
GS Energy
GS Energy
Sustainability Report
2025

# ABOUT THIS REPORT

**In 2026, GS Energy publishes its fifth Sustainability Report, providing stakeholders with transparent information on the Company's sustainability activities and performance.**

### Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. It also references the sustainability disclosure standards issued by the Korea Sustainability Standards Board (KSSB), the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the industry standards of the Sustainability Accounting Standards Board (SASB). Financial information is presented on a consolidated basis in accordance with Korean International Financial Reporting Standards (K-IFRS).

### Reporting Scope

This report covers GS Energy and its major subsidiaries[1)], with Korea GS E&P and GS Dangjin Solar Farm newly added to the reporting scope this year. For these newly included entities, reporting focuses on material climate-related risks and opportunities, with disclosures to be gradually expanded.
Joint ventures (JVs)[2)] are also included in the reporting scope where sustainability-related risks and opportunities are considered to have a material impact on the business model and value chain. For these entities, the report focuses primarily on climate-related risks and opportunities.

1) Subsidiaries: GS Power, Incheon Total Energy, With Incheon Energy, GS ChargEV, Korea GS E&P, GS Dangjin Solar Farm
2) JVs: GS Caltex, Boryeong LNG Terminal, Lotte GS Chemical

### Reporting Period

This report presents GS Energy's sustainability activities and performance from January 1 to December 31, 2025, and includes some information from the first half of 2026. Quantitative performance data for the past three years (2023-2025) are provided to allow readers to track trends over time.

### Reporting Cycle

Annual (previous report published in August 2025)

### Report Assurance

This report has received independent third-party assurance in accordance with AA1000AS v3 and AA1000AP (2018).

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### Cautionary Note Regarding Forward-Looking Statements

In addition to information on GS Energy's current and past sustainability activities and performance, this report may contain predictions, outlooks, and estimates regarding the future. Forward-looking statements may be identified by words such as "outlook," "forecast," "expect," "plan," "target," and "intend," or other comparable expressions.
They are based on assumptions, forecasts, and expectations that the Company believes to be reasonable at the time of reporting. These forward-looking statements involve significant known and unknown risks and uncertainties, and actual results may differ materially from those projected.
The Company does not guarantee the accuracy or completeness of the judgments, estimates, or assumptions contained in this report and assumes no obligation to provide further notice if the information underlying its forward-looking statements changes after publication of this report. Under no circumstances should this report be used as a basis for determining legal liability in connection with investors' investment decisions or outcomes.

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# INTRODUCTION




CEO Message 05

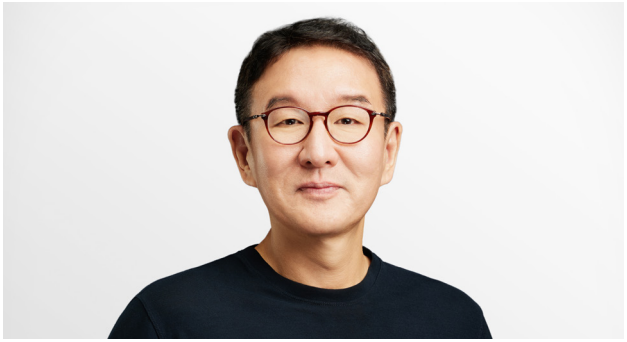
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# CEO Message



Dear Stakeholders,

Over the past year, political and economic uncertainty has heightened volatility both at home and abroad. Against this challenging backdrop, GS Energy demonstrated the strength of its Core businesses while laying a solid foundation for growth across its Beyond portfolio.

Our two Core business areas-Electric Power & Integrated Energy and LNG-delivered results above plan through disciplined portfolio management and operational optimization. In parallel, we continued to build out our Beyond portfolio, stabilizing key infrastructure and making targeted, forward-looking investments to strengthen our platform for growth in a low-carbon energy future. These achievements would not have been possible without the unwavering trust and support of our stakeholders, for which I am deeply grateful.

The global energy market demands ever greater discipline and sophistication as climate and energy policies and regulatory frameworks continue to evolve. GS Energy is responding with two clear priorities: selective investment grounded in strategic value and rigorous cost discipline. These priorities are reinforcing the fundamentals of our business, helping us navigate changing market conditions with greater resilience and pursue sustainable growth with confidence. With this in mind, we are focusing our efforts on four key areas.

**First, we are strengthening our Core businesses to reinforce energy security.**

As the energy landscape evolves, our fundamental responsibility to safeguard national energy security and ensure a reliable supply becomes more important than ever. In fulfilling this responsibility, we are pursuing new district heating business licenses and M&A opportunities to unlock greater synergies across our assets. We are also strengthening coordination across our global gas assets to build more resilient supply chains and further improve the efficiency of LNG procurement and operations as the energy transition advances.

**Second, we are expanding the Beyond value chain and bringing future businesses closer to market.**

We are moving our Beyond portfolio from ambition to execution, focusing on areas with clear commercial potential. We are scaling our EV charging business on a foundation of stable operations, while steadily building new growth engines centered on the commercial operation of our Dangjin solar farm and energy solutions businesses in Korea and overseas. By deploying technology and capital selectively, we are shaping a tangible portfolio that can make a meaningful contribution to a cleaner energy future.

**Third, we are strengthening ESG risk management and accountability in line with global standards.**

As expectations for ESG risk management continue to rise in capital markets and under sustainability disclosure standards in Korea and abroad, including KSSB and ESRS, GS Energy is further strengthening its ESG risk assessment framework. By incorporating environmental and social risk considerations into investment reviews from the outset, we are bringing greater rigor and efficiency to the allocation of limited resources. We also seek to enhance transparency by continuing to disclose how we manage GHG emissions, thereby strengthening stakeholder trust.

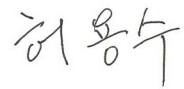
**Fourth, we are turning uncertainty into opportunity through our Open & Challenge culture.**

At GS Energy, innovation begins with a flexible, non-hierarchical culture. In times of uncertainty, it becomes even more important that Open-the commitment to candid communication-and Challenge-the courage to speak up and put forward alternatives without hesitation-guide how we work throughout the organization. When we all approach our work with a growth mindset and a strong sense of ownership, market uncertainty can become a catalyst for sustainable growth.

Since our founding, GS Energy has met every challenge with sound judgment and resolve, always finding a way forward. As we look ahead, we remain steadfast in our commitment to shaping the future of energy-creating both economic and social value while pursuing sustainable growth together with our stakeholders.

We look forward to your continued support. Thank you.

**Yongsoo Huh** Vice Chairman and CEO, GS Energy



# Company Profile

## GS Energy at a Glance

Since its establishment in 2012 as GS Group's energy-focused holding Company, GS Energy has worked as one, driven by a shared sense of mission, to advance the energy industry—the lifeblood of the national economy—and lead the shift toward a new energy paradigm for the future. Today, GS Energy pursues overseas resource development, primarily in the Middle East, helping improve Korea's energy self-sufficiency and strengthen its energy security given the country's limited domestic energy resources. GS Energy is also committed to providing a stable supply of natural gas-based energy, helping create comfortable living environments and a society in which people can prosper together. To this end, the Company has built an LNG value chain spanning direct LNG imports, LNG terminal operations, and LNG-fueled power generation and district energy, and continues to strengthen its capabilities across the value chain. GS Energy also applies advanced energy technologies in new areas to support the energy transition and the move toward a low-carbon society. These include building an EV charging value chain and developing a circular system for recycling end-of-life EV batteries. Looking ahead, the Company will continue to identify innovative new businesses in the energy sector and pursue sustainable growth.

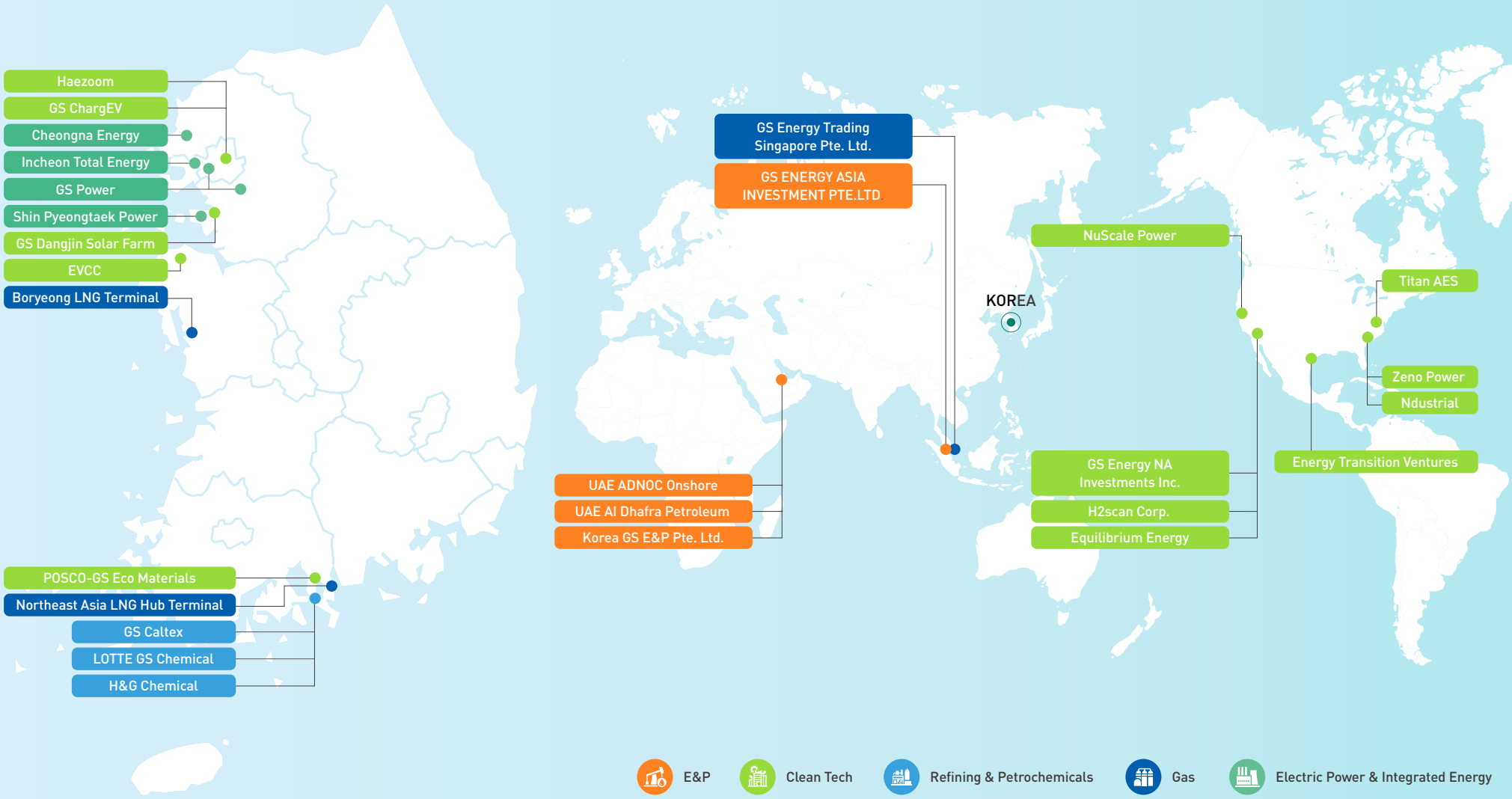
| | | | |
|---|---|---|---|
| **Name**<br>GS Energy | **Affiliate Business Group**<br>GS | **Foundation Date**<br>January 3, 2012 | **CEO**<br>Huh Yongsoo |
| **Address**<br>508, Nonhyeon-ro, Gangnam-gu, Seoul, Republic of Korea | **Industry**<br>Holding Company | **Total Assets**<br>KRW **17.64** trillion | **Revenue (Sales)**<br>KRW **5.94** trillion |
| **Operating Profit**<br>KRW **2.29** trillion | **Credit Ratings**[2)]<br>Debenture **AA** (Aug 28, 2025)<br>Corporate Credit Rating **AA** (June 17, 2025) | **Key Domestic Affiliates**<br>GS Caltex (50.0%)<br>GS Power (51.0%)<br>Boryeong LNG Terminal (50.1%)<br>Incheon Total Energy (70.0%)<br>GS Dangjin Solar Farm (100.0%)<br>GS CHARGEV (91.3%) | |
| **Total Number of Employees**[1)]<br>**193** persons | | | |

1) GS Energy only

2) Ratings by Korea Investors Service



# Global Network



# 2025 Achievement

## Economic Value Achievements

Despite continued economic uncertainty, we have achieved strong financial performance. We are not standing still through ongoing investments in renewable and next-generation energy sectors, we are identifying new business opportunities and laying the groundwork for sustainable long-term growth.

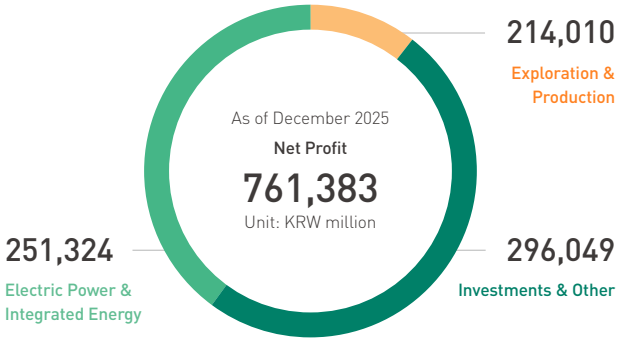
### Condensed Consolidated Income Statement

| Category | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Revenue | KRW million | 6,519,023 | 5,957,721 | 5,940,699 |
| Cost of Sales | KRW million | 3,720,718 | 3,575,061 | 3,466,222 |
| Gross Profit (Loss) | KRW million | 2,798,305 | 2,382,660 | 2,474,477 |
| Operating Profit (Loss) | KRW million | 2,641,487 | 2,201,960 | 2,288,288 |
| Profit (Loss) Before Income Tax | KRW million | 2,606,738 | 2,167,762 | 2,278,479 |
| Profit (Loss) for the Year | KRW million | 1,014,223 | 476,522 | 761,383 |

### Condensed Consolidated Balance Sheet

| Category | | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Assets | Current Assets | KRW million | 1,227,906 | 1,491,744 | 1,470,467 |
| | Non-current Assets | KRW million | 14,593,374 | 15,339,329 | 16,166,668 |
| **Total Assets** | | **KRW million** | **15,821,280** | **16,831,073** | **17,637,135** |
| Liabilities | Current Liabilities | KRW million | 1,653,080 | 1,744,058 | 1,632,294 |
| | Non-current Liabilities | KRW million | 4,520,226 | 5,027,846 | 5,307,377 |
| **Total Liabilities** | | **KRW million** | **6,173,306** | **6,771,904** | **6,939,671** |
| Equity | Controlling Interests | KRW million | 8,622,548 | 8,891,600 | 9,479,121 |
| | Non-controlling Interests | KRW million | 1,025,426 | 1,167,569 | 1,218,343 |
| **Total Equity** | | **KRW million** | **9,647,974** | **10,059,169** | **10,697,464** |

### Business Performance




**Electric Power & Integrated Energy**
Power and heat generation and fuel infrastructure operations

**Exploration & Production**
Oil and gas development and sales

**Investments & Other**
Equity investments in associates, Refining & Petrochemicals, etc.

## External ESG Achievements

GS Energy received the Minister of Trade, Industry and Energy Commendation in the Overall ESG category at the 2023 Government Awards for Sustainability Management, in recognition of its contribution to fostering and advancing a culture of sustainability management. The Company also placed first in the utilities sector and sixth overall in Hankyung ESG's 2025 ESG Excellent Brands survey of consumers. As the energy-focused holding Company of GS Group, GS Energy works alongside its affiliates in businesses ranging from combined heat and power(CHP) and LNG combined-cycle power generation to solar, clean hydrogen, and circular resources. This recognition reflects GS Energy's broader commitment to sustainability.

