capital Private Equity 2022-present Non-executive Director, Classys	Mar. 30, 2028
Rhee Eun-ji	Female	Non-Executive Director Nomination Committee Member	Washington University in St. Louis, BA in Art History & Marketing Harvard Business School, MBA 2021-present Principal, Bain Capital Private Equity	Mar. 31, 2028
Park Jun-hong	Male	Lead independent director of the Independent Directors' Council Audit Committee Member Chair of the Nomination Committee	Bachelor's in Business Administration, Seoul National University MBA, Seoul National University MBA, University of Michigan—Ann Arbor 2017-2020 Vice President/Managing Director, Johnson & Johnson Vietnam 2022-present Independent Director, Ildong Holdings Co., Ltd. 2022-present Independent Director, Classys	Mar. 30, 2028

Name	Gender	Position	Key Experience	Term Expiry Date
Kwon Hyuk-jin	Male	Independent Director Chair of Audit Committee Chair of Compensation Committee Independent Directors' Council Member	Bachelor's in Economics, College of Social Sciences, Seoul National University MBA/Finance, Seoul National University PhD in Business Administration/Accounting, Dongguk University 2021-2024 Full-Time Auditor, Kolon Life Science Co., Ltd. 2021-present Adjunct Professor, Accounting Department, Dongguk University 2022-present Independent Director, Classys 2024-present Director (Vice-President), Jungin Accounting Corporation 2025–Present Independent director, AK Holdings Inc.	Mar. 30, 2028
Shin Kyung-ja	Female	Independent Director Audit Committee Member Independent Directors' Council Member	B.A./M.A. in English Lit., Ewha Womans University MBA, The Fuqua School of Business, Duke University 2016–Present Head of Marketing, Platforms & Devices, APAC, Google; Head of Marketing, Google Korea 2025-present Independent Director, Classys	Mar. 30, 2028

Corporate Governance

Responsible Management Led by an Independent and Professional BOD

The Board of Directors continually requires strategic judgment capabilities that consider rapidly changing opportunities and risks from multiple perspectives to enhance the company's growth and the interests of its stakeholders. Therefore, each director's expertise and diversity is crucial.

Independent directors are experts in a wide range of fields, including management and accounting, medical devices, healthcare, and sales and marketing. They provide expert guidance and independent oversight across the company's operations. By composing the board with experts from diverse fields, objective decision-making is supported through the participation of different perspectives. Independence is ensured by fundamentally excluding the appointment of individuals who may have difficulty faithfully performing their duties or may exert undue influence on management.

BOD Skill Matrix

Category	Kim Dong-wook	Kim Hyun-seung	Park Wan-jin	Rhee Eun-ji	Park Jun-hong	Kwon Hyuk-jin	Shin Kyung-ja
Medical Device Industry	○	○	○	○	○		
Beauty & Healthcare Industry	○	○	○	○	○		
Accounting & Finance	○	○	○	○		○*	
Sales & Marketing					○		○
Diversity				○			○
M&A	○	○	○	○			

* Certified public accountant

BOD Operations and Performance Results

The Board operates efficiently and transparently in strict accordance with the Articles of Incorporation and internal regulations, clearly defining its roles and responsibilities. Regular BOD meetings are held at least once per quarter, while extraordinary meetings are convened as needed. Notices specifying the meeting date, location, and agenda are distributed at least seven days in advance.

Directors may participate in meetings via telecommunication means that allow for simultaneous audio transmission and reception. Directors with conflicts of interest on specific agenda items are restricted from voting.

Beyond legally required matters, the BOD deliberates on other key management issues to strengthen its strategic oversight and decision-making role. The BOD also deliberates on significant matters proposed by any director or the BOD itself, in addition to those delegated by the GSM.

2025 BOD Performance

Number of meetings held*	Number of reported agenda items	Number of resolved agenda items	Average attendance rate
11	13	34	100.0%

* Meetings held on the same date are counted as one meeting.

Corporate Governance

Key Resolutions

Session	Date	Agenda	Approval/ Disapproval
1	Jan. 24, 2025	Agenda 1. Borrowings from financial institutions	Approved
2	Feb. 14, 2025	Report Agenda 1) Report by the CEO on the Internal Controls Operation Status over Financial Reporting Agenda 1. Approval of the 10th-term financial statements Agenda 2. Approval of the 10th-term business report Agenda 3. Approval of bonus payments	Reported Approved Approved Approved
3	Mar. 13, 2025	Report Agenda 1) Report on the Internal Controls Evaluation over Financial Reporting by the Audit Committee Report Agenda 2) Report on the business plan Report Agenda 3) Operating plan for the compliance program (CP) Agenda 1. Establishment and approval of the OHS management plan Agenda 2. Resolution on dividend payments Agenda 3. Partial amendment to the Articles of Incorporation Agenda 4. Cancellation of stock options granted Agenda 5. Recommendation of candidates for independent director and audit committee member Agenda 6. Convening of the annual general shareholders' meeting and submission of agenda items Agenda 7. Evaluation of the Board of Directors, Board committees, and individual directors	Reported Reported Reported Approved Approved Approved Approved Approved Approved Approved
4	Mar. 31, 2025	Agenda 1. Appointment of members of the Nomination Committee Agenda 2. Approval of compensation for directors Agenda 3. Approval of ESG materiality assessment results Report Agenda 1) Report on the evaluation of Audit Committee activities Report Agenda 2) Report on adjustments to the financial statements before and after audits	Approved Approved Approved Reported Reported
5	May 12, 2025	Report Agenda 1) Q1 financial results Agenda 1. Approval of ESG management performance results	Reported Approved
6	June 9, 2025	Agenda 1. Approval of the extension of the treasury share acquisition trust agreement	Approved
		Agenda 1. Recommendation of a candidate for non-executive director Agenda 2. Setting of the record date for the EGM Agenda 3. Convening of the EGM and submission of agenda items	Approved Approved Approved
		Agenda 1. Second capital increase of the Japanese subsidiary and debt guarantee	Approved
7	Aug. 11, 2025	Report Agenda 1) Q2 financial results	Reported
8	Oct. 23, 2025	Agenda 1. Approval of the share purchase agreement for shares in another company Agenda 2. Acquisition of shares in another company and incorporation as a subsidiary	Approved Approved
9	Nov. 10, 2025	Report Agenda 1) Q3 financial results Report Agenda 2) Risk management activities by the Chief Risk Officer for financial and non-financial risks Report Agenda 3) Interim report on OHS and environmental management performance results Report Agenda 4) Evaluation of the effectiveness of the compliance controls and CP operations Report Agenda 5) Succession plan Agenda 1. Reduction of capital reserve and transfer to retained earnings Agenda 2. Setting of the record date for the EGM Agenda 3. Convening of the EGM and submission of agenda items Agenda 4. Cancellation of stock options granted	Reported Reported Reported Reported Reported Approved Approved Approved Approved
10	Dec. 3, 2025	Agenda 1. Partial amendment to the Articles of Incorporation Agenda 2. Addition of agenda items for the EGM	Approved Approved
11	Dec. 22, 2025	Agenda 1. Appointment of the Chair of the Board of Directors Agenda 2. Appointment of executive directors Agenda 3. Appointment of the Representative Executive Director	Approved Approved Approved
		Agenda 1. Cancellation of stock options granted Agenda 2. Appointment of members of the Nomination Committee Agenda 3. Partial amendment to the Board Regulations and two other regulations	Approved Approved Approved

Corporate Governance

Evaluation of the BOD, Committees, and Individual Directors

Purpose of the BOD Evaluation

Classys is committed to fostering sound management, safeguarding shareholder rights, and enhancing public trust. To support our long-term growth and strengthen our governance structure, we conduct annual evaluations of both the collective board of directors and each individual director to assess board competency and objectivity. The results of these evaluations may be considered in deliberations on director compensation and reappointment.

Evaluation of the BOD and Committee Activities

Classys conducts a self-assessment of the BOD and its committees once a year, using a combination of quantitative and qualitative methods across five key areas: roles and responsibilities, operations, quality, diversity, and composition and qualifications. The evaluation framework and criteria are established based on recommendations from the Independent Directors Council and subsequently approved by the BOD.

The BOD evaluation is conducted at a meeting attended by all directors and uses a five-point scale. Scores are interpreted as follows: an average score of 4.0 or higher is rated as "Excellent"; 3.0 or higher as "Good"; 2.0 or higher as "Needs Improvement"; and below 2.0 as "Replacement Consideration."

Evaluations are also conducted for each committee—except for the Audit Committee—and individual directors. The Audit Committee independently evaluates its own activities and independence, and reports its results to the BOD to further Classys' commitment to sound management, shareholder protection, and public trust.

Evaluation Results

Category	Evaluation Areas	Evaluation Results
Board of Directors	Roles and Responsibilities	Excellent
	Operation	
	Quality	
	Diversity	
	Composition and Qualifications	
Compensation Committee	Operation	Excellent
	Composition and Qualifications	
Nomination Committee	Operation	Excellent
	Composition and Qualifications	

Individual Director Performance Evaluation

Classys conducts an annual evaluation of each director at the BOD level, assessing three core criteria: contribution, expertise, and independence. The evaluation combines both quantitative and qualitative measures and is scored on a five-point scale: "Excellent" for 4.0 or above; "Good" for 3.0 or above; "Needs Improvement" for 2.0 or above; and "Replacement Consideration" for scores below 2.0.

Individual Director Evaluation Results

Name	Results
Kim Dong-wook	Excellent
Kim Hyun-seung	Excellent
Park Wan-jin	Excellent
Rhee Eun-ji	Excellent
Park Jun-hong	Excellent
Kwon Hyuk-jin	Excellent
Shin Kyung-ja	Excellent

Corporate Governance

Separation of Management from Oversight Function

Introduction of the Executive Director System

In December 2025, Classys introduced an executive director system by resolution of the general shareholders' meeting (GSM) to clearly separate the roles and responsibilities of the Board of Directors (BOD) and management, and to strengthen transparency and accountability in its governance structure.

Under the previous CEO-led structure, the CEO served as a member of the Board and was involved in both business execution and Board oversight, which created potential structural limitations in maintaining a clear separation between execution and oversight. This arrangement created potential structural limitations in separating execution from oversight. To address this, Classys adopted an executive structure—led by the Representative Executive Director, who serves as the CEO without a Board seat—that clearly separates management execution from Board oversight.

As a result, the BOD is responsible for management oversight and strategic decision-making, while the executive management, led by the Representative Executive Director, is responsible for the Company's day-to-day operations and execution. The BOD retains key authority over the appointment and dismissal of executives, determination of their compensation, and oversight of business execution, thereby reinforcing effective checks and balances on management.

In December 2025, the BOD appointed Yoon Suk Choi as Representative Executive Director. In this role, Mr. Choi oversees overall management. Through the separation of oversight and execution, Classys aims to clarify management accountability, strengthen the BOD's independent oversight role, and further promote transparent management and the protection of shareholder rights.

Separation of the Board Chair and the Representative Executive Director

Classys appoints the BOD Chair from among the directors who do not serve as executive directors. As a non-executive director, the BOD Chair leads BOD operations and supports fair, objective decision-making from an independent position relative to management. This structure strengthens the BOD's oversight function, encourages responsible management decision-making, and contributes to long-term corporate and shareholder value.

Executive Compensation Policy

Overview

Classys has established an independent Compensation Committee to ensure fairness and objectivity in decisions regarding executive officer remuneration. The committee focuses on aligning the compensation package with the company's long-term goals and sustainable value creation.

To ensure a holistic compensation scheme, the committee maintains a balanced approach that considers not only financial and non-financial indicators but also short- and long-term performance metrics, and conducts regular reviews to ensure appropriateness.

Financial indicators include business results, profitability, and share price, while non-financial indicators cover ESG achievements and productivity. This holistic evaluation ensures that executive compensation aligns with the company's strategic objectives across both financial and non-financial dimensions.

The committee also reviews the balance between financial incentives—such as bonuses and stock options linked to the company's short- and long-term goals—and non-financial incentives, including leadership recognition, innovation support, and career development opportunities. The Compensation Committee and the BOD regularly evaluate and adjust the remuneration scheme as necessary to align executive interests with the company's sustainable value creation efforts.

Share Ownership Policy

Classys' Compensation Committee has reviewed and approved Share Ownership Guidelines to align the Representative Executive Director's interests with those of the Company and to support a balanced focus on short- and long-term objectives.

Under the guidelines, the Representative Executive Director is required to hold Classys shares equal in value to five times their annual base salary within five years of their appointment. Until this requirement is met, shares acquired under incentive plans may not be sold, except to cover option exercise costs or tax obligations.

The Representative Executive Director must report their share ownership status to the Compensation Committee at the end of each year, when the Committee reviews compliance with the guidelines. The current Representative Executive Director remains within the initial compliance period and reported no share ownership as of the end of 2025.

Corporate Governance

Short- and Long-Term Performance Compensation and Clawback Policy

Classys operates a performance-based, reasonable compensation framework designed to align the interests of the Representative Executive Director with those of shareholders and to reinforce accountable management. Compensation is structured as incentives for short-term KPIs and shares for long-term KPIs, with a clawback policy to address inappropriate compensation. The final number of shares granted under the performance-linked share-based compensation plan is determined by both financial and non-financial performance related to sustainable management. Specifically, the framework allows for substantial adjustments to executive compensation in the event of material impairment of corporate value, unethical conduct, legal violations, or financial losses.

The Compensation Committee also reviews potential financial statement distortions caused by accounting fraud or material errors. If the financial statements are later restated, the Company may recalculate, adjust, or claw back variable performance compensation that has already been paid or is scheduled to be paid.

Through this disciplined compensation framework, Classys enhances transparency in compensation decisions and strengthens the governance environment, encouraging management to focus on sustainable corporate value creation.

Curas Hybrid (Eleray)

Independent Directors Council

Classys operates an Independent Directors Council composed entirely of independent directors to enhance independent oversight and advisory functions. By excluding management from participating, the council fosters open and objective discussions that support corporate growth and shareholder interests.

By resolution of the council, Park Jun-hong—former country manager of a global pharmaceutical and healthcare company—was appointed as Lead Independent Director to chair the Independent Directors Council. The council may compile and communicate its collective recommendations to the BOD or management, thereby improving transparency and governance effectiveness. Classys provides the council with all the necessary resources and allows it to retain outside experts at company expense if needed.

2025 Independent Directors Council Performance Results

Number of meetings held	Number of reported agenda items	Number of resolved agenda items	Average attendance rate
1	1	0	100.0%

Key Resolutions

Session	Meeting Date	Agenda Item	Approval/ Disapproval
1	Dec. 19, 2025	Report Agenda 1) Introduction of the Executive Director System	Reported

Corporate Governance

Board Committees

Overview

To enhance governance transparency, Classys has established a Nomination Committee and a Compensation Committee. Each committee operates under policies established by board resolution, which define its purpose, authority, responsibilities, composition, operations, and the appointment and dismissal of members. Resolutions made by the committees are communicated to each director.

Compensation Committee

Classys operates the Compensation Committee as a subcommittee of the BOD to ensure objectivity and fairness in executive compensation. The Committee is chaired by an independent director and consists primarily of non-management directors, thus maintaining independence from management, including executive directors.

Compensation packages for executive directors are determined after prior review and deliberation by the Compensation Committee. At the same time, the Committee assesses whether the compensation structure is closely aligned with the Company's mid- to long-term strategy and management objectives, and whether it appropriately reflects the interests of all stakeholders, including shareholders. It also ensures external competitiveness in compensation levels, while maintaining transparency in its operations.

In particular, Classys introduced an executive director system at the EGM held in December 2025 to enhance management efficiency and strengthen the BOD's oversight function. Through amendments to the Articles of Incorporation and BOD regulations, the Company formally established the Compensation Committee's authority to deliberate on and resolve compensation packages for all executive directors, including the Representative Executive Director.

The Compensation Committee designs a comprehensive, balanced compensation framework that aligns the interests of executive directors with those of the Company by combining short-term incentives with long-term compensation to drive sustainable corporate value creation. This is part of Classys' broader efforts to advance its governance structure, reinforce accountable management, and support sustainable growth.