# Business Portfolio

## GS Energy's Business Areas

GS Energy

Gas | Oil Refining & Petrochemicals | New Biz | Exploration & Production | Electric Power & Integrated Energy

### Gas

**LNG Terminal**

BORYEONG LNG TERMINAL

**LNG Trading**

GS Energy Trading Singapore

### Electric Power & Integrated Energy

**Integrated Energy**

GS Power | CHEONGNA ENERGY | Incheon Total Energy Company | With Incheon Energy Company

**LNG Combined Cycle Power Plant**

DONGDUCHEON DREAM POWER | GPPC SHIN PYEONGTAEK POWER



### Oil Refining & Petrochemicals

**Refining | Petrochemicals | Lubricants**

GS Caltex

LOTTE GS Chemical

### New Biz

**Clean Energy**

Solar Power | Clean Hydrogen | SMR[1)]

GS Dangjin Solar Farm

H2scan | NUSCALE

**E-mobility**

EV Charging | Battery Recycling

ECO VALUE CREATION | POSCO-GS Eco Materials | TITAN | GS ChargEV | SCALAR

**Energy Solutions**

VPP[2)] | Energy Efficiency

HAEZOOM | Nindustrial | zeno | Equilibrium Energy

### Exploration & Production

**Crude Oil Production in the UAE**

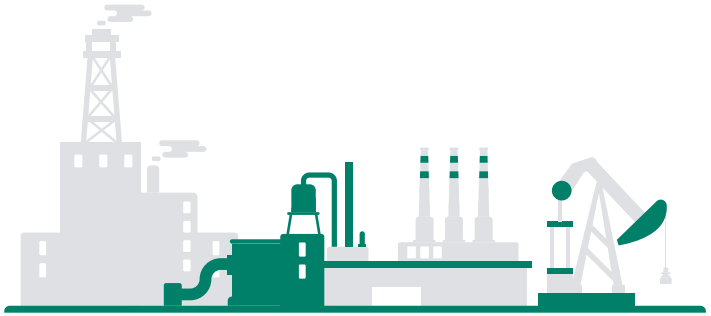
ADNOC Onshore / Al Dhafra Petroleum

1) SMR: Small Modular Reactor
2) VPP: Virtual Power Plant

# Business Portfolio

## Mid- to Long-term Strategic Direction

Guided by its vision of becoming a "Total Energy Solution Provider," GS Energy has set out a mid- to long-term roadmap for sustainable growth. Its priorities are to reshape the business portfolio, develop the capabilities of its people, advance ESG management, and accelerate digital transformation. At the same time, the Company is strengthening its existing businesses while moving early to capture new opportunities arising from the energy transition-decarbonization, decentralization, and electrification. Through this strategy, GS Energy aims to usher in a new era of growth, underpinned by stronger digital capabilities and a shift toward a low-carbon economy.



### Conventional Energy

**Core & Adjacency**

- Building a strong earnings base for sustainable growth
- Enhancing competitiveness through value chain integration
- Creating synergies by expanding into adjacent businesses

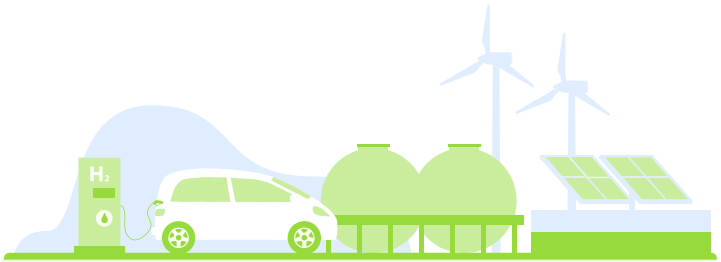
| Gas | Electric Power & Integrated Energy | Refining & Petrochemicals | Exploration & Production |
|---|---|---|---|
| · Expansion of terminal capacity<br>· Supply optimization | · Overseas IPP[1]<br>· Expansion in Seoul metropolitan area | · Operational optimization | · VLCC[2]<br>· Equity LNG |

### Strategy

- Scaling up existing profitable assets
- Value chain integration
- Synergies through expansion into adjacent businesses
- Energy transition / ESG portfolio development

### Enabler

- Networks with domestic and international companies and institutions
- Overseas venture capital
- Energy startups




### Green / Smart / Sustainable Energy

**Beyond Strategy**

- Securing new growth portfolio for future energy transition

| E-Mobility | Clean Energy | Energy Solutions | New Energy Technology |
|---|---|---|---|
| · EV charging<br>· Battery recycling | · Solar power<br>· Clean hydrogen<br>· SMR | · VPP<br>· Energy-as-a-Service | · Early participation in emerging growth areas |

1) Overseas IPP (Independent Power Plant): Private power generation projects outside Korea
2) VLCC: Very Large Crude Oil Carrier

# Business Portfolio

## Business Overview

### Gas

GS Energy has built a competitive LNG supply system in Korea's direct LNG import market through the establishment of an LNG trading subsidiary and LNG terminal operations. Drawing on its global market analysis capabilities and experience managing a portfolio of long-term contracts, GS Energy efficiently secures LNG volumes under long-term contracts and from the spot market through GS Energy Trading Singapore PTE. LTD., contributing to the stability of Korea's natural gas supply. These volumes are delivered to power generation and industrial customers through the Boryeong LNG Terminal, the country's largest privately operated LNG terminal. GS Energy is also strengthening its terminal business through the Northeast Asia LNG Hub Terminal, a joint project to develop large-scale LNG storage infrastructure in Myodo-dong, Yeosu. Looking ahead, the Company plans to expand into the upstream gas business and establish an integrated LNG value chain spanning production, storage, and consumption. The Company also plans to expand into overseas markets, strengthening its position as a global LNG player.



### Electric Power & Integrated Energy

Through GS Power's combined heat and power plants, GS Energy produces electricity and heat, with heat supplied to Anyang, Bucheon, and neighboring cities. Its acquisitions of stakes in Incheon Total Energy and Cheongna Energy have further expanded this presence, creating a large-scale heat supply network that serves 700,000 households, primarily across the southwestern Seoul metropolitan area. Together, these operations deliver the broader benefits of integrated energy services-greater energy efficiency and the resulting substantial energy savings and greenhouse gas reductions, a more diversified national power supply through distributed generation, and greater convenience for residential and industrial energy users. GS Energy has also entered the power generation business by acquiring stakes in Shin Pyeongtaek Power and Dongducheon Dream Power, gaining a foothold in LNG combined-cycle power generation. The Company will continue to seek out new power generation opportunities both in Korea and overseas, building a foundation for further expansion and stable earnings.





# Business Portfolio

## Refining & Petrochemicals

GS Energy has established a globally competitive presence in refining, petrochemicals, and lubricants through GS Caltex, whose large-scale crude oil refining and heavy oil upgrading facilities provide substantial upgrading capacity. The Company expanded its chemicals business in 2020 by forming Lotte GS Chemical as a JV with Lotte Chemical. The C4 plant came online in 2022, followed by the C3 plant in 2025, creating a production platform for high-value-added chemicals such as butadiene, TBA, phenol, acetone, and BPA. Reliable feedstock sourcing from GS Caltex and access to key supply chains, including Lotte Chemical, together provide a strong competitive foundation for the business. Drawing on its accumulated experience and capabilities, GS Energy will continue to generate steady earnings and strengthen its competitiveness through stable operations in refining and chemicals businesses in Korea and overseas.





## Exploration & Production

GS Energy established its foothold in the Middle East in March 2012, becoming the first Korean company to participate in a development block in the UAE, where global oil majors had long dominated the sector. In May 2015, the Company acquired an additional interest in a giant producing field in the UAE, bringing combined crude oil production from its interests to 48,400 barrels per day. These investments gave GS Energy concession rights in one of the world's major energy hubs while securing a stable source of long-term supply. GS Energy now plans to broaden its resource development portfolio into the upstream gas business, recognizing natural gas as a transition fuel in the shift toward clean energy. The Company will continue to explore new business opportunities to build a sustainable foundation for its LNG value chain, diversify natural gas supply sources, and contribute to Korea's energy security.



# Business Portfolio

## Solar Power

Established in October 2020 as a wholly owned subsidiary of GS Energy, GS Dangjin Solar Farm operates and manages a large-scale solar power project on salt-damaged farmland in Chorakdo-ri, Seokmun-myeon, Dangjin, Chungcheongnam-do. With an annual generation capacity of approximately 230,000 MWh, the facility can produce enough electricity to power around 100,000 households for a year. In line with the Korean government's policy to expand renewable energy, GS Dangjin Solar Farm aims to establish itself as a model for the reliable supply of locally generated clean energy. Going forward, GS Dangjin Solar Farm plans to advance its management capabilities, with a focus on improved operational efficiency and carbon reduction performance, to contribute to a power ecosystem centered on renewable energy.



## Clean Hydrogen

GS Energy takes a phased approach to securing future energy sources such as clean hydrogen and ammonia, with a range of initiatives aimed at leading the transition of hydrogen infrastructure and supply systems in Korea and overseas. Among them is a low-carbon ammonia production venture led by ADNOC, the UAE's national oil Company, with an annual production capacity of one million tons. Under a shareholders' agreement signed with the other major participants in late 2022, GS Energy secured an annual supply of 200,000 tons of clean ammonia. The ammonia is expected to serve as fuel for clean hydrogen power generation and as an industrial feedstock in Korea and overseas.

In parallel, GS Energy is also evaluating opportunities to participate in clean hydrogen and ammonia projects across North America, the Middle East, and Australia, as well as building the infrastructure needed to bring clean fuels produced overseas into Korea and deliver them reliably to key end users such as power plants. This encompasses import terminals, supply pipeline networks, and connections to end users. GS Energy also explores potential partnerships that could create synergies with key assets across GS Group.

## Small Modular Reactors (SMR)

In June 2021, GS Energy made a strategic investment in NuScale Power, a global leader in SMR technology, securing exclusive business rights on the Korean Peninsula. NuScale Power became the first Company in the world to receive SMR design certification from the U.S. Nuclear Regulatory Commission (NRC) in 2020 and has since obtained standard design approval for its uprated 77 MW model, further extending its technological lead. With strong backing from the U.S. Department of Energy (DOE), NuScale Power targets its first commercial operation in 2030. For GS Energy, SMR business development forms a key pillar of its broader clean energy portfolio strategy. The Company plans to build out this portfolio around SMR technology while actively adopting and advancing innovative low-carbon technologies. Through these efforts, the Company strives to provide reliable, sustainable, carbon-free energy in Korea and overseas and help create a cleaner future.

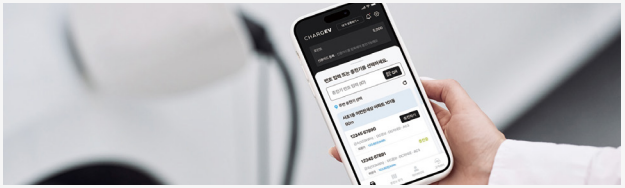
## Carbon Capture and Storage (CCS)

GS Energy is also considering new business opportunities in CCS. The technology captures carbon dioxide and stores it safely offshore or in depleted gas fields, using processes similar to those employed in oil development-an area in which major global oil companies have extensive expertise. GS Energy focuses on the potential injection of carbon dioxide captured in Korea into nearby offshore or overseas storage sites and assesses the feasibility of such projects in collaboration with a range of industry partners.

# Business Portfolio

## EV Charging

GS ChargEV provides an integrated EV charging solution spanning infrastructure deployment and operation, supported by approximately 75,000 chargers-the largest network in Korea. Technology underpins its approach to profitability and reliability, from fault prediction and real-time charger monitoring to operational optimization and utilization-based charger placement. The Company also plans to introduce smart-controlled slow chargers designed for both Safety and efficiency. Over time, GS ChargEV aims to move beyond charging infrastructure into vehicle-to-grid (V2G) bidirectional charging and integration with virtual power plants (VPPs), with the broader goal of supporting power market flexibility and climate action. Scalar Data operates EV Modu, an EV lifestyle platform that brings together three core services: charging-station searches, integrated NFC payments, and connected-vehicle services. Covering approximately 450,000 chargers nationwide, the platform lets users search by location, charging type, or operator-and view detailed information on individual charging stations. Through vehicle connectivity, users can also check battery level, remaining driving range, and charging status, bringing charging discovery, payment, and vehicle management together in a single user experience.



## Battery Recycling

With end-of-life EV battery volumes expected to rise in line with growing EV adoption, GS Energy seeks to build a circular business model around battery recycling. Its approach encompasses the entire value chain-from battery collection and diagnostics to disassembly, material recovery, and resupply-with strategic investments and partnerships across each stage. In 2022, GS Energy joined POSCO Holdings to establish POSCO GS Eco Materials, a battery recycling JV, and in 2023 began producing and supplying high-purity battery materials through POSCO HY Clean Metal using black mass as feedstock. GS Energy also invests in and collaborates with companies specializing in core technologies such as feedstock sourcing, battery diagnostics, AI-based automated disassembly, and lithium recovery, while considering expansion into overseas markets where large volumes of end-of-life batteries are expected to emerge. Ultimately, the Company seeks to bring these capabilities together within a cohesive global value chain, providing reliable access to feedstock and greater supply chain competitiveness as it develops battery recycling into a core area of future growth.



## VPP

Haezoom is an energy IT specialist whose solutions draw on artificial intelligence (AI) and satellite data. Through its VPP platform and renewable energy solutions, the Company contributes to the stability of Korea's power grid. The Company was Korea's first authorized power brokerage and distributed energy operator and now manages more than 1 GW of energy resources. It has taken a leading position in the market, participating in Jeju's renewable energy bidding pilot and capturing a 50 percent share of the semi-centralized bidding market. Its business model also includes Korea's first completed on-site PPA and a leading domestic solar platform used by more than 2.4 million people. Major R&D projects totaling KRW 16.5 billion have further demonstrated Haezoom's advanced capabilities in power generation forecasting. The Company has recently broadened its reach into new areas of the power market, including Korea's largest demand response (DR) program linked to EV chargers and mainland Plus DR. Haezoom plans to continue expanding its IT-based Clean Tech business in support of a sustainable energy future.