2025 Compensation Committee Performance Results

Number of meetings held	Number of reported agenda items	Number of resolved agenda items	Average attendance rate
3	1	4	100.0%

Key Resolutions

Session	Meeting Date	Agenda Item	Approval/ Disapproval
1	Feb. 14, 2025	Agenda 1. Deliberation on the compensation cap for directors to be submitted to the AGM	Approved
		Report Agenda 1) Review of compliance with the Share Ownership Guidelines	Reported
2	Feb. 27, 2025	Agenda 1. Deliberation on individual performance and performance-based compensation for executive director	Approved
		Agenda 2. Deliberation on annual fixed compensation for executive director	Approved
3	May 12, 2025	Agenda 1. Criteria for payment of short-term incentives to executive director	Approved

Corporate Governance

Nomination Committee

Classys' Nomination Committee reviews and evaluates candidates for independent director positions. Candidates must meet the qualifications required by relevant laws and the company's Articles of Incorporation, have no significant conflicts of interest with Classys, and be able to make independent management decisions and supervise management effectively. The committee selects candidates with extensive knowledge and experience in areas such as the medical device industry, healthcare and beauty, accounting and finance, sales and marketing, and M&A. It prioritizes candidates who can independently make assessments from diverse perspectives, regardless of their race, nationality, gender, region of origin, religion, or professional background.

In addition, key details on each candidate—including key career achievements, relationship with the company, and reasons for recommendation—are disclosed at least two weeks prior to the general shareholders' meeting to ensure shareholders have ample opportunity for review.

2025 Nomination Committee Performance Results

Number of meetings held	Number of reported agenda items	Number of resolved agenda items	Average attendance rate
2	0	3	100.0%

Key Resolutions

Session	Meeting Date	Agenda Item	Approval/ Disapproval
1	Mar. 13, 2025	Agenda 1. Nomination of Independent Director Candidate	Approved
2	Aug. 11, 2025	Agenda 1. Appointment of Committee Chair	Approved
		Agenda 2. Establishment of Criteria for Selecting Independent Director Candidates	Approved

Independent Director Search and Selection Process

Classys maintains a structured search and selection process to ensure the independence and expertise of its independent directors. The Committee regularly reviews and refines the criteria and process for identifying, assessing, and selecting independent director candidates. The process places particular emphasis on identifying candidates who can address competency gaps identified through the Board skills matrix.

Independent director candidates are identified through diverse channels to ensure a broad and balanced candidate pool, avoiding undue concentration around specific interests. The Committee comprehensively reviews each candidate's qualifications for the role, including expertise, industry understanding, and financial and accounting capabilities, as well as whether the candidate meets the independence requirements under the Commercial Act and internal standards. Classys also conducts a preliminary assessment of each candidate's independence by considering any potential conflicts of interest involving the Company, its largest shareholder, and management, as well as any recent transactions with these parties. The Nomination Committee reviews candidates' qualifications and independence and then finalizes the shortlist, taking into consideration the Company's strategic direction, the Board skills matrix, and BOD diversity. Where necessary, the Committee also consults external advisors to enhance the objectivity of the candidate evaluation process. At the end of this process, the BOD confirms candidate(s) based on the Committee's recommendation, and directors are ultimately appointed with approval at the GSM.

Independent Director Search and Selection Process

Candidate Search & Sourcing
- Identify candidates through diverse channels
- Prevent concentration around specific interests

Candidate Qualification Assessment
- Expertise and industry understanding
- Independence requirements
- Board diversity considerations

Independence Verification
- Review of potential conflicts of interest
- Review of recent business relationships
- Review of relationships with the largest shareholder and management

Nomination Committee Review
- Comprehensive review of qualifications and independence

Board Confirmation & GSM Approval
- Confirmation of candidates by the Board, followed by final appointment at the GSM

Operating Principles

The independent director search and selection criteria and process are regularly reviewed and refined.
Priority is given to candidates who can address competency gaps identified through the Board skills matrix.

Corporate Governance

Audit Committee

Members of the Audit Committee are appointed at the general shareholders' meeting following deliberation by the BOD, with due consideration given to legal requirements and independence. The Audit Committee is composed of individuals who possess expertise in accounting, finance, and relevant industry knowledge, and who are free from any material interests with the company or its management, thereby maintaining independence in their supervisory role.

The committee reviews and oversees key management activities, including financial audits and assessments of the internal accounting control system, while also monitoring the operation of internal control mechanisms and deliberating on matters presented to the GSM, as well as other duties specified under the Articles of Incorporation. In 2025, the Audit Committee convened a total of nine times, deliberating on agenda items such as internal accounting controls and internal audit results, all while maintaining regular communication with external auditors.

Classys provides the Audit Committee with the management data necessary for fulfilling its duties and regularly shares updates on key corporate issues to support the committee's oversight. To further enhance members' understanding of the business and maintain their auditing expertise, the company also conducted two training sessions in 2025.

2025 Audit Committee Performance Results

Number of meetings held	Number of reported agenda items	Number of resolved agenda items	Average attendance rate
9	21	12	100.0%

Key Resolutions

Session	Meeting Date	Agenda Item	Approval/ Disapproval
1	2025.02.06	Agenda 1. Selection of the external auditor	Approved
2	2025.02.14	Report Agenda 1) Final Report on Internal Accounting Controls Report Agenda 2) In-Person Report by the CEO on the Internal Controls Operation Status over Financial Reporting Report Agenda 3) Report on the Financial Statements Settlement and the Business Report Report Agenda 4) Report on External Audit Contract Conclusion Report Agenda 5) Report on Internal Audit Results Report Agenda 6) Report on the Operation Status of the Internal Reporting System Report Agenda 7) Report on the Status of Disclosure Compliance Agenda 1. Evaluation of the Internal Controls Operation Status over Financial Reporting	Reported Reported Reported Reported Reported Reported Reported Approved
3	2025.03.13	Report Agenda 1) Communication with the external auditor Agenda 1. Deliberation on agenda items for the AGM Agenda 2. Evaluation of the Audit Committee and its supporting team, and review of the effectiveness of the Internal Accounting Control System Agenda 3. Approval of the Audit Report and Audit Opinion	Reported Approved Approved Approved
4	2025.03.31	Agenda 1. Designation of the acting chair in the event of absence or incapacity of the Audit Committee Chair Agenda 2. Post-evaluation of the external auditor Agenda 3. Approval of the Audit Committee's annual plans, internal audit, and Internal Accounting Control System Report Agenda 1) Operational Status of the Whistleblowing System	Approved Approved Approved Reported
5	2025.05.12	Report Agenda 1) Q1 Financial Results Report Agenda 2) Interim Report on Internal Accounting Report Agenda 3) Operational Status of the Whistleblowing System	Reported Reported Reported
6	2025.07.18	Agenda 1. Audit of the convening of the EGM and its agenda items Agenda 2. Appointment and dismissal of the Audit Committee support team Report Agenda 1) Communication with the external auditor	Approved Approved Reported

Corporate Governance

Session	Meeting Date	Agenda Item	Approval/ Disapproval
7	2025.08.11	Report Agenda 1) Q2 Financial Results Report Agenda 2) Interim Report on Internal Accounting Report Agenda 3) Results of internal audits on business operations and IT security Report Agenda 4) Operational Status of the Whistleblowing System	Reported Reported Reported Reported
8	2025.11.10	Agenda 1. Audit of the convening of the EGM and its agenda items Report Agenda 1) Q3 Financial Results Report Agenda 2) Interim Report on Internal Accounting Report Agenda 3) Operational Status of the Whistleblowing System	Approved Reported Reported Reported
9	2025.12.19	Agenda 1. Audit of additional agenda items for the EGM	Approved
		Report Agenda 1) Report on whistleblowing results	Reported

Audit Committee Support Team

Classys operates an Audit Committee support team composed of personnel with a strong understanding of internal controls and compliance controls to support the effective performance of the Audit Committee's duties. Members of the support team are appointed and dismissed with the approval of the Audit Committee.

Based on the annual audit plan and the annual Internal Accounting Control System evaluation plan approved by the Audit Committee, the support team conducts internal audits and evaluates the Internal Accounting Control System across all business sites each year, reporting directly to the Audit Committee. The Audit Committee oversees audit results and follow-up improvement measures to ensure the effectiveness of internal controls.

The scope of regular internal audits covers not only financial risks, but also non-financial risks, including business ethics, fraud detection, and regulatory compliance.

- **Audit of unethical conduct and fraud risks:** Classys reviews employee misconduct, inappropriate accounting practices, and potential misappropriation of funds identified through external audits and the internal whistleblowing channel. The Company also rigorously verifies the appropriateness of business entertainment expenses and overseas business travel expenses, including corporate credit card use for non-business purposes, spending in excess of approved limits, and payments that fall under transactions with prohibited merchants, thereby preventing corruption risks.
- **Audit of fair trade and compliance risks:** Classys reviews whether fairness and transparency are maintained in the selection of and contracting with business partners, including distributors. It also closely audits the existence of unfair trade practices and the legality of material contracts, including confidentiality obligations and indemnification provisions. In addition, the Company reviews compliance with the Medical Device Act and the Act on Fair Labeling and Advertising, as well as the adequacy of corporate seal management.
- **Review of the internalization of ethical management:** Classys verifies whether an ethical culture has been properly embedded across the organization by auditing the completion of ethics and compliance pledges by all employees, the timely implementation of ethics training, and the internal and external declaration of ethical management.

In 2025, Classys reported to the Audit Committee the results of two operational audits, two IT security audits, and the investigation and resolution of three whistleblowing reports. The Company also implemented follow-up improvement measures in response to the Audit Committee's findings and recommendations.

Ethical Management

Classys builds trust and fulfills its corporate social responsibility through ethical and compliant management practices and adherence to fair trade practices. Our commitment to ethical management is—and always has been—ongoing.

Compliance Governance

Classys' compliance governance comprises the BOD, the Representative Executive Director and executive management (Compliance Leads), the Compliance Officer and Compliance Team, Compliance managers in each business unit (team/group leaders), and the Audit Committee.

The BOD serves as the highest decision-making body for ethics and compliance management, approving and overseeing the overall strategy and direction. The Representative Executive Director and management implement the BOD-approved standards for compliance controls and promote an ethics and compliance culture across the organization.

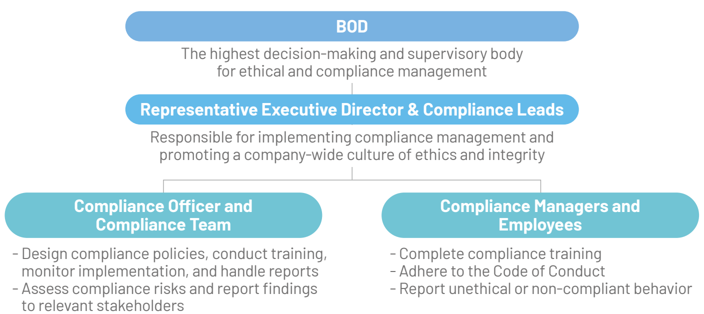
To ensure the highest level of oversight of business ethics and corruption risks, Classys has established a governance structure under which the BOD and the Audit Committee exercise direct oversight. The Compliance Officer and the Compliance Team monitor ethics risks and overall compliance across the Company and report to the BOD twice a year on compliance program operating plans, implementation results, and the status of risks of unethical conduct.

The Compliance Officer and the Compliance Team are responsible for day-to-day compliance management. They design compliance policies and procedures that reflect applicable laws, regulations, and ethical standards. They also investigate compliance violations and propose corrective measures, while overseeing policy implementation and monitoring as well.

Compliance managers in each business unit complete compliance training, adhere to the Code of Conduct, report suspected unethical, legal, or compliance concerns to their supervisors or the Compliance Team, and oversee and guide compliance practices within their teams.

The Audit Committee, composed entirely of independent directors, independently reviews and evaluates the compliance management system, identifies weaknesses in the implementation of compliance policies and procedures, and assesses areas of risk exposure. A dedicated support team under the Audit Committee adjusts the detailed scope of audits each year to include ethics management, fraud risks, and compliance risks, and directly conducts internal audits twice a year. The Audit Committee receives transparent reports on audit results and oversees follow-up measures. After reviewing audit findings, the Audit Committee may request that the BOD and management establish and implement corrective action plans.

Compliance Governance Structure



Compliance Policies

To achieve sustainable management, Classys operates a comprehensive compliance framework encompassing ethical management, anti-corruption, and fair competition. We also uphold our legal and ethical responsibilities and are committed to continuous growth and maintaining a high level of stakeholder trust. Our key compliance policies include:

- **Classys Code of Ethics**
- **CLASSYS Compliance Policy: Anti-Corruption, Anti-Money Laundering, Trade Sanctions, Fair Competition**
- **CLASSYS ESG Policy: Human Rights, Supply Chain, Marketing, Environment, Occupational Health and Safety, Information Security**
- **Compliance Regulations: Compliance Control Standards, Compliance Guidelines, Compliance Guidelines for Marketing**
- **Whistleblower Policy**

Ethical Management

Compliance Risk Management

Classys' Compliance Officer and Compliance Team manage compliance risks through preventive measures, including training and the distribution of checklists, regular and ad hoc implementation reviews, reporting, and effectiveness assessments. In the 2025 review, no material risks were identified, and Classys did not face any corruption-related litigation or regulatory action.

Compliance Management System

Preventive Measures
- Conducting on/offline training for employees
- Distributing CP guidelines and checklists by issue
- Providing updates on regulatory and policy changes

Compliance Checks
- Regular audits
- Ad hoc audits

Reporting and Effectiveness Evaluation
- Reporting key compliance issues, countermeasures, compliance control activities, and future plans to the BOD and Representative Executive Director

Internal Audit
- Audit and oversight by the Audit Committee

Key Compliance Activities

Fostering Compliance and Ethical Management

Classys promotes ethical awareness through messages issued twice a year from the Representative Executive Director in-depth ethics and compliance training, and sexual harassment prevention training. Employees also participate in ethics and compliance pledges that commit them to fair trade and anti-corruption practices.

Ethics Awareness Survey

Classys conducts an annual ethics awareness survey in which all employees evaluate their adherence to ethical values and compliance with the company's Code of Conduct. The results are used as a foundational resource for enhancing the organizational culture at Classys. The survey is designed not only to strengthen ethical decision-making and foster a lasting culture of ethics but also to proactively identify and mitigate potential ethical risks.

Insights from the survey are then used to enhance ethics training and policies, reinforcing the company's sustainable governance framework. The survey covers topics including the Code of Ethics, anti-corruption, and fair competition, and is structured to gather candid feedback from employees, thereby enabling the development of practical and effective improvement measures.

Compliance Audits and Training

To strengthen compliance readiness and promote ethical and compliant behavior, Classys provides regular compliance training to all employees, including part-time and contract workers.

In addition, each year, a survey is conducted with all employees to assess any risks related to unethical practices, workplace bullying, sexual harassment, and human rights violations in business operations. If any risks are detected, further investigation and corrective actions are taken.

Ethics and Compliance Pledge and Training

Ethics and Compliance Pledge	Electronic pledges for all employees, including part-time and contract workers
Ethics and Compliance Training	Ethics training for all employees at least once a year, including part-time and contract workers

Ethical Management

2025 Ethics and Compliance Training Summary

Type	Description
Online	Ethics and prevention of workplace sexual harassment and/or bullying (annually)
	Compliance letters (twice annually)
Offline	Executive training (twice annually)
	Onboarding compliance training (monthly, 1 hour each)
	Job-specific advanced training on anti-corruption, fair trade, trade sanctions, and anti-money laundering (annually)

Classys also conducts training and monitoring to prevent violations of fair trade laws and regulations. Standard fair trade training is provided to all employees, which saw a 100% completion rate in 2025. In addition, tailored fair trade training is provided to relevant departments, including sales and marketing, purchasing, and research. Classys works to prevent risks by sharing key fair trade issues and providing compliance guidelines.

Fair Trade Compliance Training

Type	Description
Online	Annual compliance letter on unfair trade prevention
Offline	Job-specific advanced group training - Annual HCP/Marketing/Fair trade education: employees in customer innovation, sales, and marketing functions - Annual unfair trade prevention training

Building Ethics and Compliance Infrastructure for Business Partners

Classys considers the sharing of ethical values and compliance with legal standards across its broader business ecosystem, including upstream and downstream businesses, a core management principle. We provide comprehensive support to strengthen ESG risk management and compliance capabilities among business partners, which includes suppliers, customers, and regularly contracted partners such as independent contractors.

Classys incorporates ESG management standards into its evaluation criteria for key suppliers and customers.

- **Risk screening:** Classys regularly screens and monitors corruption and anti-money laundering risks among business partners each year to minimize non-financial risks throughout the value chain.
- **Ethics pledges and guidelines:** Classys periodically communicates ethics and compliance policies to business partners and encourages them to submit pledges. The Company also provides training programs and guidelines to support policy compliance and strengthen partners' self-directed compliance capabilities.