# Business Portfolio Special Page

## Boryeong LNG Terminal: Sustainable Operations through Circularity and Renewable Energy

Boryeong LNG Terminal, a JV of GS Energy, forms a critical part of Korea's energy infrastructure. Through LNG unloading, storage, regasification, and send-out, it provides a reliable supply of natural gas to power plants and city gas companies. Beyond this core role, the terminal pursues a range of ESG initiatives-from greater energy efficiency and circularity to the expanded use of renewable energy-as part of its commitment to sustainable operations.

**Circularity and Marine Ecosystem Protection through Thermal Effluent Reuse** | Boryeong LNG Terminal uses thermal effluent from a nearby power plant as a heat source in the LNG regasification process, reducing the environmental impact associated with sourcing additional energy. LNG normally requires a separate heat source for regasification. At Boryeong LNG Terminal, however, thermal effluent from the nearby plant supplies that heat to non-contact open rack vaporizers (ORVs), reducing additional energy use and making productive use of otherwise untapped energy. The heat exchange process keeps the LNG and thermal effluent from coming into direct contact, ensuring safe operation. The seawater, cooled after heat exchange, is then discharged at an appropriate temperature to minimize its impact on the marine ecosystem. Together, these measures improve energy efficiency and circularity while contributing to more efficient operation of the LNG supply process.




**Expanding Renewable Energy Use through Solar Power Generation** | Boryeong LNG Terminal operates solar power facilities with a combined capacity of 300 kW on building rooftops and idle areas of its parking facilities. The electricity generated is used entirely on-site, reducing reliance on external power while improving energy self-sufficiency and operational efficiency. By putting otherwise unused space to productive use, the terminal has established a source of clean electricity that helps reduce greenhouse gas emissions and increase its use of renewable energy. The terminal plans to further improve the efficiency of its existing solar facilities and add capacity, enabling greater use of renewable energy while supporting lower-carbon operations.

| Category | 2023 | 2024 | 2025 |
|---|---|---|---|
| Solar Power Generation (consumed on-site) (MWh) | 131 | 120 | 300 |

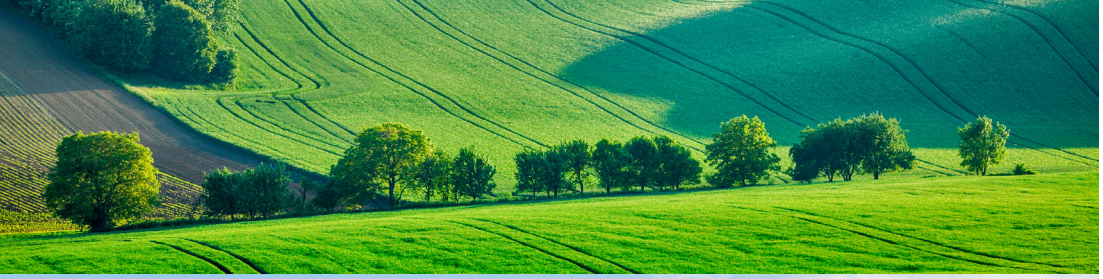


ESG Disclosure through the Website




In 2026, Boryeong LNG Terminal launched a dedicated ESG section on its website to provide information on its sustainability activities. The section presents the terminal's ESG management framework along with key initiatives, plans, and performance in areas including climate action, environmental management, occupational health and Safety, and social contribution, as part of its efforts to enhance stakeholder engagement. The terminal plans to broaden its sustainability disclosures over time and build greater stakeholder trust.

Website







# ESG MANAGEMENT


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# ESG Highlights

## Environmental

### Strengthened Climate Change Response Framework

- Identifies key climate-related risks and opportunities and establishes response strategies
- Conducts physical risk assessments for climate change impacts, including heatwaves and heavy precipitation (GS Power, Incheon Total Energy, Boryeong LNG Terminal, GS Dangjin Solar Farm)

### Environmental Impact Management

- Promotes low-carbon management and enhances environmental awareness at the headquarters level (e.g., transition to eco-friendly Company vehicles and carbon-reduction stairs)
- Advances subsidiary-led initiatives to reduce carbon emissions and enhance environmental value (e.g., waste heat recovery and low-carbon product certification)

## Social

### Occupational Safety & Health Management

- Proactively manages risks by developing proprietary risk assessment tools and conducts regular inspections
- Supports employee health and psychological well-being through comprehensive health checkups, targeted health examinations, and psychological counseling programs
- Promotes a strong Safety culture through Process Safety Management (PSM), programs to identify potential hazards and near misses, and Safety Inspection Day initiatives

### Expansion of Social Contribution Activities

- Promotes the “Big Walk” social contribution program to foster ESG awareness among GS Energy employees and measure its social value
- Supports the Habitat Korea 815 Run campaign through regular donations and employee participation, helping improve housing for descendants of Korean independence patriots

## Governance

### ESG Council

- Holds regular ESG Council meetings among GS power and energy companies
  - -Analyzes the emissions trading market and its impacts, and discusses strategies to build climate resilience for energy companies
  - -Reports to the CEO on ESG progress across participating companies, climate disclosure response plans, and other Council outcomes

### Enhanced Information Security

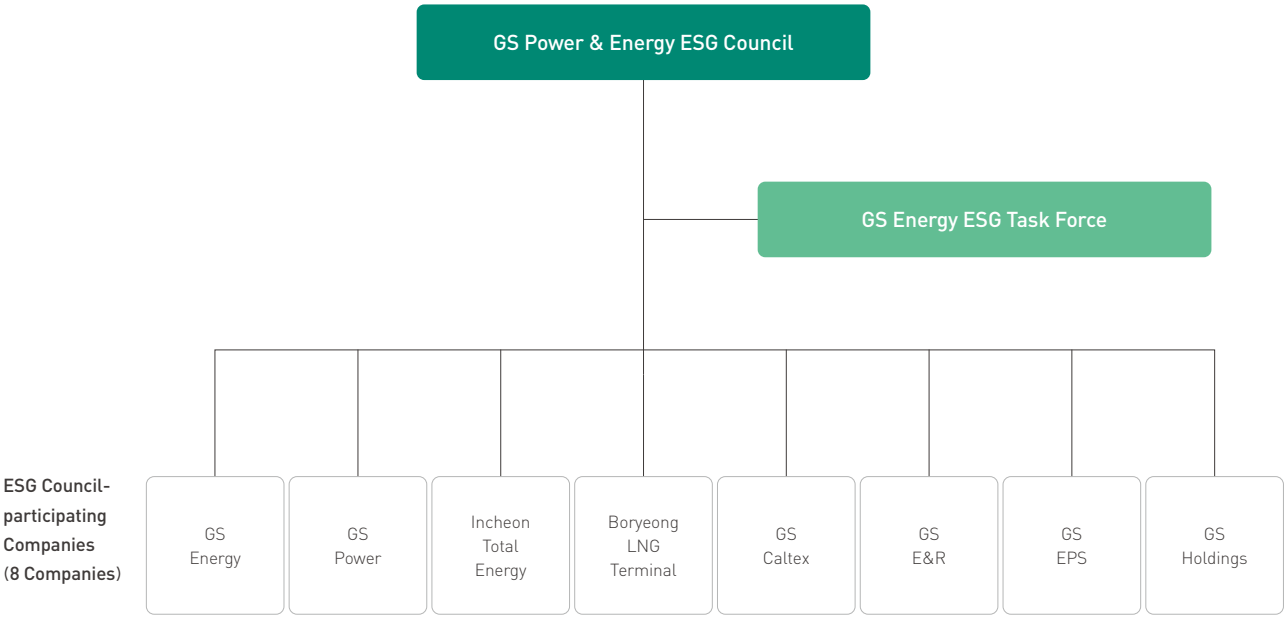
- Promotes a security-conscious culture among employees through Company-wide training
- Strengthens systems and practices for safeguarding critical information assets
- Enhances security guidelines and measures to prevent information leakage as AI use expands

# ESG Risk Management Framework

## GS Power & Energy ESG Council

GS Energy operates the GS Power & Energy ESG Council to proactively manage ESG risks across its subsidiaries and drive progress on ESG initiatives. The Council currently brings together GS Energy, four subsidiaries-GS Power, Incheon Total Energy, Boryeong LNG Terminal, and GS Caltex-and three affiliates-GS E&R, GS EPS, and GS Holdings. Members share key ESG trends affecting the power and energy industry as well as updates on ESG initiatives at each subsidiary, and discuss appropriate responses. Key ESG matters agreed upon by the Council are reported to the CEO of GS Energy.

**ESG Council Structure**




## Sustainability Management Committees

Alongside the ESG Council, GS Energy has in place specialized committees across key functions that work in close coordination, allowing expertise from across the organization to inform management decision-making. Among them, the Investment Deliberation Committee and the Business/Strategy Committee support decisions that underpin the long-term sustainability of the business.

**Key Sustainability Committees and Their Roles**

**Investment Deliberation Committee**
Reviews the economic viability and sustainability of investments, including ESG and other non-financial risks; reviews portfolio direction; and assesses the appropriateness of financing and risks associated with individual investment structures

**Business/Strategy Committee**
Sets strategic direction and roadmaps and identifies new business opportunities through market sensing

**Asset Review Committee**
Manages and optimizes investment assets through portfolio reviews and the identification of improvement opportunities

**People Session**
Discusses and shares key issues related to HR policies and systems

**Employee Recognition and Discipline Committee**
Reviews and provides opinions on employee recognition and disciplinary matters

# ESG Policy

## Responsible Investment Policy

Recognizing that ESG factors can directly or indirectly affect the financial performance of both GS Energy and its investments, GS Energy has established its Responsible Investment Policy to formally integrate ESG into its existing investment approach. GS Energy defines responsible investment as the active consideration of ESG factors throughout its investment decision-making process and requires compliance with the policy to maintain a consistent, long-term approach to responsible investment.

Responsible Investment Policy

**Responsible Investment Principles**

GS Energy has established the following six principles as a comprehensive framework for implementing responsible investment and commits to observing them throughout its investment decision-making process.

| | |
|---|---|
| 01 | We actively incorporate ESG factors into our investment analysis and decision-making processes. |
| 02 | We actively seek new investment opportunities from an ESG perspective and contribute to advancing responsible investment. |
| 03 | We maintain ongoing communication and collaboration with stakeholders to ensure the effective implementation of the Responsible Investment Principles. |
| 04 | We continuously monitor ESG matters at investee companies and pursue positive engagement with them. |
| 05 | We continually work to strengthen the capabilities and expertise needed to implement responsible investment effectively. |
| 06 | We report on the implementation and outcomes of the Responsible Investment Principles to transparently disclose the direction and status of responsible investment. |

## Environmental Management Policy

GS Energy has established its Environmental Management Policy to support sustainable management through environmental conservation and improvement, and conducts its environmental activities in accordance with the policy. The policy applies across the business operations of GS Energy and its subsidiaries, with subsidiaries encouraged to implement it to the extent consistent with their management autonomy.

Environmental Management Policy

## Human Rights Charter

GS Energy recognizes the importance of human rights as a universal value and its social responsibility as a business, and upholds the human rights of its stakeholders. To establish a foundation for human rights management, the Company has adopted its Human Rights Charter, which applies to employees of GS Energy and its subsidiaries. Where the Charter conflicts with local laws and regulations, local requirements take precedence, with subsidiaries encouraged to implement the Charter to the extent consistent with their management autonomy.

Human Rights Charter

## Code of Conduct for Business Partners

GS Energy has established its Code of Conduct for Business Partners to help align its partners' business practices with the Company's sustainable management principles and values. GS Energy and its subsidiaries may encourage all partners to voluntarily comply with the Code, regardless of where they conduct business.

Code of Conduct for Business Partners

## Green Bond Framework

GS Energy has established its Green Bond Framework to finance environmentally sustainable projects as part of its efforts to proactively address climate change and strengthen environmental responsibility. Designed in accordance with the Korean Green Bond Guidelines issued by the Ministry of Environment and the Financial Services Commission, the framework sets out how proceeds are to be managed and used in accordance with the four core components of the Guidelines.

GS Energy became the first private Company in Korea's energy sector to issue Korean green bonds. The proceeds are allocated to three green projects eligible under the Korean Green Taxonomy (K-Taxonomy): (1) waste recycling, (2) the construction and operation of zero-emission transportation infrastructure, and (3) renewable energy generation. In recognition of these efforts, GS Energy received the Minister of Environment Award for excellence in green bond issuance at the 2023 Green Management and Green Finance Awards, hosted by the Ministry.

Green Bond Framework

# Double Materiality Assessment

## Double Materiality Assessment Process

GS Energy conducted a materiality assessment to identify sustainability issues of significance to its stakeholders and determine the key information to be reported.
Key issues were identified through a comprehensive review of sustainability standards and industry trends at home and abroad, stakeholder perspectives, and the nature of GS Energy's business.

### Step 1. Contextual Understanding

| | |
|---|---|
| **Disclosure standards and assessment metrics** | Analyzes global disclosure standards, statutory disclosure requirements, and ESG assessment metrics to identify sustainability-related impacts, risks, and opportunities (IROs) |
| **Industry peer analysis** | Analyzes sustainability reports of industry peers to identify key IROs and issues |
| **Media analysis** | Analyzes media coverage to identify Company-level IROs reflecting changes in the external environment and industry trends |
| **GS Group analysis** | Analyzes sustainability reports of major affiliates to identify key issues and IROs |
| **Legal and regulatory analysis** | Reviews ESG-related laws and regulations and records of sanctions disclosed in business reports to identify additional IROs |
| **Internal data analysis** | Analyzes key internal data-including the CEO's New Year's message, stakeholder ESG requirements, and strategic metrics-to identify IROs for inclusion in the materiality assessment |

**· Internal and External Environment Review**

Reviews internal strategy materials, disclosure standards, assessment metrics, media coverage, and peer and GS Group practices to identify key sustainability issues relevant to GS Energy

**· Identification of Potential Material Issues**

Identifies potential material issues based on ESRS sub-topics, taking into account GS Energy's business characteristics and findings from the internal and external environment review

### Step 2. Identification of Impacts, Risks, and Opportunities (IROs)

**IRO Classification**

| | | |
|---|---|---|
| **IRO Type** | Impact (Positive) | Impact (Negative) |
| | Risk | Opportunity |
| **IRO Status** | Actual | |
| | Potential | |
| **Time Horizon** | Short Term (within 1 year) | |
| | Medium Term (more than 1 year and up to 5 years) | |
| | Long Term (more than 5 years) | |
| **Value Chain** | Own Operations | |
| | Upstream | |
| | Downstream | |
| **Key Stakeholders** | Investors, Business Partners, Government, Employees, Local Communities, Customers | |

**· IRO Identification**

Identifies IROs that may arise across business activities and the value chain, based on the potential material issues identified

**· IRO Classification**

Classifies identified IROs by type-positive or negative impacts, risks, and opportunities-and by actual or potential impact, time horizon (short, medium, or long term), value chain scope, and key stakeholder perspective

### Step 3. Double Materiality Assessment

**Financial Materiality Assessment**

- Internal financial expert roundtable: magnitude, likelihood
- Analysis of GS Energy's ESG business strategy
- International financial standards and assessment metrics analysis
- Analysis of laws and regulations relevant to GS Energy

**Impact Materiality Assessment**

- External ESG expert assessment: scale, scope, likelihood, irremediability
- Media analysis
- International environmental and social standards and guidance analysis
- Analysis of material issues identified by GS Group affiliates and industry peers

**Prioritizes material issues by integrating the results of the financial and impact materiality assessments**

**· Financial Materiality Assessment**

Assesses impacts on the Company's financial position through an internal financial expert roundtable, ESG business strategy analysis, etc.

**· Impact Materiality Assessment**

Assesses impacts on the environment and people based on input from external ESG experts, industry issue analysis, etc.

**· Material Issue Prioritization**

Prioritizes material issues, taking into account the results of both the financial and impact materiality assessments

### Step 4. Material Issue Selection and Disclosure

**Material Issues Selected for FY2025**

- Response to Changes in the Global Energy Market
- Diversification into New Low-Carbon Businesses
- Response to Greenhouse Gas Regulations
- Safety & Health Management at GS Energy and Its Business Partners

**· Final Material Issue Selection**

Selects GS Energy's final material issues based on the results of the financial and impact materiality assessments and confirms them through internal review

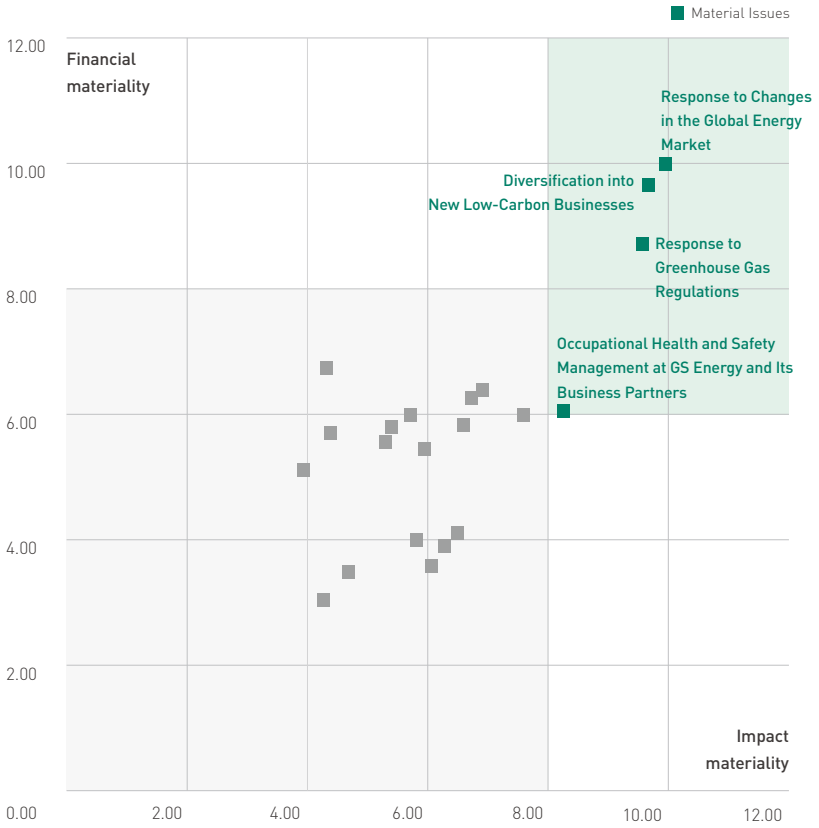
**· Identification of Disclosure Topics**

Defines the key IROs and management approach for each material issue and incorporates them as key disclosure topics in the Sustainability Report

# Double Materiality Assessment

## Double Materiality Assessment Results

Through its materiality assessment, GS Energy has identified key issues that have significant implications for the Company's sustainable growth and stakeholder value creation.
These issues have been prioritized with consideration of both their financial implications and their impacts on the environment and society, and serve as key topics addressed in this report.

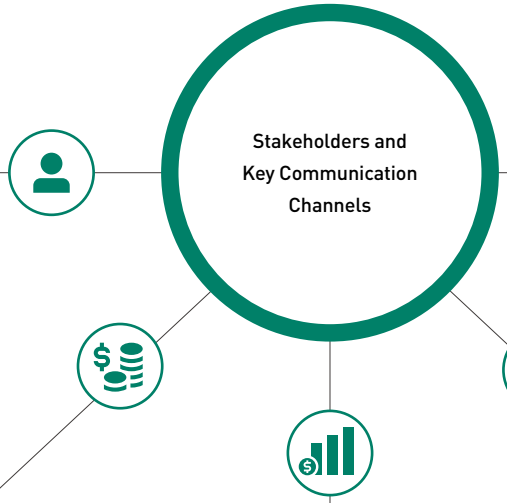



| Material Issues | Materiality Assessment | | | Issue Description | Relevant Section |
|---|---|---|---|---|---|
| | Financial Materiality | Impact Materiality | | | |
| Response to Changes in the Global Energy Market | ●●● | ●●● | Risk | A weaker global economy and heightened geopolitical risks add to volatility in energy prices and uncertainty across the market. Meanwhile, wider EV adoption and the accelerating energy transition are reshaping the structure of energy demand. | |
| | | | Opportunity | The expansion of renewable energy is expected to increase demand for grid stability, while LNG is set to play a greater role as a bridge fuel, creating new opportunities for growth. | |
| Diversification into New Low-Carbon Businesses | ●●● | ●●● | Risk | Diversifying into new low-carbon businesses-including battery recycling, EV charging, and clean energy-positions GS Energy to respond proactively to carbon regulations while creating new sources of growth and broader business opportunities. | Climate Change Response |
| Response to Greenhouse Gas Regulations | ●●◐ | ●●● | Risk | More ambitious Nationally Determined Contribution (NDC) targets, increased auctioning of emissions allowances, and tighter methane regulations may increase the burden of securing allowances and exposure to carbon cost volatility, while adding to the investment and operational demands associated with emissions reduction. | |
| | | | Opportunity | Emissions reduction initiatives and stronger methane management capabilities can lower carbon costs and enhance competitiveness. Growth in low-carbon energy markets, including CCUS, hydrogen, and ammonia, also opens up new business opportunities. | |
| Occupational Health and Safety Management at GS Energy and Its Business Partners | ●●○ | ●●◐ | Risk | Safety incidents involving employees of GS Energy or its business partners may result in violations of occupational Safety regulations, operational disruptions, and reputational damage. | Safety & Health |

# Stakeholder Engagement

## Stakeholder Communication

GS Energy acknowledges stakeholder engagement as an integral part of sustainable development and incorporates stakeholder perspectives into its business activities through ongoing dialogue. The Company identifies a broad range of stakeholders-both those affecting and affected by its activities, services, and relationships-across economic, environmental, and social dimensions. GS Energy maintains established communication channels with key stakeholder groups-including employees, shareholders and investors, and local communities, as defined by internal criteria-to understand their expectations.




### Employees

| Communication Channels | Key Interests | GS Energy's Response |
|---|---|---|
| · Management briefings<br>· GSE Round (labor-management council) | · Working Conditions<br>· Non-discrimination and respect for human rights<br>· Employment stability<br>· Fair performance evaluation<br>· Competency development opportunities | · Human rights management<br>· HR system innovation<br>· Employee benefits<br>· Capability-building programs |

### Academia & Research Institutes

| Communication Channels | Key Interests | GS Energy's Response |
|---|---|---|
| · Joint technology research<br>· Meetings and workshops | · Industry-academia collaboration<br>· Joint technology R&D | · Industry-academia collaboration on climate risk analysis |

### Shareholders & Investors

| Communication Channels | Key Interests | GS Energy's Response |
|---|---|---|
| · General shareholders' meeting / Board meetings<br>· GS Group's ESG Council<br>· Company website and disclosure websites (e.g., DART) | · Business portfolio diversification<br>· Financial soundness<br>· Legal and regulatory compliance<br>· Tax transparency<br>· Climate-related information | · Stable earnings generation<br>· Project capability enhancement<br>· Participation in government policy initiatives<br>· Sustainability report publication<br>· Enhanced ESG disclosure capabilities |

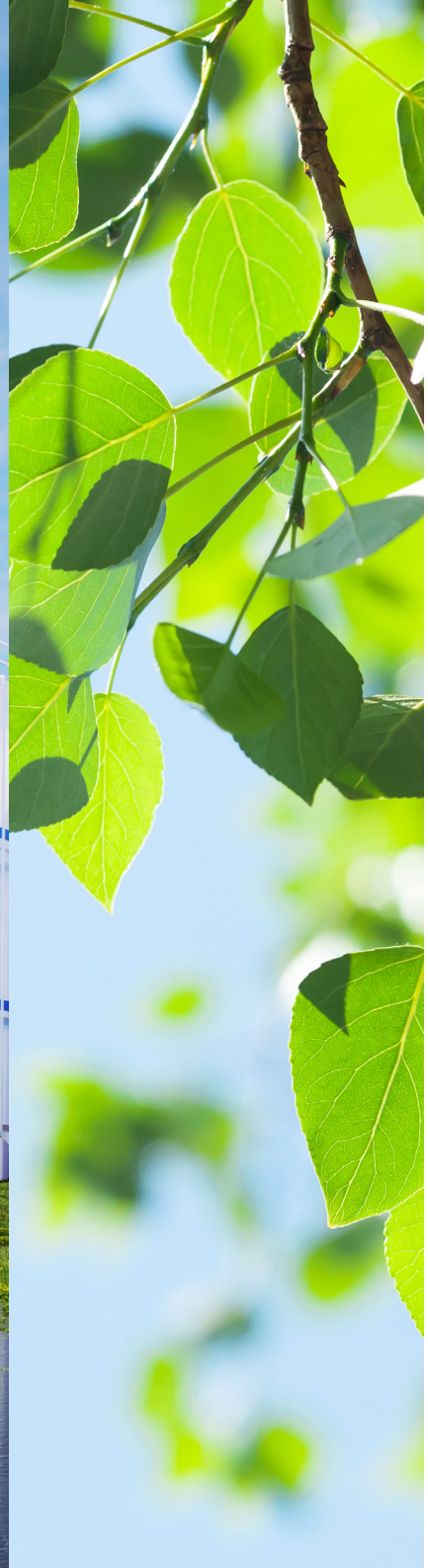
### Affiliates & Investee Companies

| Communication Channels | Key Interests | GS Energy's Response |
|---|---|---|
| · GS Group's ESG Council<br>· GS Energy expanded executive meeting<br>· GS Power & Energy ESG Council | · Prevention of unfair practices and corruption<br>· Shared growth and mutually beneficial business partnerships<br>· Proactive identification and management of ESG risks | · Increased investment in domestic and overseas venture capital<br>· Fair trading relationships<br>· Operation of communication channels<br>· Expanded scope of ESG management |

### Government & Local Communities

| Communication Channels | Key Interests | GS Energy's Response |
|---|---|---|
| · Energy-related associations and organizations<br>· Meetings and workshops | · Local community development<br>· Compliance with environmental and social laws and regulations<br>· Customer data privacy | · Business-linked social contribution activities<br>· Donations and support programs<br>· Monitoring of and compliance with laws and regulations<br>· Enhanced customer data privacy capabilities |



# ENVIRONMENTAL



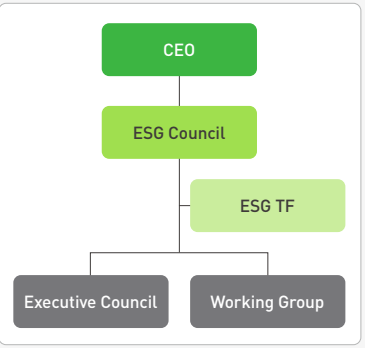
Climate Change Response 24
Environmental Management 45

# Climate Change Response

GS Energy recognizes climate change as a key management priority and takes a systematic approach to managing three material issues: Response to Changes in the Global Energy Market, Diversification into New Low-Carbon Businesses, and Response to Greenhouse Gas Regulations. Through these efforts, the Company aims to stay ahead of rapid shifts in the global market, continuously strengthen its climate resilience, and lay the groundwork for sustainable growth.

| | |
|---|---|
| Material Issue 1 | Response to Changes in the Global Energy Market |
| Material Issue 2 | Diversification into New Low-Carbon Businesses |
| Material Issue 3 | Response to Greenhouse Gas Regulations |

## Governance




**CEO**

Receives reports from the ESG Council on key climate-related risks and opportunities and oversees climate-related management activities

**ESG Council**

Led by the ESG TF and joined by GS's power and energy affiliates; discusses key climate-related matters through a Working Group, with outcomes agreed upon by the Executive Council and reported to the CEO

**ESG TF**

Coordinates ESG activities across subsidiaries and is responsible for monitoring and managing climate-related risks, identifying business opportunities, and engaging with external stakeholders

## Risk Management

| | |
|---|---|
| Identifies climate-related risks and opportunities, considering developments in policy, markets, and technology as well as the nature of its business | Analyzes the financial impacts of risks and opportunities under climate scenarios and assesses their materiality |
| 1. Identification | 2. Analysis |
| 4. Monitoring and Reporting | 3. Management |
| Reviews implementation through the ESG Council and reports to the CEO | Defines response approaches and incorporates them into the internal decision-making process |

## Strategy

| | |
|---|---|
| Response to Changes in the Global Energy Market | · Optimization and expansion of LNG and district energy operations<br>· Identification of new business opportunities in response to shifts in energy policy and market conditions<br>· Expansion of overseas energy solutions and strategic partnerships |
| iversification into New Low-Carbon Businesses | · Expansion of clean energy and RE100 PPA businesses<br>· Development of EV charging and battery recycling businesses<br>· Identification of and investment in new policy-driven businesses, including hydrogen and renewable energy |
| Response to Greenhouse Gas Regulations | · Exploration of opportunities to secure external emissions reduction through domestic and overseas reduction projects<br>· Strengthened emissions allowance management and framework for leveraging external emissions reduction<br>· Advanced emissions monitoring and carbon management systems |

## Metrics and Targets

### Metrics

| Metrics | Category | Emissions | | |
|---|---|---|---|---|
| | | 2023 | 2024 | 2025 |
| Scope 1 and 2 GHG Emissions | GS Energy | 291 | 322 | 378 |
| | Major Subsidiaries[1)] | 2,955,656 | 3,121,188 | 3,021,837 |
| | Major JVs[2)] | 4,509,202 | 4,581,048 | 4,648,007 |

1) GS Power, Incheon Total Energy, With Incheon Energy, GS ChargEV
2) Lotte GS Chemical, GS Caltex, Boryeong LNG Terminal
(GHG emissions calculated using the equity share approach, based on ownership interests as of December 31 of the respective year)

### Targets

GS Energy has not publicly announced a GHG reduction target at this stage, taking into consideration the feasibility and verifiability of emissions reductions. Going forward, the Company plans to take a phased approach to assessing whether and how to further define its target framework, taking into account its emissions profile, available reduction measures, relevant regulations, and level of internal readiness.