Classys applies the same Ethics and Compliance Guidelines and Human Rights Policy to independent contractors who represent the Classys brand and deliver value at customer touchpoints as to our own employees.

In particular, when entering into contracts with partners that maintain long-term cooperative relationships of 120 days or more and make substantive contributions to business operations, Classys clearly sets out ethics and compliance obligations, as well as anti-corruption responsibilities, to strengthen the practical implementation of compliance management. We also proactively manage potential risks across our business operations through regular training and monitoring.

To prevent unethical conduct or human rights violations that may occur at business partner touchpoints, Classys operates a Whistleblowing Channel. We strictly protect whistleblowers' anonymity and maintain healthy partnerships through prompt investigations and corrective actions for reported matters.

Ethical Management

Company-Wide Regular Ethics and Compliance Audit System

To strengthen transparent management and internal controls, Classys conducts annual internal audits of ethics and compliance across all domestic and overseas business sites. These audits are conducted independently in accordance with the annual plan approved by the Audit Committee, with the results reported directly to the Audit Committee.

For key issues identified, the Representative Executive Director implements corrective and preventive actions, while the Audit Committee oversees the process to ensure accountability and the effectiveness of controls. The audit scope covers key non-financial risks, including fraud and unethical conduct, fair trade and regulatory compliance, and the extent of internalization of ethical management. Through this system, Classys operates company-wide mechanisms for implementing, monitoring, and detecting issues related to its ethics policies.

Whistleblowing and Zero-Retaliation

Classys operates a 24/7 Whistleblowing System that allows stakeholders to report unethical behavior, workplace bullying, sexual harassment, or other misconduct. Multiple channels—including the online whistleblowing system, ombudsman channels, and a dedicated women's grievance channel—are managed by specialized teams responsible for end-to-end handling and oversight. All reports are processed anonymously, and protective measures are in place to ensure whistleblowers and informants do not face any retaliation or disadvantages.

In 2025, three reports were received through the Whistleblowing Channel and five through the ombudsman channel. All reports were investigated and appropriately addressed. None of the reports were related to anti-corruption risks.

Whistleblower Policy

Quadessy

Risk Management

Classys implements risk management at both the departmental and company levels to ensure stable operations.

Risk Management Framework

Classys maintains a proactive risk monitoring and response system, reinforcing risk management and post-incident controls. We operate a risk management framework that reflects the company's business characteristics and strategy, addressing both financial and non-financial risks. The BOD sets the strategy and oversight framework, with the Chief Risk Officer (CRO) and individual departments managing specific risks.

Company-Wide Risk Management Culture

Classys has established an integrated, company-wide risk management system to proactively identify and respond to potential risk factors that may affect its business. Enterprise risks are categorized into financial risks, which include financial and business risks, and non-financial risks, including operational risks. These risks are continuously monitored and controlled by the relevant departments.

The CFO concurrently serves as the CRO, systematically reviewing risks with relevant risk management departments on a regular basis.

The Audit Committee regularly reviews risks related to ethics, fraud, and compliance, and may initiate special audits for high-risk areas. Based on the audit results, the committee then issues recommendations and monitors the implementation of corrective actions. If necessary, the CRO and Audit Committee refer the risk issues to the BOD.

Classys' GSM appoints BOD and Audit Committee members with risk-related expertise and independence. To ensure transparent and independent performance of duties, the Audit Committee is composed entirely of independent directors.

Departmental Risk Management

Classys manages risks in three categories: financial, business, and operational.

Financial Risks

We analyze financial risks such as exchange rates, interest rates, credit, and liquidity, and subsequently develop appropriate financial strategies to address these risks. For tax risk management, we engage external experts through tax advisory contracts to address potential tax risks arising from corporate tax filings and payments.

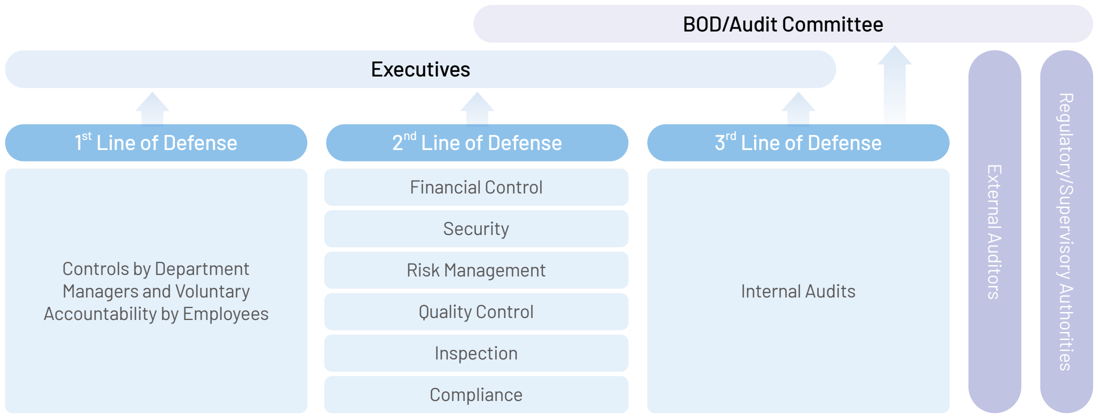
Business Risks

We continue to monitor changes in regulations, laws, and systems that may have an impact on the medical device industry and market to proactively identify and deal with potential business risks that may impede our business activities.

Operational Risks

We minimize operational risks related to human resources management and human rights by fostering a responsible workplace culture. We proactively prevent potential crises and incidents in the quality control and R&D stages through continuous monitoring. Compliance with environmental laws and international regulations is ensured through site inspections, regular safety training, and timely certification renewals to reduce potential operational risks.

Risk Management Governance



Appendix

Financial Performance

Summary of Consolidated Statement of Financial Position

(Unit: KRW million)

	2023	2024	2025
Assets			
Current Assets	185,737	234,202	295,772
Non-Current Assets	189,706	374,177	408,878
Total Assets	375,443	608,379	704,650
Liabilities			
Current Liabilities	29,247	128,904	80,204
Non-Current Liabilities	62,696	26,831	72,771
Total Liabilities	91,943	155,735	152,975
Equity			
Equity Attributable to Owners of the Parent Company	283,500	453,965	552,974
Non-Controlling Interests	-	(1,321)	(1,299)
Total Equity	283,500	452,644	551,675

Summary of Consolidated Statement of Comprehensive Income

(Unit: KRW million)

	2023	2024	2025
Revenue	180,123	242,939	336,819
COGS	39,674	51,811	75,728
Gross Profit	140,449	191,128	261,091
Operating Profit	89,622	122,443	170,600
Net Income Before Income Tax	93,842	127,931	168,632
Net Income	74,225	97,544	131,970
Total Comprehensive Income	74,250	97,629	131,999

Non-Financial Performance

Environmental

Greenhouse Gas and Energy

Greenhouse Gas Emissions

Category	Unit	2023	2024	2025
Direct Emissions (Scope 1)	tCO_2eq	237	283	353
Indirect Emissions (Scope 2)	tCO_2eq	350	455	595
Total Greenhouse Gas Emissions	tCO_2eq	587	738	948
GHG Emissions Intensity	tCO_2eq /KRW billion	3.3	3.0	2.8
Sales Revenue *	KRW billion	180.1	242.9	336.8
Greenhouse Gas Emissions Goals **	tCO_2eq	719	783	1,050
Greenhouse Gas Emission Reduction (Increase) ***	tCO_2eq	19	(151)	(210)

* Sales revenue is based on consolidated financial statements.
** The target is to reduce emission intensity by 1% compared to the previous year.
*** Reduction (Increase) compared to the previous year's emissions.
**** Greenhouse gas emissions were calculated in accordance with Annex 6, Detailed Calculation Methods and Standards for Greenhouse Gas Emissions by Emission Activity, of the Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme.