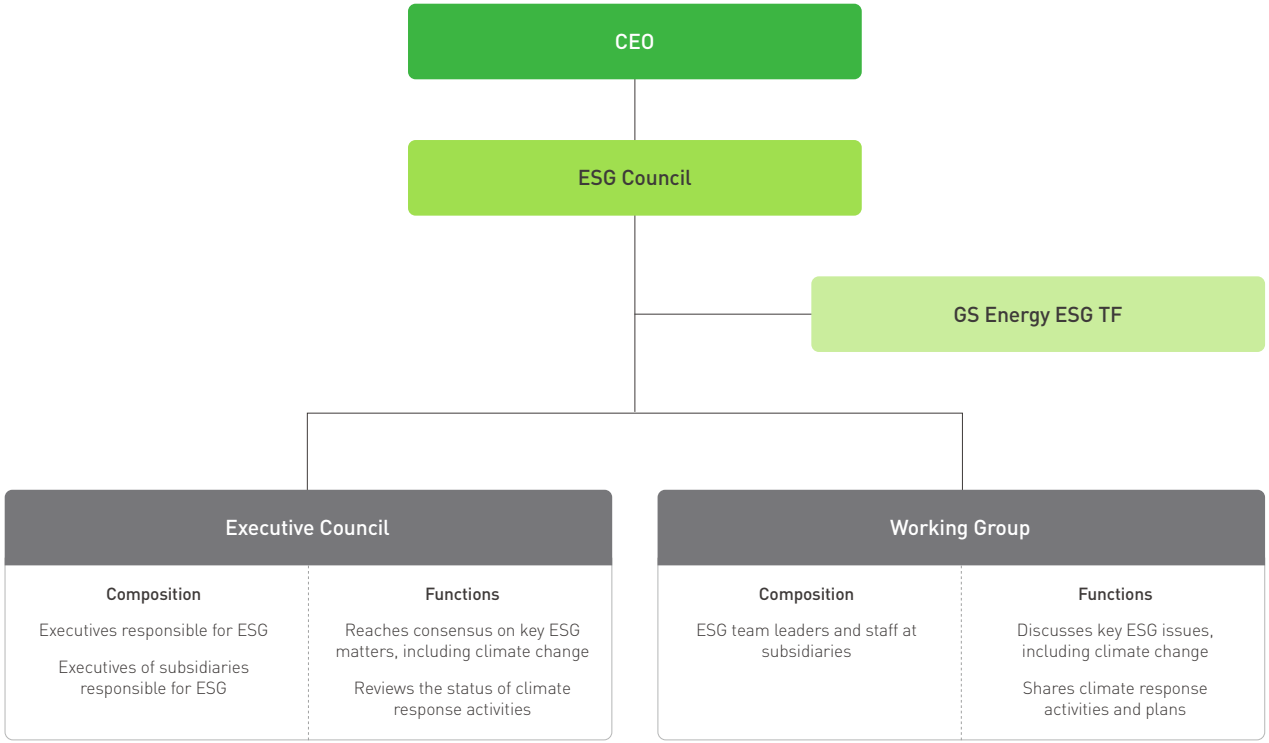
# Climate Change Response Governance

## Management and Oversight of Climate-Related Risks and Opportunities

As GS Energy's highest-level decision-maker, the CEO receives reports on key matters concerning climate-related risks and opportunities and oversees the Company's overall climate response, including reviewing whether related measures are being implemented appropriately. To support the CEO in this role, GS Energy operates the GS Power & Energy ESG Council, led by the ESG TF and joined by major subsidiaries[1)].
The Council operates through a Working Group and an Executive Council, where subsidiaries regularly share updates on their climate response. This structure allows GS Energy to track the subsidiaries' climate response activities and progress, while key matters agreed upon by the Council are reported to the CEO at least once a year.

1) GS Power, Incheon Total Energy, Boryeong LNG Terminal, GS Caltex

**Governance Structure**




**ESG Council Activities**

| Date | Key Topics | CEO Reporting |
|---|---|---|
| Feb 2025 | · Physical risk assessment and evaluation plan for GS Energy's assets<br>· Updates on ESG initiatives and plans across participating companies | ● |
| Mar 2025 | · International carbon credit market trends<br>· Progress on delegated trading in the emissions trading market | ● |
| Jul 2025 | · Training on the emissions trading scheme<br>· Identification of priorities and action items related to GHG emissions | ● |
| Sep 2025 | · Updates on ESG initiatives and plans across participating companies | ● |
| Apr 2026 | · Strategies for strengthening climate resilience in the energy sector<br>· Updates on ESG initiatives and plans across participating companies | (Planned) |

# Climate Change Response Strategy

## Climate-Related Risks and Opportunities

In line with the TCFD recommendations, GS Energy categorizes climate-related factors into physical risks, transition risks, and opportunities. The assessment considers the business models of GS Energy and its subsidiaries to determine the risks and opportunities relevant to their operations. The time horizons applied to these issues are defined as current (2025), short term (2026-2030), medium term (2031-2040), and long term (2041-2050).

**Key Physical Risks**

| Category | Code | Risk Factors | Pathways to Financial Impact | Business Areas | Expected Time Horizon | Financial Statement Impact |
|---|---|---|---|---|---|---|
| Acute | P-1 | Heavy precipitation | **Equipment damage and revenue loss due to flooding**<br>· Flood damage and operational shutdown of key facilities<br>e.g., LNG storage tanks, power generation/operating facilities, and electrical/control systems)<br>→ Asset damage and emergency recovery costs<br>→ Revenue loss from reduced power generation and sales during operational shutdowns | All Business Segments | Short, medium, and long term | BS Property, plant and equipment▼<br>Investments in associates▼<br>IS Revenue▼ Repair expenses▲<br>Impairment losses on property, plant and equipment▲<br>Share of profit (loss) of associates▼<br>CF Cash flows from operating activities▼ |
| | | | **Investment in flood protection measures**<br>· Installation of flood protection systems<br>→ Increased capital expenditure | All Business Segments | Short, medium, and long term | BS Property, plant and equipment▲<br>Share of profit (loss) of associates▼<br>IS Depreciation expenses▲<br>CF Cash flows from investing activities ▼ |
| | P-2 | Typhoons | **Damage to buildings and equipment and revenue loss due to typhoons and strong winds**<br>· Inundation and damage to key facilities<br>e.g., berthing facilities, unloading equipment, solar modules, and EV chargers)<br>→ Asset damage and emergency recovery costs<br>→ Revenue loss due to disruptions in terminal operations and reduced power generation and sales | All Business Segments | Short, medium, and long term | BS Property, plant and equipment▼<br>Investments in associates▼<br>IS Revenue▼<br>Impairment losses on property, plant and equipment▲<br>Share of profit (loss) of associates▼<br>CF Cash flows from operating activities▼ |
| | P-3 | Heatwaves | **Equipment overload and revenue loss due to extreme heat**<br>· Cooling capacity constraints and equipment overload during extreme heat events<br>→ Reduced generation efficiency or operational shutdowns<br>→ Revenue loss due to reduced power generation | Electric Power & Integrated Energy | Short, medium, and long term | IS Revenue▼ Repair expenses▲<br>CF Cash flows from operating activities▼ |

# Climate Change Response Strategy

## Climate-Related Risks and Opportunities

**Key Transition Risks**

| Category | Code | Risk Factors | Pathways to Financial Impact | Business Areas | Expected Time Horizon | Financial Statement Impact |
|---|---|---|---|---|---|---|
| Policy / Regulation | T-1 | Strengthened carbon pricing mechanisms | **Rising medium- to long-term costs from emissions allowance auctioning**<br>· Existing allocations and surplus allowances held during the fourth compliance period<br>→ Mitigated direct cost burden in the short term<br>· Expanded auctioning from the fifth compliance period onward<br>→ Greater pressure on power generation costs over the medium to long term | Electric Power & Integrated Energy<br>Refining & Petrochemicals | Medium and long term | BS Emissions allowance assets▲ Provisions▲<br>IS Cost of sales▲<br>CF Cash flows from operating activities▼ |
| | | | **Increased investment in efficiency improvements and low-carbon facilities for regulatory compliance**<br>· Rising carbon costs and growing need for regulatory response<br>→ Upgrades of aging facilities to high-efficiency CHP systems and investment in carbon capture equipment for manufacturing processes<br>→ Increased capital expenditure | Electric Power & Integrated Energy<br>Refining & Petrochemicals | Current, short, medium, and long term | BS Property, plant and equipment▲ Borrowings and bonds▲<br>IS Depreciation expenses▲ Interest expenses▲<br>CF Cash flows from investing activities▼ Cash flows from financing activities▼ |
| | T-2 | Stricter low-carbon fuel standards and growing supply chain decarbonization requirements | **Increased investment in decarbonizing resource development assets**<br>· Stronger carbon neutrality policies and decarbonization strategies in the UAE<br>→ Increased investment in emissions reduction measures, including CCUS and energy efficiency | Exploration & Production | Short and medium term | BS Property, plant and equipment▲ Borrowings▲<br>IS Depreciation expenses▲ Interest expenses▲<br>CF Cash flows from investing activities▼ Cash flows from financing activities ▼ |
| Market | T-3 | Declining oil demand and growing pressure to transition away from fossil fuel portfolios | **Increased investment in the transition to low-carbon fuels**<br>· Growing demand for a transition to low-carbon fuels, including clean hydrogen and ammonia<br>→ Increased investment in power generation, storage, and deployment infrastructure<br>→ Increased capital expenditure | New Businesses | Medium and long term | BS Property, plant and equipment▲ Borrowings▲<br>IS Depreciation expenses▲ Interest expenses▲<br>CF Cash flows from investing activities▼ Cash flows from financing activities▼ |
| Technology | T-4 | Delayed maturation of low-carbon power generation technologies and markets | **Uncertainty over recouping investments due to delays in the commercialization of hydrogen, ammonia, and CCUS**<br>· Delayed maturation of technologies, policies, fuel procurement, and infrastructure related to clean hydrogen, ammonia, and CCUS<br>→ Delayed timing of commercial operations and revenue generation | New Businesses | Short and medium term | IS Interest expenses▲<br>CF Cash flows from financing activities▼ |

# Climate Change Response Strategy

## Climate-Related Risks and Opportunities

**Key Opportunities**

| Category | Code | Opportunity Factors | Pathways to Financial Impact | Business Areas | Expected Time Horizon | Financial Statement Impact |
|---|---|---|---|---|---|---|
| Market | O-1 | Growing demand for environmentally friendly and low-carbon energy | **Expanded business opportunities in clean hydrogen power generation and hydrogen and ammonia supply infrastructure**<br>· Launch of the clean hydrogen power generation bidding market and policy advancement for hydrogen co-firing and mono-firing and related infrastructure<br>→ Opportunities to leverage existing LNG power generation, fuel procurement, and operational capabilities to pursue businesses in clean hydrogen power generation, hydrogen and ammonia supply, and related infrastructure over the medium to long term<br>→ Potential for business portfolio diversification | Electric Power & Integrated Energy<br>Gas<br>New Businesses | Medium and long term | IS Revenue▲<br>CF Cash flows from operating activities▲ |
| | O-2 | Growing demand for LNG as a transition fuel | **Business opportunities leveraging LNG infrastructure to meet transition fuel demand in the maritime sector**<br>· Stricter IMO regulations on shipping GHG emissions and growing demand for fuel transition<br>→ Growing demand for LNG-based transition fuels and bunkering<br>→ New business opportunities leveraging existing LNG infrastructure and operational capabilities | Gas | Short and medium term | IS Revenue▲<br>CF Cash flows from operating activities▲ |

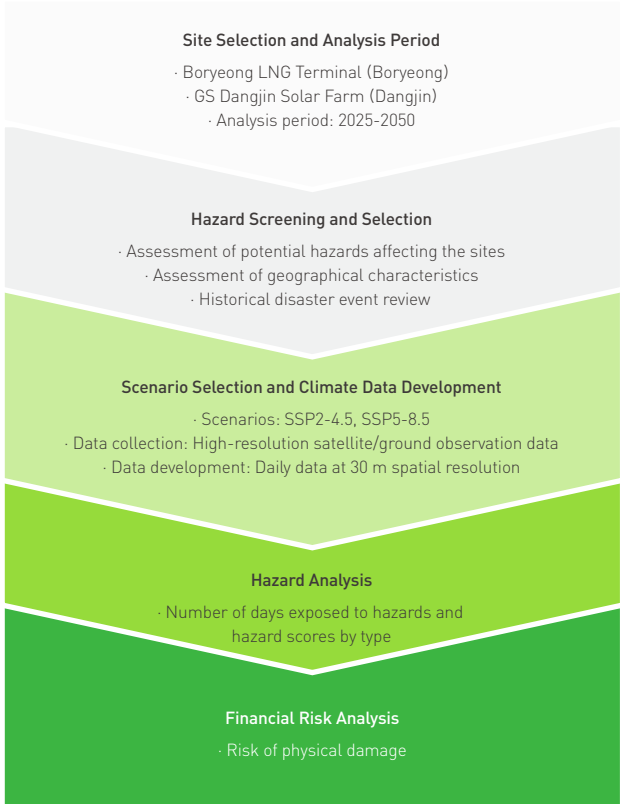
# Climate Change Response Strategy

## Physical Risk Analysis

### Analysis Overview

GS Energy conducted an in-depth assessment of climate risks and their financial impacts at Boryeong LNG Terminal (Boryeong) and GS Dangjin Solar Farm (Dangjin) during the reporting period, with the aim of strengthening its preparedness for the physical impacts of climate change. The assessment was tailored to the characteristics and location of each site, with key hazards selected accordingly and risk levels analyzed using site-specific climate data. Potential financial impacts were then quantified through modeling that incorporated asset information and operational characteristics.

**Analysis Process**




**Hazards for Analysis** | GS Energy defined eight major climate hazards that could affect its sites: heatwaves, cold waves, drought, heavy precipitation, strong winds, typhoons, sea level rise, and lightning1). Based on each site's geographical characteristics and past disaster history, the analysis excluded hazards deemed unlikely to have a significant impact or cause substantial damage.

1) Based on the scope defined for each site, lightning was analyzed only at Boryeong LNG Terminal.