Energy Consumption

Category		Unit	2023	2024	2025	Remarks
Sales Revenue *		KRW billion	180.1	242.9	336.8	
Energy Consumption Targets		TJ	13.90	14.79	20.10	
Before Conversion	Mobile Combustion	kL	83	91	118	Scope 1
	LNG	1,000 m^3	28	42	47	Scope 1
	Electricity	MWh	762	991	1,296	Scope 2
After Conversion	Mobile Combustion	TJ	2.50	2.74	3.55	
	LNG	TJ	1.26	1.88	2.13	
	Electricity	TJ	7.32	9.51	12.44	
	Total	TJ	11.07	14.14	18.12	
Energy Intensity	Mobile Combustion	TJ/KRW billion	0.0139	0.0113	0.0105	
	LNG	TJ/KRW billion	0.0070	0.0078	0.0063	
	Electricity	TJ/KRW billion	0.0406	0.0392	0.0369	
	Total	TJ/KRW billion	0.0615	0.0582	0.0538	

* Sales revenue is based on consolidated financial statements.

Non-Financial Performance

Environmental

Waste

Waste Generation

Category	Type	Unit	2023	2024	2025
Waste Generation Targets		ton	10.0	10.0	25.0
Waste Generation by Waste Types	General Waste	ton	15.0	10.2	23.5
	Designated Hazardous Waste	ton	0.0	0.0	0.0
	Construction Waste	ton	0.0	0.0	0.0

* The 2025 waste generation targets were adjusted to reflect the expansion of business sites following the merger with Ilooda Co., Ltd. (incorporation of the Anyang Plant) and process optimization efforts.

Waste Management

Category	Unit	2023	2024	2025
General Waste Incineration Rate	%	100.0	100.0	100.0
General Waste Incinerated *	ton	15.0	10.2	23.5

* Waste is incinerated through third-party facilities with energy recovery, and the recovered energy is utilized as a resource.

Water

Water Usage

Category	Type	Unit	2023	2024	2025	Remarks
Water Usage by Location	Headquarters	ton	3,461	4,959	6,462	Tap water
	Munjeong Plant *	ton	218	293	303	Tap water
	Misa Plant *	ton	50	N/A	N/A	Tap water
	Anyang Plant **	ton	N/A	130	221	Tap water
Total	Total Usage	ton	3,729	5,382	6,986	
	Sales Revenue	KRW billion	180.1	242.9	336.8	
	Water Use Intensity	tons/KRW billion	20.7	22.2	20.7	
Water Usage Targets and Performance	Water Use Intensity Targets	tons/KRW billion	23.8	23.5	23.3	
	Ratio of Actual to Target Water Intensity	%	87.1	94.2	89.1	
	Increase in Water Usage	ton	285	1,653	1,604	

* Misa plant was integrated with the Munjeong plant in 2023.
** Due to the merger on October 1, 2024, data for the Anyang Plant has been collected only from that date onward.
*** Water intake and usage are identical.
**** Most of the water used by the company is for domestic purposes.

Non-Financial Performance

Social

Workforce Status

Workforce Breakdown by Gender, Nationality, and Age

Category	Type	Unit	2023	2024	2025
Total Employees *		persons	383	527	532
Gender	Male	persons	232	330	333
	Female	persons	151	197	199
Nationality	Korean	persons	376	518	527
	Non-Korean	persons	7	9	5
Age	Under 30	persons	56	85	75
		%	14.6	16.1	14.1
	30 to 49	persons	283	383	394
		%	73.9	72.7	74.1
	50 and above	persons	44	59	63
		%	11.5	11.2	11.8

* Excluding board members

Workforce Breakdown by Employment Type *

Category	Type	Unit	2023	2024	2025
Total Permanent Employees		persons	365	491	497
Gender	Male	persons	224	314	318
	Female	persons	141	177	179
Total Fixed-term Employees **		persons	18	36	35
Gender	Male	persons	8	16	15
	Female	persons	10	20	20
Total Full-Time Employees		persons	381	517	525
Gender	Male	persons	231	329	331
	Female	persons	150	188	194
Total Part-Time Employees		persons	2	10	7
Gender	Male	persons	1	1	2
	Female	persons	1	9	5

* Excluding board members

** Includes executive officers on annual fixed-term management contracts (10 in 2023, 13 in 2024, and 14 in 2025), which is a standard corporate practice in Korea.

Number of External Workers

Category	Type	Unit	2023	2024	2025
Total External Workers		persons	-	4	-
Employment type	Temporary Agency Workers	persons	-	4	-

* All four temporary agency workers in 2024 were transitioned to permanent employment with Classys in 2025.

Non-Financial Performance

Social

Workforce Status

Number of New Permanent Employees Hired

Category	Type	Unit	2023	2024	2025
Total New Permanent Employees		persons	-	-	85
Gender	Male	persons	-	-	53
	Female	persons	-	-	32

* The number of new permanent employees hired has been disclosed since 2025.

Turnover (Turnover Based on Permanent Employees)

Category	Unit	2023	2024	2025
Voluntary Turnover Rate *	%	12.6	8.4	12.8

* Excluding contract expirations and other non-voluntary separations.
* The ratio of voluntary resignation to the average number of employees during the fiscal year.

Average Employee Tenure

Category	Type	Unit	2023	2024	2025
Average Employee Tenure		years	2.9	3.4	3.3
Gender	Male	years	3.3	3.5	3.4
	Female	years	2.4	3.1	3.0

Diversity and Equal Opportunities

Workforce Diversity by Position

Category	Type	Unit	2023	2024	2025
Total Employees		persons	383	527	532
Total Executives		persons	10	13	14
Gender	Male	persons	7	10	11
	Female	persons	3	3	3
Total Managers *		persons	48	61	54
Gender	Male	persons	37	42	38
	Female	persons	11	19	16
Total Team Members		persons	325	453	464
Gender	Male	persons	188	278	284
	Female	persons	137	175	180

* Team leaders and group leaders

Female Workforce

Category	Type	Unit	2023	2024	2025
Female Representation		%	39.4	37.4	37.4
By Positions	Managers *	persons	11	19	16
		%	22.9	31.1	29.6
	Executives **	persons	3	3	3
		%	30.0	23.1	21.4

* Team leaders and group leaders
* Number of female managers / total number of managers
** Number of female executives / total number of executives

Non-Financial Performance

Social

Diversity and Equal Opportunities

Vulnerable Groups

Category	Unit	2023	2024	2025
Employees with Disabilities	persons	4	11	9

Parental leave

Category	Type	Unit	2023	2024	2025
Total Employees Who Took Parental Leave		persons	4	6	13
Gender	Male	persons	-	2	7
	Female	persons	4	4	6
Total Employees Who Returned to Work		persons	8	2	5
Gender	Male	persons	-	1	3
	Female	persons	8	1	2
Total Employees retained for 12 months after returning from parental leave		persons	N/A	7	1
Gender	Male	persons	N/A	-	1
	Female	persons	N/A	7	-

Employee Training and Evaluation

Employee Training

Category	Unit	2023	2024	2025
Total Training Hours	hours	17,323	24,672	27,013
Per-employee Average Training Hours *	hours	45	46	51

* Per-employee average training hours: total training hours/FY-end workforce

Partial List of Training

Category	Type	Unit	2023	2024	2025
Ethical Management	Ethics, Anti-corruption, Fair trade, etc.	hours	1,719	471	383
Human Rights Education	Workplace Bullying Prevention	hours	373	485	509
	Sexual Harassment Prevention	hours	373	485	509
	Disability Awareness	hours	373	485	509
	Personal Information Protection	hours	373	485	509
Leadership	Leadership, Organizational Culture, Onboarding, etc.	hours	4,126	4,821	6,211

Performance and Career Development Reviews

Category	Unit	2023	2024	2025
Employees Subject to Regular Performance Evaluation *	%	100.0	100.0	100.0

* KPI goal management, performance evaluation by organizational unit/individual, and conducting interviews

Non-Financial Performance

Social

Average Compensation

Average Compensation of Employees

Category	Type	Unit	2023	2024	2025
Average Compensation		KRW million	59	67	66
Gender	Male	KRW million	68	74	71
	Female	KRW million	46	57	58
Ratio of Women's to Men's Average Compensation		%	67.6	77.0	81.7

Occupational Health and Safety

Occupational Accident Statistics (A)

Category	Unit	2023	2024	2025
Total Fatalities	persons	-	-	-
Total Injured Employees	persons	1	1	1
Occupational Accident Rate *	%	0.26	0.19	0.19

* Occupational accident rate per 100 employees
** (A) = (B) + (C)

Employee Work-Related Accidents (B)

Category	Unit	2023	2024	2025
Fatalities	persons	-	-	-
High-consequence work-related injuries	persons	-	-	-
Other Work-Related Injuries *	persons	1	-	1

* Incidents were reviewed and corrective actions were implemented to prevent recurrence, with safety awareness enhanced through incident-sharing and training.