**Scenario Selection** | To assess physical climate risks, GS Energy applied internationally recognized climate scenarios from the IPCC Sixth Assessment Report (AR6). By analyzing both SSP2-4.5 (Intermediate emissions scenario) and SSP5-8.5 (High emissions scenario), the Company examined climate risks across different levels of policy implementation and assessed its climate resilience and response capabilities. SSP1-2.6 (Low emissions scenario) was excluded as it was considered less plausible given the current pace of warming and developments in policy and technology.

| Scenario | Key Assumptions | Purpose of Review |
|---|---|---|
| SSP2-4.5 | Intermediate emissions scenario combining moderate socioeconomic development with GHG emissions reductions | Assessment of physical risks if current policy trends continue |
| SSP5-8.5 | High emissions scenario driven by continued economic growth-oriented policies and limited GHG emissions reductions | Assessment of the upper range of physical risks |

**Climate Data Development** | GS Energy analyzed physical risks using a Climate Intelligence (CI) system that combines observed climate data with machine learning and AI-based techniques to generate high-resolution projections of the frequency and intensity of extreme weather events. The analysis also incorporated CLICK, a climate risk assessment system developed by the Climate Tech Center at Seoul National University, providing an objective basis for the assessment while improving its precision.

**Climate Data Development**

**01 Base Model Selection**
Selection of multiple open-source climate models (CMIP6) with strong predictive performance for the target hazards

**02 Observation Data Collection**
Collection of high-resolution satellite and meteorological observation data for various climate variables, including temperature, precipitation, and humidity

**03 Climate Data Development and Downscaling**
Development and downscaling of current and future extreme climate data at a 30 m spatial resolution using collected data and machine learning and AI techniques

**04 Model Validation and Application**
Quantitative validation of predictive performance against observational data

**05 Physical Risk Assessment under Climate Change Scenarios**
Analysis of short-, medium-, and long-term hazards and financial risks under the SSP2-4.5 and SSP5-8.5 scenarios

# Climate Change Response Strategy

## Physical Risk Analysis

### Climate Risk Scoring

To compare risks across hazards under different climate change scenarios, GS Energy calculated hazard risk scores at 10-year intervals. The scoring uses hazard occurrence thresholds established for the current period (2000–2025) as a baseline and applies them to future climate scenarios. It then evaluates the projected frequency of events exceeding those thresholds and the potential impact of each hazard. As a result, the score for a given hazard increases as its projected frequency or impact grows. A higher score therefore indicates greater potential risk associated with that hazard.

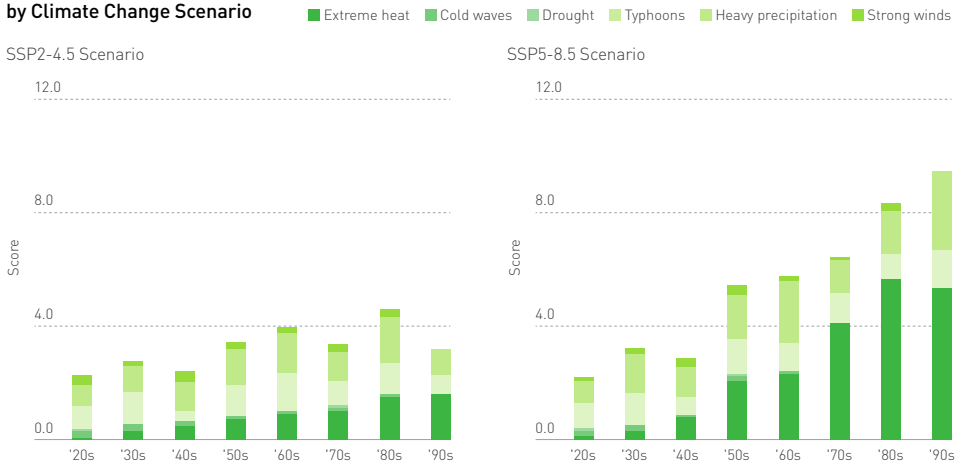
### GS Dangjin Solar Farm (Dangjin)

Extreme heat and heavy precipitation were identified as the primary climate risks for GS Dangjin Solar Farm. Overall risk levels increase relatively gradually under SSP2-4.5 but rise sharply under SSP5-8.5 from the 2050s onward, largely driven by these two hazards. Of the two, extreme heat stands out as the key physical risk, with risk levels showing the largest increase under SSP5-8.5. Heavy precipitation also shows a sustained increase in risk levels, warranting continued management over the medium to long term. By contrast, the risk from cold waves gradually declines as average temperatures rise. Drought remains at a low risk level under both current and future conditions and is therefore not considered a significant climate risk.

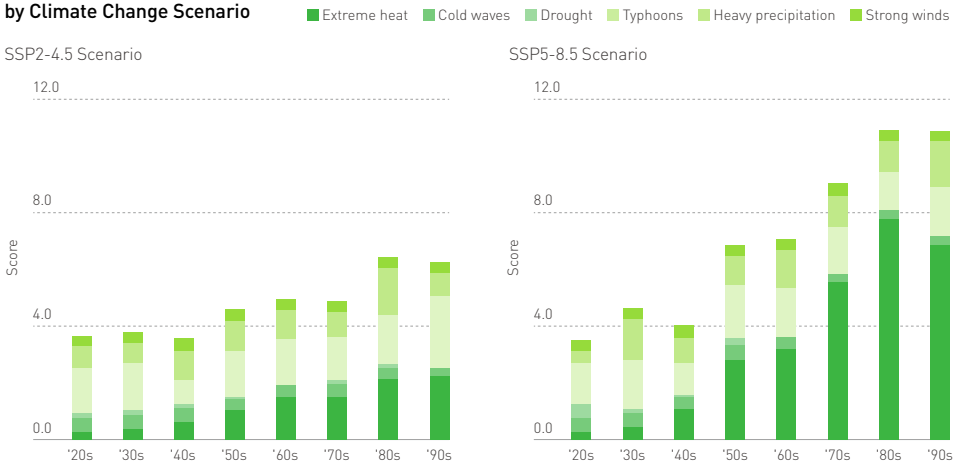
### BORYEONG LNG TERMINAL (Boryeong)

Extreme heat, typhoons, and heavy precipitation were identified as the primary climate risks for Boryeong LNG Terminal. As with GS Dangjin Solar Farm, overall risk levels rise at a relatively moderate pace under SSP2-4.5, while SSP5-8.5 shows a sharp increase from the 2050s onward, particularly in extreme heat. Extreme heat is the key hazard under SSP5-8.5, showing the most pronounced increase in risk levels. Heavy precipitation maintains an elevated risk level, warranting continued management over the medium to long term. Typhoon risk remains consistently high throughout the analysis period, requiring ongoing management. By contrast, cold waves and drought show no significant increase in risk levels in the future and are therefore considered relatively lower priorities.

**Projected Hazard Risks for GS Dangjin Solar Farm by Climate Change Scenario**




**Projected Hazard Risks for Boryeong LNG Terminal by Climate Change Scenario**



# Climate Change Response Strategy

## Physical Risk Analysis

### Climate-Related Financial Loss Assessment

**Definition and Assessment of Physical risk** | The methodology used to define and assess physical risk for each climate hazard is outlined below. To determine which climate hazards pose the greatest risk, GS Energy analyzed the potential financial losses associated with heavy precipitation, typhoons, and strong winds under SSP5-8.5.

| Category | Physical risk | Assessment Method |
|---|---|---|
| P-1 Heavy precipitation | Damage to buildings and equipment, and associated repair and replacement costs, in the event of flooding | Assessment of physical risk through modeling based on asset exposure to potential flooding and asset information |
| P-2 Typhoons | Damage to equipment and structures, and associated repair and replacement costs, due to typhoon-induced strong winds, flooding, flying debris, and wave action | Assessment of operational losses and physical risk based on the impacts of typhoons and associated strong winds and flooding |
| Strong winds | Damage to equipment and structures, and associated repair and replacement costs, resulting from incidents involving flying debris or overturning due to strong winds | Assessment of physical risk through modeling based on wind intensity and frequency |

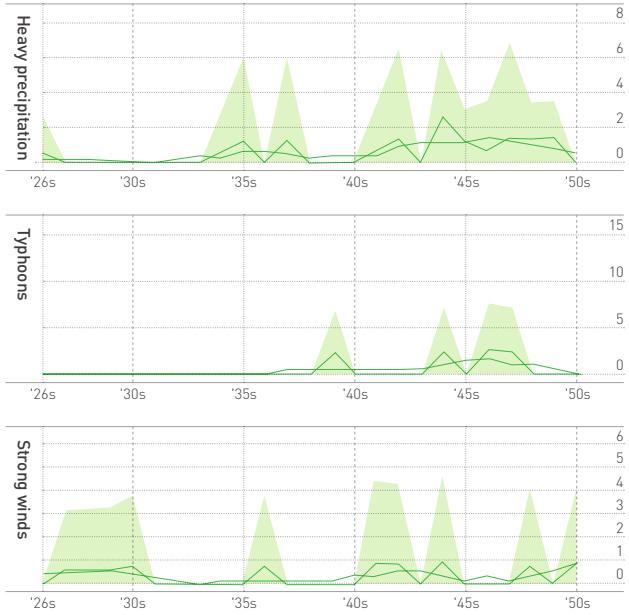
**Financial Loss Trends** | BORYEONG LNG TERMINAL **(Boryeong)**

The financial loss analysis identified heavy precipitation and typhoons as the most significant long-term physical risks for Boryeong LNG Terminal. Typhoons, in particular, show the highest damage rate[1] under the long-term SSP5-8.5 scenario, making them a major factor contributing to potential financial losses. Damage rates from heavy precipitation also increase over time, indicating greater potential for financial losses from extreme precipitation and flooding. Strong winds, by contrast, show a relatively low average asset loss. However, when combined with typhoons, they may exacerbate damage to exposed equipment, making them more relevant as part of a compound hazard than as a standalone risk.

1) Asset loss is a quantitative estimate of potential physical damage to assets from climate hazards. For example, a 0.957% asset loss for heavy precipitation in 2050 under SSP5-8.5 indicates an estimated annual average loss equivalent to approximately 0.957% of the asset value.

**Asset Loss Based on Hazard Intensity and Frequency(%)**

SSP5-8.5 Scenario




| Heavy precipitation(%) | Short Term (2026-2030) | Medium Term (2031-2040) | Long Term (2041-2050) |
|---|---|---|---|
| SSP2-4.5 | 0.310 | 0.408 | 0.408 |
| SSP5-8.5 | 0.106 | 0.682 | 0.682 |

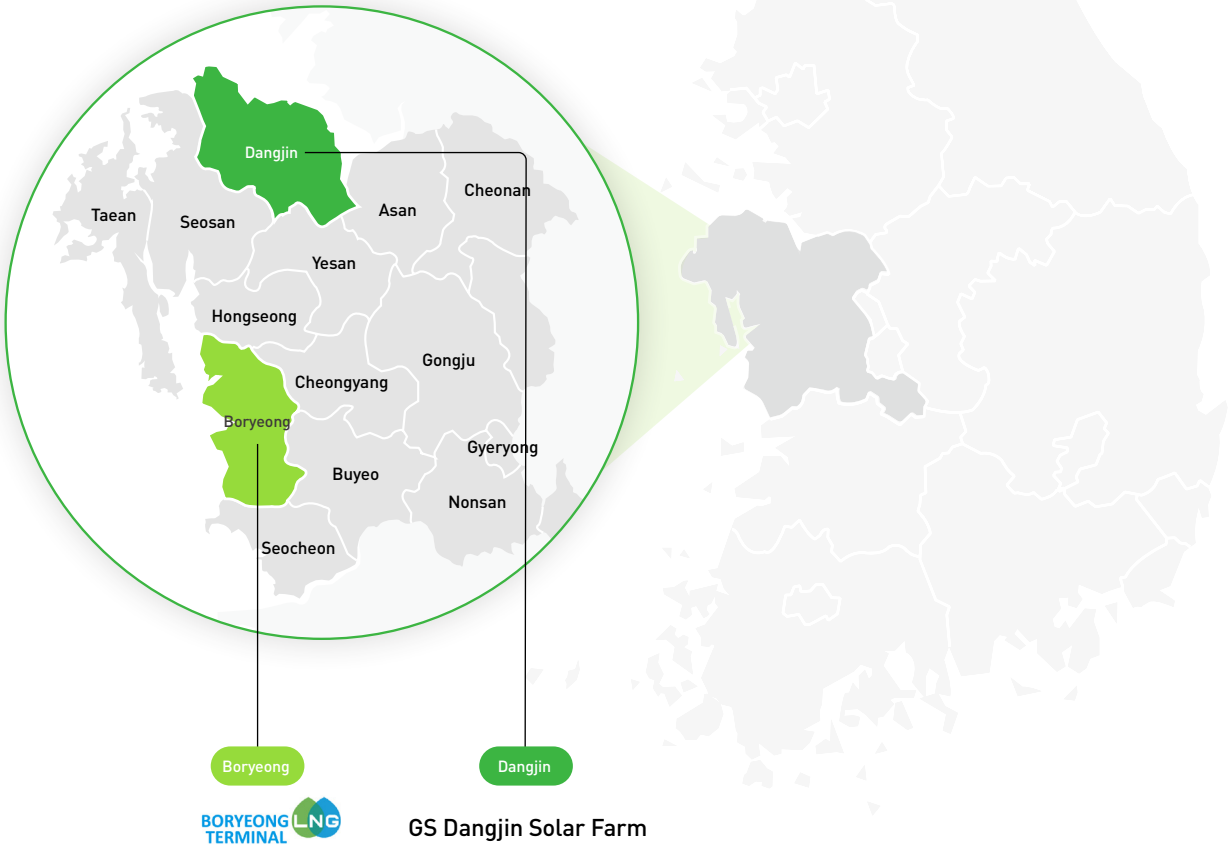
| Typhoons (%) | Short Term (2026-2030) | Medium Term (2031-2040) | Long Term (2041-2050) |
|---|---|---|---|
| SSP2-4.5 | 0.000 | 0.422 | 0.548 |
| SSP5-8.5 | 0.000 | 0.456 | 1.074 |

| Strong winds (%) | Short Term (2026-2030) | Medium Term (2031-2040) | Long Term (2041-2050) |
|---|---|---|---|
| SSP2-4.5 | 0.395 | 0.178 | 0.352 |
| SSP5-8.5 | 0.528 | 0.248 | 0.385 |

# Climate Change Response Strategy

## Physical Risk Analysis

### Analysis Implications and Response Measures




Based on the analysis results, GS Energy has outlined priority response measures to address key risks, as presented below. The Company will continue to assess these measures from multiple perspectives and refine its approach as appropriate.

| Category | GS Dangjin Solar Farm | Boryeong LNG Terminal |
|---|---|---|
| Risk Factors | Extreme heat, heavy precipitation, typhoons, strong winds, low-lying area flooding | Extreme heat, heavy precipitation, typhoons, strong winds, high waves/ overtopping |
| Key Impact Pathways | Inundation of equipment in low-lying areas, delayed drainage, and damage to exposed assets | Reduced operational Safety, instability in process operations, and impacts on berthing/unloading facilities |
| Priority Response Measures (subject to further review) | · Inspection of equipment in low-lying areas<br>· Review of operating conditions for seawalls and floodgates<br>· Assessment of available cooling capacity for electrical equipment | · Collection of operational data by process<br>· Drainage and overtopping response measures<br>· Review and update of emergency operating procedures for berthing/ unloading |

GS Energy recognizes the need to scientifically assess site suitability for new projects and proactively identify and address physical climate risks. To put this into practice, the Company is considering integrating physical risk analysis into its existing climate risk assessment framework as part of the investment review process.