Employee Non-Work-Related Accidents (C)

Category	Unit	2023	2024	2025
Non-Work-Related Injuries *	persons	-	1	-

* In response to one non-work-related injury that occurred in 2024, measures were implemented, including awareness enhancement by disseminating information on accident cases, safety education and warm-up exercises before group sports activities, and discouraging excessive physical activities.

Number of Employees Subject to Safety and Health Management System

Category	Type	Unit	2023	2024	2025
Employees Subject to Safety and Health Management System	Employees *	persons	383	531	532
	Ratio	%	100.0	100.0	100.0
Employees Subject to the Occupational Safety and Health Management System Audited Internally *	Employees *	persons	383	531	532
	Ratio	%	100.0	100.0	100.0
Employees Subject to the Occupational Safety and Health Management System Audited/ Certified by External Organizations **	Employees *	persons	N/A	204	197
	Ratio	%	N/A	38.4	37.0

* Including employees and external workers
** The major manufacturing facilities obtained ISO 45001(Health and Safety Management System) certification for the first time in 2024.

Employee Training

Category	Unit	2023	2024	2025
Occupational Health and Safety	hours	4,540	8,921	12,976

Non-Financial Performance

Social

Enhancing Market Trust

Breaches of Customer Privacy and Data Loss

Category	Unit	2023	2024	2025
Substantiated Complaints Concerning Breaches of Customer Privacy	cases	-	-	-

Violations of Labeling and Marketing Communication Regulations

Category	Unit	2023	2024	2025
Products and Services Assessed for Information and Labeling Compliance	%	100.0	100.0	100.0
Violations	cases	-	-	-

Non-compliance Incidents Related to Product Health and Safety

Category	Type	Unit	2023	2024	2025
Products and Services Assessed for Health and Safety Impacts		%	100.0	100.0	100.0
Regulatory Violations Resulting in Fines or Sanctions		cases	-	-	-
Regulatory Violations Resulting in Warnings		cases	-	-	-
Incidents of Non-compliance with Internal Standards	Opportunity for Improvement	cases	2	-	-
	Minor Non-conformity	cases	-	2	1
Internal Non-compliance Cases with Corrective Actions Completed		%	100.0	100.0	100.0

Employee Training

Category	Type	Unit	2023	2024	2025
Product Quality Management	QMS	hours	560	554	1,322
	Regulatory Affairs	hours	205	223	597
	R&D	hours	432	235	576
	Manufacturing Quality	hours	1,695	2,386	2,250
	Product Sales	hours	699	1,477	240

Non-Financial Performance

Social

Anti-Corruption Policy

Assessment of Corruption Risks at Business Sites

Category	Type	Unit	2023	2024	2025
Business Sites Assessed for Corruption Risk	Number	sites	3	3	3
	Ratio	%	100.0	100.0	100.0

* Data collection has been conducted since 2023.

Communication of Anti-corruption Policies and Procedures

Category	Unit	2023	2024	2025
Governance Body Members Informed	%	100.0	100.0	100.0
Employees Informed	%	100.0	100.0	100.0

Anti-Corruption Training

Category	Unit	2023	2024	2025
Employees Trained	%	100.0	100.0	100.0

Legal and Regulatory Violations

Category	Unit	2023	2024	2025
Regulatory Violations	cases	-	-	1
Fines and Penalties **	KRW million	-	-	0.8
Liabilities Related to Legal Proceedings	KRW million	-	-	-

* Fines or penalties imposed are included in the number of regulatory violations.
** In accordance with the Occupational Health and Safety Act, an administrative fine of KRW 800,000 was imposed for failing to post the Material Safety Data Sheet (MSDS) notice of the diesel fuel stored for the backup power generator located in the basement of Classys Tower. The corrective action has been completed.

Supply Chain Management

Supply Chain Assessment

Category	Unit	2023	2024	2025
New Suppliers Screened	%	100.0	100.0	100.0
Suppliers Subject to Assessment	%	100.0	100.0	100.0
Suppliers Audited	%	21.6	25.8	10.0
Suppliers that Agreed to Corrective Action Plans After Audit	suppliers	-	3	2

Non-Financial Performance

Governance

Enhancing Governance Capabilities

Board of Directors

Category	Type	Unit	2023	2024	2025
Total Directors *		persons	8	8	7
Gender	Male	persons	7	7	5
	Female	persons	1	1	2
Age	Under 30	persons	-	-	-
	30 to 49	persons	4	4	4
	50 and above	persons	4	4	3

* Number of directors as of year-end

Board Activities

Category	Type	Unit	2023	2024	2025
Total Meetings		times	9	14	11
Total Agendas		cases	34	54	47
Type of Agendas	Resolutions	cases	23	40	34
	Reports	cases	11	14	13
ESG-Related Agendas *		cases	2	3	4
Average Attendance Rate of Directors		%	95.8	100.0	100.0

* Based on whether the agenda titles include ESG and occupational health & safety.

Director Compensation

Category	Unit	2023	2024	2025
Directors *	persons	8	9	7
Fixed Compensation	KRW million	397	407	419
Variable Compensation	KRW million	61	76	78
Total Compensation	KRW million	458	483	497
Average Compensation per Person	KRW million	57	54	71
Attendance Rate of Independent Directors on the Compensation Committee **	%	100.0	100.0	100.0

* Includes resigned or term-expired directors.
** Compensation Committee established in 2023.

GRI Content Index

General Disclosures

Category		Disclosure	Reporting Location	Remarks
Organizational and Reporting Practices	2-1	Organizational details	7-8	
	2-2	Entities included in the organization's sustainability reporting	2	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	N/A	Not applicable
	2-5	External assurance	87-88	
Activities and Employees	2-6	Activities, value chain and other business relationships	7-9	
	2-7	Employees	23, 74-76	
	2-8	Workers who are not employees	74	
Governance	2-9	Governance structure and composition	53-64	
	2-10	Nomination and selection of the highest governance body	54, 61-62	
	2-11	Chair of the highest governance body	59	
	2-12	Role of the highest governance body in overseeing the management of impacts	54-59	
	2-13	Delegation of responsibility for managing impacts	54-59	
	2-14	Role of the highest governance body in sustainability reporting	56-57, 80	
	2-15	Conflicts of interest	54-59	
	2-16	Communication of critical concerns	54-59	
	2-17	Collective knowledge of the highest governance body	56	
	2-18	Evaluation of the performance of the highest governance body	58	
	2-19	Remuneration policies	59-60	
	2-20	Process to determine remuneration	59-60	
	2-21	Annual total compensation ratio	Annual Report	

GRI Content Index

General Disclosures

Category		Disclosure	Reporting Location	Remarks
Strategies, Policies, and Practices	2-22	Statement on sustainable development strategy	6	
	2-23	Policy commitments	17, 35, 36, 38, 39, 43, 65, 68	
	2-24	Embedding policy commitments	17, 35, 36, 38, 39, 43, 65, 68	
	2-25	Processes to remediate negative impacts	36-37, 68	
	2-26	Mechanisms for seeking advice and raising concerns	36-37, 68	
	2-27	Compliance with laws and regulations	65-68	
	2-28	Membership associations	89	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	15	
	2-30	Collective bargaining agreements	33	

GRI Content Index

Material Topics & Topic Standards

Category		Disclosure	Reporting Location	Remarks
GRI 3: Material Topics 2021	3-1	Process to determine material topics	14	
	3-2	List of material topics	14	
Product Responsibility and Customer Trust				
Material Topic	3-3	Management of material topics	13	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of products and service categories	45-47, 78	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	49, 78	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	49, 78	
	417-2	Incidents of non-compliance concerning product and service information and labeling	49, 78	
	417-3	Incidents of non-compliance concerning marketing communications	78	
Human Capital Management				
Material Topic	3-3	Management of material topics	12-13	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	23-24, 75	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A	Not applicable
	401-3	Parental leave	31, 76	
GRI 403: Occupational Health and Safety 2016	403-1	Occupational health and safety management system	39-41, 77	
	403-2	Hazard identification, risk assessment, and incident investigation	39-41, 77	
	403-3	Occupational health services	39-41, 77	
	403-4	Worker participation, consultation, and communication on occupational health and safety	39-41, 77	
	403-5	Worker training on occupational health and safety	39-41, 77	
	403-6	Promotion of worker health	39-41, 77	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	39-41, 77	
	403-8	Workers covered by an occupational health and safety management system	39-41, 77	
	403-9	Work-related injuries	41, 77	
	403-10	Work-related diseases	N/A	None

GRI Content Index

Material Topics & Topic Standards

Category		Disclosure	Reporting Location	Remarks
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	26, 76	
	404-2	Programs for upgrading employee skills and transition assistance program	25-29, 76	
	404-3	Percentage of employees receiving regular performance and career development reviews	25, 76	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	23, 55, 74-76, 80	
	405-2	Ratio of basic salary and remuneration of women to men	77	
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	37	None
Ethics and Governance Integrity				
Material Topic	3-3	Management of material topics	13	
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	66	
	205-2	Communication and training about anti-corruption policies and procedures	65-68, 79	
	205-3	Confirmed incidents of corruption and actions taken	68	None

GRI Content Index

Other GRI Index

Category		Disclosure	Reporting Location	Remarks
GRI 302: Energy 2016	302-1	Energy consumption within the organization	19-20, 72	
	302-2	Energy consumption outside the organization	N/A	Planned for future management
	302-3	Energy intensity	19-20, 72	
	302-4	Reduction of energy consumption	19-20, 72	
	302-5	Reductions in energy requirements of products and services	N/A	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	N/A	Not subject to separate management (domestic water only)
	303-2	Management of water discharge-related impacts	N/A	Not subject to separate management (domestic wastewater only)
	303-3	Water withdrawal	73	
	303-4	Water discharge	73	Not subject to separate management (domestic wastewater only)
	303-5	Water consumption	73	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	20, 72	
	305-2	Energy indirect (Scope 2) GHG emissions	20, 72	
	305-3	Other indirect (Scope 3) GHG emissions	N/A	Planned for future management
	305-4	GHG emissions intensity	20, 72	
	305-5	Reduction of GHG emissions	20, 72	
	305-6	Emissions of ozone-depleting substances (ODS)	N/A	Not applicable
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A	Not applicable
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	21, 73	
	306-2	Management of significant waste-related impacts	21, 73	Eco-friendly packaging and refurbishment
	306-3	Waste generated	73	
	306-4	Waste diverted from disposal	73	
	306-5	Waste directed to disposal	73	

GRI Content Index

Other GRI Index

Category		Disclosure	Reporting Location	Remarks
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	35	Not applicable
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	35	Not applicable
GRI 410: Security Practices	410-1	Security personnel trained in human rights policies or procedures	N/A	Internal security personnel completed an average of five hours of human rights training per person.
GRI 411: Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	N/A	Not applicable
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	N/A	Classys works to help underprivileged groups build a foundation for self-reliance and secure decent jobs.
GRI 413: Local Communities	413-2	Operations with significant actual and potential negative impacts on local communities	N/A	Not applicable
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	79	
	414-2	Negative social impacts in the supply chain and actions taken	79	
GRI 415: Public Policy	415-1	Political contributions	N/A	No political contributions were made.
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	79	None

Independent Assurance Statement

To Readers of CLASSYS Sustainability Report 2025

Introduction

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

Subject Matter

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

- CLASSYS 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), SRV 1000 : 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
- Topic Specific Standards
  - GRI 205: Anti-Corruption
  - GRI 401: Employment
  - GRI 403: Occupational Health and Safety
  - GRI 404: Training and Education
  - GRI 405: Diversity and Equal Opportunity
  - GRI 406: Non-discrimination
  - GRI 416: Customer Health and Safety
  - GRI 417: Marketing and Labeling

As for the reporting boundary, the engagement excludes the data and information of CLASSYS's partners, suppliers and any third parties.

KMR's Approach

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

- 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 CLASSYS 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).

Independent Assurance Statement

To Readers of CLASSYS Sustainability Report 2025

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with CLASSYS 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 CLASSYS, 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

CLASSYS 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

CLASSYS 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

CLASSYS 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 CLASSYS's actions.

Impact

CLASSYS 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 Carbon Neutrality Roadmap, Production Facility and Process Efficiency, Product Refurbishment, Voluntary Turnover Rate, Target Emissions, Waste Generation Status, General Waste Incineration Volume, Water Usage by Business Site, Total Number of Employees, Resignation and Turnover (Based on Regular Employees), and Total Number of Employees with Disabilities 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 CLASSYS and did not provide any services to CLASSYS that could compromise the independence of our work.

Limitations of Use

This assurance statement is made solely for the management of CLASSYS 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 CLASSYS. As this assurance statement may be subject to revision after the assurance date below, we recommend verifying whether this is the latest version.

May 21, 2026

KMR
SRV1000 Sustainability Committee Assurance
AA1000 Licensed Report 000-129/V3-8LCQW

CEO E. J Hwang

Associations and Memberships

Organization	Team in Charge	Membership Year
Seoul Chamber of Commerce and Industry	Overseas Trading Team	2015
Korea International Trade Association	Overseas Trading Team	2018
Korea Medical Devices Industry Association	Human Resources Department	2022
Korea Medical Devices Association	Marketing Team	2012
Korea Electric Engineers Association	Human Resources Department	2022
Korea Fire Safety Institute	Human Resources Department	2022
Korea Exchange	Investor Relations Team	2015
KOSDAQ Listed Companies Association	Investor Relations Team	2018
Korea Investor Relations Service	Investor Relations Team	2018

Awards

Award	Year of Award	Organization
Ultraformer MPT (Shurink Universe) selected as the No. 1 Consumer Recommended Brand in 2023	2023	*Chosun Daily*
2023 KOSDAQ Rising Star	2023	Korea Exchange
Grand Prize (KOSDAQ Market Category) at Korea IR Awards	2023	Korea Investor Relations Service
Top Prize (KOSDAQ Global Segment) at the Money Today IR Awards	2023	*Money Today*
Minister of SMEs and Startups Award at 15th Korea KOSDAQ-Listed Company Awards	2023	KOSDAQ Listed Companies Association
$70 Million Export Tower	2023	Ministry of Trade, Industry and Energy
Ultraformer MPT (Shurink Universe) was named Excellent Brand in the Medical Aesthetic Device category at the 2024 Korea Brand Hall of Fame Awards.	2024	The Institute for Industrial Policy Studies (IPS)
2024 KOSDAQ Rising Star	2024	Korea Exchange
Korea's Best Job-Creation Company in 2024	2024	Ministry of Employment and Labor
Excellence Award Winner in IR (KOSDAQ Market Category) at the Korea IR Awards	2024	Korea Investor Relations Service
Prime Minister's Grand Prize at the 16th Korea KOSDAQ-Listed Company Awards	2024	KOSDAQ Listed Companies Association
$100 Million Export Tower	2024	Ministry of Trade, Industry and Energy
Excellent Corporate Governance Award at the 2024 Korea Institute of Corporate Governance and Sustainability (KCGS) Awards	2024	Korea Institute of Corporate Governance and Sustainability
Ultraformer MPT (Shurink Universe) was named Best Brand in the Medical Aesthetic Device category at the 2025 Korea Brand Hall of Fame Awards.	2025	The Institute for Industrial Policy Studies (IPS)
Volnewmer (Everesse) was named Best Brand in the Laser Lifting Medical Device category at the 2025 Korea Consumer Evaluation Awards	2025	*Dong-A Ilbo Daily*
Named an Exemplary Disclosure Company in the KOSDAQ Market	2025	Korea Exchange
Excellence Award at the Korea IR Awards	2025	Korea Investor Relations Service
Selected to Sustinvest ESG Best Companies 100 list	2025	Sustinvest
Received the President's Award from the Korean Institute for Gender Equality Promotion and Education as an Outstanding Company for Improving Inclusive Corporate Culture	2025	Ministry of Gender Equality and Family / Korea Institute for Gender Equality Promotion and Education
Ultraformer MPT (Shurink Universe) was named Best Brand in the Medical Aesthetic Device category at the 2026 Korea Brand Hall of Fame Awards.	2026	The Institute for Industrial Policy Studies (IPS)
Volnewmer (Everesse) won an award in the K-Medical category at the 2026 K-Brand Awards	2026	TV Chosun

CLASSYS

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