# Climate Change Response Strategy

## Transition Risk and Opportunity Analysis

### Analysis Overview

GS Energy conducted scenario analysis to assess how climate-related transition risks and opportunities could affect its operations and financial performance over the medium to long term, and to evaluate the climate resilience of its business strategy and business model. The analysis covers the key businesses of GS Energy and its major subsidiaries and JVs-Electric Power & Integrated Energy, Refining & Petrochemicals, Gas, Exploration & Production, and New Businesses-over the period from 2025 to 2050. The analysis qualitatively assessed changes under each scenario and their potential business impacts, focusing on relevant variables closely linked to GS Energy's key businesses, such as carbon prices and demand for oil, natural gas, hydrogen, and ammonia. As scenario analysis relies on assumptions about future policy and market conditions, actual outcomes may differ from those projected. The results will serve as a basis for future assessments and management of climate-related risks and opportunities, as well as reviews of the Company's business direction.

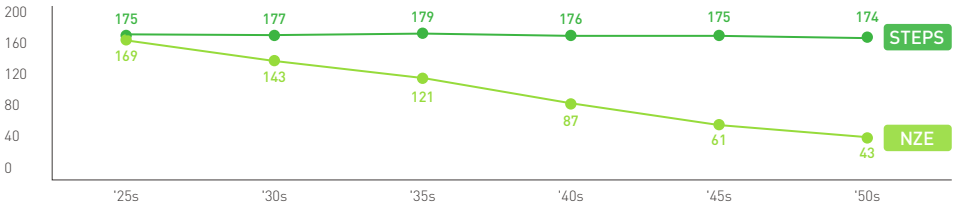
**Scenario Selection** | To account for uncertainty surrounding climate policies and the pace of the energy transition, and to compare potential business impacts across different transition pathways, GS Energy applied two scenarios developed by the International Energy Agency (IEA): the Stated Policies Scenario (STEPS), representing a gradual transition pathway, and the Net Zero Emissions by 2050 (NZE) Scenario, representing a rapid transition pathway.

| Scenario | STEPS (Stated Policies Scenario) | NZE (Net Zero Emissions by 2050 Scenario) |
|---|---|---|
| Key Assumptions | Continuation of current and announced policies | 1.5°C scenario assuming energy-related $CO_2$ emissions in the global energy sector by 2050 |
| Purpose of Review | Assessment of transition impacts under current policy trends | Assessment of impacts from the transition to net zero |
| Source | IEA 「World Energy Outlook 2025」 | |

### Key Transition Risk and Opportunity Analysis

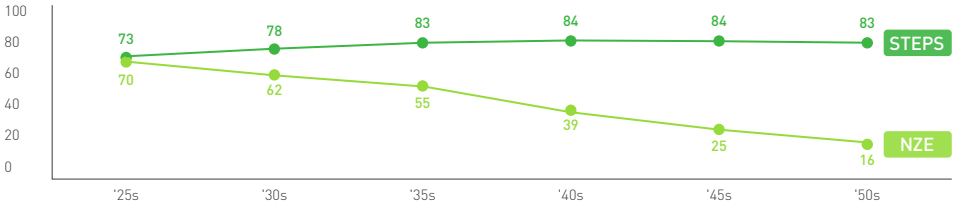
**Global Oil Demand Outlook**

Unit: EJ




**Global Natural Gas Demand Outlook**

Unit: EJ




**T-3 Declining Oil and Gas Demand** | Under the NZE scenario, demand for oil and natural gas declines steadily, falling by approximately 74% and 78%, respectively, by 2050. The accelerated energy transition could drive down the profitability of Refining & Petrochemicals and LNG-related businesses and undermine the value of oil production assets. At the same time, increased investment in the shift toward low-carbon businesses could add to capital expenditure pressures.

**O-2 Growing LNG Transition Demand** | Under the STEPS scenario, natural gas demand continues to grow through 2040 and remains at a high level thereafter. Even under the NZE scenario, demand declines only gradually through 2035, suggesting relatively resilient demand. Against this backdrop, the LNG business could sustain terminal operating revenues in the short to medium term. Additional opportunities could emerge in LNG-based co-fired power generation and LNG bunkering, supported by growing power demand from increased investment in AI and semiconductors and LNG's role in supporting grid stability. Transition risks will nevertheless require continued monitoring over the long term.

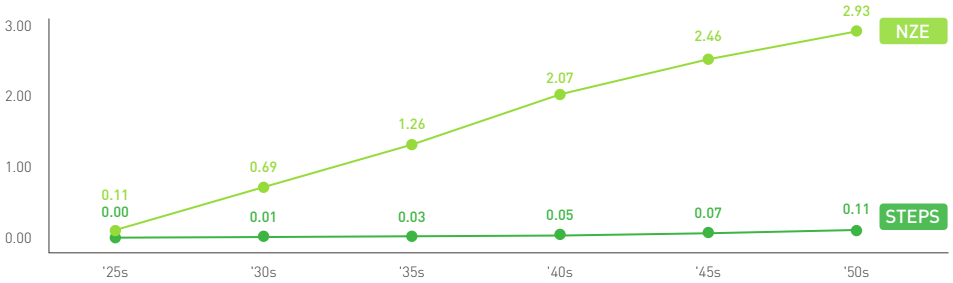
# Climate Change Response Strategy

## Transition Risk and Opportunity Analysis

### Key Transition Indicators

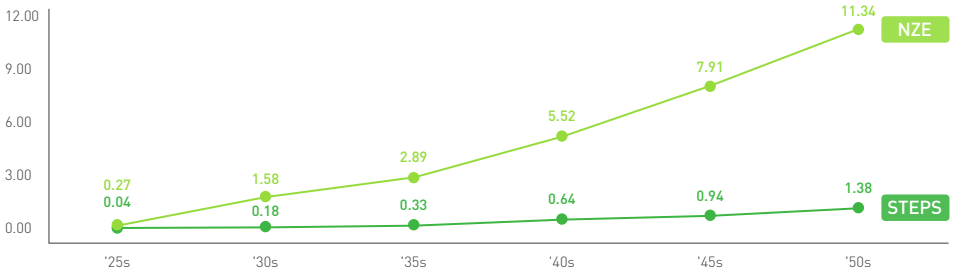
**Global Ammonia Demand Outlook**

Unit: EJ




**Global Hydrogen Demand Outlook**

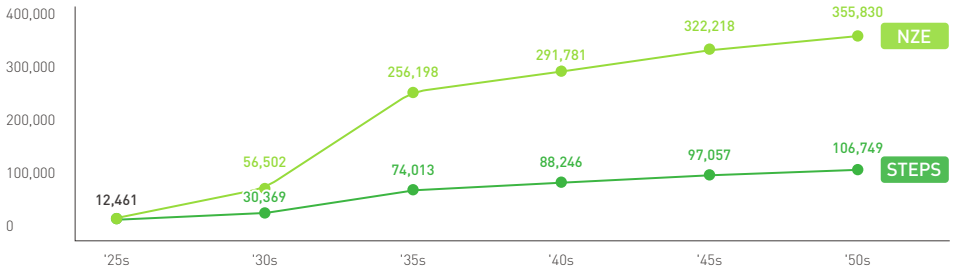
Unit: EJ




**O-1 Growing Demand for Clean and Low-Carbon Energy** | The markets for clean hydrogen and ammonia are projected to grow under both scenarios, with demand rising particularly rapidly under NZE from 2030 onward. By 2050, hydrogen and ammonia demand is projected to reach more than 11 EJ and approximately 2.9 EJ, respectively. While near-term revenue potential may remain limited under current policy trends, accelerated global decarbonization and the transition to low-carbon fuels could create new revenue opportunities in power generation and fuel supply involving clean hydrogen and ammonia, while supporting further diversification of the business portfolio.

**$CO_2$ Price Outlook for Korea and Advanced Economies[1)]**

Unit: KRW




1) The 2025 figure reflects the K-ETS price. STEPS uses carbon price projections for Korea, while NZE uses projections for advanced economies, including Korea.

**T-1 Strengthening Carbon Pricing Mechanisms** | Under the STEPS scenario, Korea's carbon price is projected to reach KRW 106,749/t$CO_2$ by 2050, following a steady upward trajectory. Under NZE, carbon prices in advanced economies, including Korea, are projected to reach approximately KRW 355,830/t$CO_2$. Rising carbon costs could drive up carbon expenses in the Electric Power and Refining & Petrochemicals businesses, potentially affecting the profitability of major subsidiaries and investees. They could also erode asset values and undermine the investment feasibility of fossil fuel-based businesses. In addition, greater investment in GHG emissions reductions could add to capital expenditure pressures.

### Analysis Implications

The analysis indicates that the further the transition progresses, the greater the risks to existing businesses from higher carbon prices and lower fossil fuel demand, while stronger demand for low-carbon energy creates greater opportunities for new businesses. Based on these findings, GS Energy plans to continuously monitor developments in climate and energy policies and markets, while strengthening the resilience of its existing businesses and its ability to adapt its medium- to long-term business portfolio.

# Climate Change Response Strategy

## Climate Change Response Strategy

### GHG Emissions Reduction Efforts

GS Energy works to advance its climate response across its businesses in support of a sustainable future. Given the nature of its businesses, its GHG reduction strategy centers on three pillars: direct emissions reductions, external emission reduction credits, and long-term technology options. Its subsidiaries, GS Power and Incheon Total Energy, lead direct emissions reductions, while GS Energy's ESG TF oversees the development, acquisition, and strategic use of external emission reduction credits. At the same time, GS Energy prioritizes reduction measures that are viable today as emerging technologies such as hydrogen co-firing and CCUS progress toward commercial maturity.

**Strategic Direction**

| Action Plan | Direct Emissions Reductions | Acquisition and Use of External Emission Reduction Credits | Long-Term Technologies |
|---|---|---|---|
| Key Measures and Activities | · Expanded use of external unused and waste heat from incineration facilities, sewage treatment plants, and industrial processes<br>· Improved efficiency of heat supply systems and equipment upgrades<br>· Operational optimization and improved energy efficiency | · Review of potential development of and investment in international mitigation projects under Article 6.2 of the Paris Agreement<br>· Ongoing efforts to source high-quality credits from the Voluntary Carbon Market (VCM)<br>· Planned strategic use of acquired credits (e.g., sales, Group support, and offsetting)<br>· Support for subsidiaries in responding to the K-ETS | · Hydrogen co-firing, CCUS, etc.[1)]<br>· Reassessment upon meeting requirements for commercial viability, economic feasibility, and regulatory conditions |
| Driven by | **GS Power and Incheon Total Energy (with strategic direction set by GS Energy's ESG Council)** | **GS Energy's ESG TF (Leveraging GS Energy's business development capabilities as an intermediate holding Company)** | **Review of phased reassessment and adoption once commercialization conditions are met** |

1) Not included in the confirmed emissions reduction pathway at this stage due to insufficient technological maturity and economic feasibility

# Climate Change Response Strategy

## Climate Change Response Strategy

### GS Energy's External Credit Development and Utilization Strategy

As an intermediate holding Company without direct production operations, GS Energy leverages its business development and investment capabilities to explore emissions reduction credit initiatives at home and abroad. While its subsidiaries focus on managing their emissions allowance positions under the K-ETS, GS Energy oversees the development, acquisition, and strategic use of credits from international mitigation projects under Article 6 of the Paris Agreement and the Voluntary Carbon Market (VCM), with a focus on high-quality credits. Rather than taking a passive approach centered on purchasing carbon credits for offsetting, GS Energy seeks to take a more proactive role in addressing climate change by identifying and developing emissions projects itself. Credits secured through these efforts may be used for the purposes outlined below, subject to applicable regulatory and eligibility requirements.

#### Proposed Strategic Uses of Secured Credits

| External Sales | Use within the Group | Complementary Climate Contributions |
|---|---|---|
| Sales in international and domestic credit markets (including CORSIA-eligible credits) | Support for subsidiaries and affiliates in meeting K-ETS requirements and carbon reduction targets, subject to regulatory eligibility | BVCM[1]-aligned uses, such as supporting carbon offsets for public-interest and cultural events, subject to regulatory eligibility |

1) BVCM (Beyond Value Chain Mitigation): An international concept referring to mitigation and climate contribution activities beyond the value chain (SBTi, 2024)

#### Emissions Reduction Credit Projects Under Development (Examples)

| Projects | Key Details and Intended Use |
|---|---|
| International mitigation projects under Article 6 of the Paris Agreement | Building business development capabilities through participation in a government-supported feasibility study and exploring the acquisition of ITMOs in connection with overseas projects |
| Southeast Asia landfill gas (LFG) emissions project | Identifying potential projects in collaboration with the Sudokwon Landfill Site Management Corporation and exploring the application of an international methodology (outcomes confirmed after verification and registration) |
| GS ChargEV's VCM project for EV charging | Proceeding with credit issuance; once issued, prioritizing external sales through international offset schemes and using a portion to offset emissions from events hosted by external organizations |

#### Principles for Managing and Disclosing External Emissions Reduction Credits

| | | |
|---|---|---|
| 01 | **No recognition before issuance** | Credits pending issuance and verification are excluded from emissions reduction performance, offsetting performance, and reported emissions reductions |
| 02 | **Separate reporting from direct reductions** | External emissions reduction credits are reported separately from direct emissions reductions achieved by subsidiaries |
| 03 | **Separate disclosure after issuance** | Credits issued, held, sold, and retired, as well as transactions within and outside the Group, are separately disclosed |
| 04 | **Classification by intended use** | Credits are managed and disclosed separately by intended use-external sales, support for Group companies' regulatory compliance, or complementary climate contributions-and are kept separate from emissions reduction performance |

**Market Development and Institutional Alignment**

- Continued stakeholder engagement to advance mutual recognition across domestic and international emissions reduction credit schemes
- Efforts to align with international methodologies and certification frameworks (actual use subject to applicable schemes and eligibility requirements)

# Climate Change Response Strategy

## Climate Change Response Strategy

### New Business

As the accelerating energy transition reshapes the market, GS Energy is building growth businesses across clean energy, power solutions, resource circularity, and climate technologies.

#### 01 Clean Hydrogen




| | |
|---|---|
| **Market Outlook** | The global push toward net zero is fueling rapid growth in the clean hydrogen and ammonia markets. The International Energy Agency (IEA) projects continued growth in demand for low-carbon hydrogen and ammonia through 2050, while Korea's policy support for clean hydrogen power generation is expected to spur domestic market growth. Major economies, including the United States, China, and Japan, are also moving to scale up clean ammonia production and exports. In Korea, the 11th Basic Plan for Long-Term Electricity Supply and Demand projects a greater share of power generation from hydrogen and ammonia by 2030. |
| **Response Measures** | Against this backdrop, GS Energy is exploring opportunities in Korea and overseas to build a foundation for the adoption and use of clean hydrogen and ammonia. Through its clean ammonia project with ADNOC in the UAE, the Company has secured an annual supply of 200,000 tons of clean ammonia. Building on this, GS Energy aims to enhance its readiness for the future low-carbon energy market by building an end-to-end value chain, including developing additional overseas production projects and establishing import infrastructure. |

#### 02 Carbon Capture and Storage (CCS)




| | |
|---|---|
| **Market Outlook** | Growing pressure to decarbonize the industrial and power sectors is bringing CCS to the forefront as a key emissions reduction solution. According to the International Energy Agency (IEA), approximately 7.6 billion tons of $CO_2$ will need to be captured and stored annually through CCS by 2050. In Korea, plans are underway to establish CCS capacity of 11 million tons per year by 2030. These developments are expected to accelerate demand for CCS and supporting infrastructure, particularly across emissions-intensive industries such as Refining & Petrochemicals and Electric Power. |
| **Response Measures** | GS Energy is evaluating CCS opportunities that build on its existing power and energy businesses. Drawing on developments in domestic and overseas storage sites and carbon capture technologies, the Company assesses commercial viability and explores the potential for an integrated CCS value chain through collaboration with industry partners. Going forward, GS Energy plans to build on these efforts by identifying additional low-carbon business models linked to its existing energy businesses, further enhancing its ability to address evolving decarbonization needs. |

#### 03 Solar Power



| | |
|---|---|
| **Market Outlook** | The global push toward net zero and supportive renewable energy policies continue to fuel rapid growth in the solar power market. According to the International Energy Agency (IEA), solar and wind are expected to account for more than 60% of new power generation capacity worldwide through 2030. In Korea, growing demand for RE100 initiatives and corporate PPAs continues to support the solar power market, while the integration of energy storage systems (ESS) and wider adoption of direct PPAs are reinforcing solar power's role as a reliable source of renewable energy. |
| **Response Measures** | GS Energy has positioned solar power as part of its broader renewable energy business. GS Dangjin Solar Farm operates facilities in Chorakdo-ri, Dangjin, Chungcheongnam-do, capable of generating approximately 230,000 MWh of electricity annually-enough to supply around 100,000 households. Looking ahead, GS Energy plans to explore further opportunities in solar power and related businesses as renewable energy policies advance and corporate power demand evolves, while reinforcing its renewable energy supply base and overall business competitiveness. |

#### 04 Small Modular Reactor (SMR)



| | |
|---|---|
| **Market Outlook** | As net-zero ambitions converge with growing energy security concerns, SMRs are emerging as a promising source of next-generation carbon-free power. Compared with conventional nuclear reactors, their smaller, modular design offers greater flexibility and enhanced Safety, making them well suited to reliable carbon-free power generation. The IEA and major economies see significant potential for the SMR market as electricity demand climbs and power systems seek reliable generation to complement renewables. This potential is also drawing interest from global technology companies looking to SMRs as a possible solution to the surging electricity needs of AI data centers. |
| **Response Measures** | GS Energy entered the SMR sector through a strategic investment in NuScale Power in 2021, securing exclusive business rights in Korea. NuScale Power was the world's first SMR Company to receive design certification from the U.S. Nuclear Regulatory Commission (NRC) in 2020 and subsequently obtained standard design approval for its 77MW model. With its strategic investment and exclusive business rights in place, GS Energy plans to advance SMR business development and diversify its clean energy portfolio, supporting a more reliable supply of carbon-free power. |

# Climate Change Response Strategy

## Climate Change Response Strategy

### New Business

#### 05 Battery Recycling

| | |
|---|---|
| Market Outlook | As EV and ESS deployment accelerates, the volume of end-of-life batteries is set to increase substantially, creating strong momentum for battery recycling as part of a more circular economy. Batteries contain valuable critical minerals such as nickel, cobalt, and lithium, making recycling increasingly important to resource security and supply chain resilience. Major economies are also introducing stricter recycling requirements and promoting greater use of recycled materials. In Europe, mandatory recycled content requirements for batteries are set to take effect from 2031, providing further momentum for battery collection, recycling, and circular economy markets. |
| Response Measures | GS Energy established POSCO GS Eco Materials as a joint venture with POSCO Holdings in 2022, marking its entry into resource circularity through battery recycling. The Company also invests in and collaborates with industry partners to build capabilities across the value chain, including battery collection, diagnostics, disassembly, and logistics. GS Energy plans to broaden access to raw materials through overseas operations and integrate its global value chain, further building its competitiveness in resource circularity. |

#### 06 Smart Power Solutions

| | |
|---|---|
| Market Outlook | The rapid adoption of EVs and the accelerating energy transition continue to drive demand for charging infrastructure and digitally enabled power management. The Korean government is targeting 4.5 million cumulative EV registrations by 2030, accompanied by a broader rollout of charging infrastructure and the development of smart power markets spanning distributed energy, ESS, virtual power plants (VPP), and demand response (DR). At the same time, advances in AI-based power demand forecasting and energy optimization are further increasing the role of digital solutions in improving power efficiency and providing greater flexibility to the grid. |
| Response Measures | GS Energy is scaling up its EV charging and digital energy platform businesses. GS ChargEV operates a charging network of approximately 75,000 chargers while exploring opportunities linked to V2G and VPP. GS Energy also works with Scalar Data and Haezoom to advance its AI-based energy management and digital energy platform capabilities and sharpen its competitive edge in the smart power market. |

#### 07 Climate Tech Investment

| | |
|---|---|
| Market Outlook | The climate tech market is seeing rapid development worldwide as the transition toward net zero and cleaner energy systems accelerates. Investment demand is especially strong in low-carbon technologies such as energy efficiency, grid optimization, batteries, hydrogen, and CCS. Leading companies are also stepping up investment and collaboration in climate innovation to position themselves for future growth. |
| Response Measures | GS Energy is increasing its strategic investments in promising energy technology companies overseas to prepare for the future energy market. Its investments span energy optimization platforms, next-generation batteries, hydrogen sensors, SMRs, and other emerging technologies, while also opening up new business and development opportunities. The Company also invests in relevant funds to gain market insights and access to global networks, with the aim of building a more competitive low-carbon portfolio. |

#### Overseas Direct Investment

| | |
|---|---|
| Equilibrium Energy: Energy optimization platform | Industrial: Cold chain energy management system |
| TITAN Advanced Energy Solutions: Ultra-fast battery diagnostic technology | NUSCALE Power for all humankind: SMR technologies |
| H2scan Advanced Hydrogen Sensing: Hydrogen sensor | zeno: Next-generation battery using nuclear waste |

#### Overseas Fund Investment

| | |
|---|---|
| VALO ventures: Climate tech & circular economy | imperative ventures: Decarbonization |
| +VOLTA Energy Technologies: Next-generation battery technology | Energy Transition Ventures: Energy transition technologies |
| cf private equity: Renewable energy resource optimization | gsfutures: Climate & energy transition tech, consumer tech |

# Climate Change Response Strategy

## Climate Change Response Strategy

### Green Energy Development

GS Power

GS Power advances low-carbon green energy projects to improve energy efficiency and curb carbon emissions as part of its broader climate strategy. The business recovers renewable energy and unused energy-energy that would otherwise be released into the environment due to technical limitations-and utilizes it to supply heat for district heating. In 2025, green energy accounted for 23.8% of GS Power's total district heating supply, equivalent to a reduction of approximately 107,000 tons of $CO_2$ emissions. Well aligned with GS Power's business portfolio, green energy development represents a core element of its climate response and will continue to play an important role in its decarbonization efforts.

Incheon Total Energy Company

Incheon Total Energy actively seeks and invests in new external heat sources to recover thermal energy that would otherwise be released into the atmosphere. In 2025, recovered heat from external sources accounted for approximately 45% of the Company's total heat sales, thereby reducing both LNG consumption and GHG emissions.

#### Heat Supply Using Recovered Energy

| Heat supply (Gcal) | Self-generated (A) | Recovered heat (B) | Total heat supply (C=A+B) | Share of recovered heat (B/C×100) (%) |
|---|---|---|---|---|
| GS Power | 2,687,247 | 841,491 | 3,528,738 | 23.8 |
| Incheon Total Energy | 675,064 | 547,442 | 1,222,506 | 44.8 |
| With Incheon Energy | 96,327 | 393,802 | 490,129 | 80.3 |
| Cheongna Energy | 41,827 | 1,469,217 | 1,511,044 | 97.2 |

### Green Energy Technology Development

GS Power

GS Power develops environmentally friendly technologies that improve energy efficiency and reduce carbon emissions as part of its response to the evolving climate landscape. The patents held by GS Power are listed below.

| Patents Held by GS Power |
|---|
| Method and Apparatus for Real-Time Analysis of District Heating Pipe Network Based on Time Sequence Data of Heat Demand |
| Heat Recovery System for a Steam Turbine Generator Room |
| System for Recovering Latent Heat from Exhaust Gas Using a Heat Exchanger, System Modularization, and Heat Exchanger Used Therein |
| Combined Heat and Power Generation System Using a Heat Pump |
| Fuel Cell-Based Heat Utilization Module for Bidirectional Trading and Heat Supply Control System Using the Same |
| District Heating System Including Heat Pump Using District Heat and Control Method Thereof |
| District Cooling and Heating System Connected to Sewage Disposal Plant and Incineration Plant |
| Method for Real-time Analysis of District Heating Pipe Network Based on Time Sequence Data for Heat Demand |
| Method And Apparatus for Real-time Analysis of District Heating Pipe Network Based on Time Sequence Data of Heat Demand |

### Eco-Friendly and Low-Carbon Product Certifications

Incheon Total Energy Company

The Environmental Product Declaration (EPD) is a certification scheme that quantifies the environmental impacts of products and services throughout their life cycle-from raw material extraction and production to transportation, distribution, use, and disposal. By providing consumers with transparent information on environmental impacts, the scheme is designed to encourage continuous, market-driven environmental improvement. Recognized for the high energy efficiency and $CO_2$ reduction benefits of its LNG combined heat and power plant, Incheon Total Energy obtained EPD certification in August 2023 and Low Carbon Product certification in February 2024. These certifications are expected to demonstrate the environmental value of the Company's district heating while meeting customer demand for eco-friendly products and contributing to GHG emissions reductions.

# Climate Change Response Strategy

## Climate Change Response Strategy

### GHG Emissions and Energy Use Management

GS Power

Since being designated as an entity subject to allowance allocation under Korea's Emissions Trading Scheme (K-ETS) in 2015, GS Power has had its annual GHG emissions statements verified by an independent third party and submitted them to the Ministry of Environment together with the corresponding emissions allowances. To improve the accuracy of its GHG emissions calculations and ensure systematic measurement of activity data and parameters, GS Power engages an external specialist each year to prepare its emissions monitoring plan and support the verification process. The Company also maintains a GHG inventory to monitor and manage its Scope 1 direct emissions and Scope 2 indirect emissions.

Incheon Total Energy Company

Incheon Total Energy complies with its GHG emissions reduction obligations under the Framework Act on Low Carbon, Green Growth and the Act on the Allocation and Trading of Greenhouse Gas Emission Permits. Its medium- to long-term carbon reduction measures center on high-efficiency power generation facilities and process improvements to existing facilities designed to improve energy efficiency. The Company also secures appropriate emissions allowances by applying and refining benchmark (BM) coefficients for allowance allocation. It closely tracks regulatory changes and market conditions, while generating economic value from the sale of surplus allowances as part of its overall management of K-ETS obligations.

### Korea GS E&P

Korea GS E&P holds an equity interest[1] in ADNOC Onshore, an oil-producing concession in Abu Dhabi, UAE. The concession is operated by ADNOC, the UAE's national oil company, and Korea GS E&P, as a financial investor, has no direct operational control. Nevertheless, in view of the elevated climate transition risks and financial materiality inherent in fossil fuel production assets, Korea GS E&P continuously monitors the operator's GHG emissions management and maintains relevant records.

ADNOC[2] has set a target of net-zero operational emissions by 2045 and, according to its public disclosures, is working toward this target through electrification, energy efficiency, reductions in flaring and methane emissions, and CCUS. ADNOC reports that since 2022, grid electricity used for its onshore operations has been sourced from a power grid supplied by solar and nuclear energy. According to its 2024 Sustainability Report, ADNOC achieved a reduction of 6.6 million tCO2e in Scope 1 and 2 emissions and a 22 percent reduction in upstream methane emissions in 2024. Korea GS E&P monitors the operator's emissions and decarbonization progress and plans to progressively refine its emissions calculation methodology and disclosure scope in alignment with domestic and international disclosure standards.

1) ADNOC Onshore equity interest: Korea GS E&P holds a 3% interest (2.1% of which is attributable to GS Energy)
2) Source for information on ADNOC: ADNOC official website and ADNOC Sustainability Report 2024

# Climate Change Response Strategy

## Climate Change Response Strategy

### Transition to Eco-friendly Corporate Vehicles

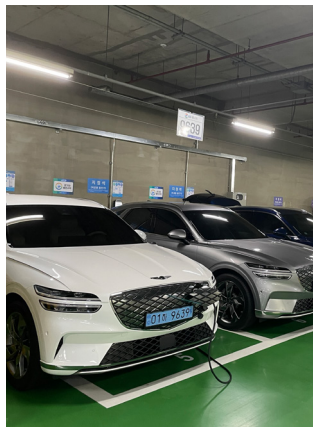
GS Energy is reducing the environmental footprint of its corporate fleet by replacing Company-owned vehicles with electric vehicles and other eco-friendly mobility options. The transition reflects the Company's commitment to corporate social responsibility and contributes to a more sustainable future.

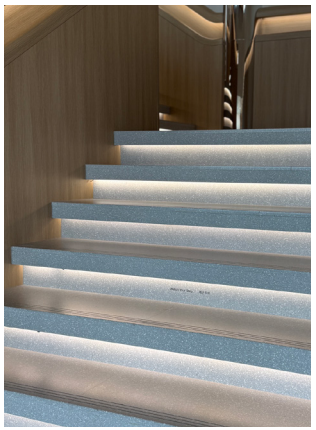
### Carbon Reduction Stairway Display

GS Energy encourages employees to make energy-conscious choices in their daily routines through stairway displays at its headquarters that track stair use and the associated carbon emissions reductions. Installed on the 36th and 37th floors, the displays use sensors to record the cumulative number of steps taken and display the corresponding emissions reductions. GS Energy estimates that an elevator trip of one floor generates approximately 4 g of carbon emissions and therefore indicates that an employee who takes the stairs for one floor-approximately 21 steps-avoids about 4 g of emissions. The initiative makes the impact of everyday choices more tangible, encouraging employees to put energy conservation and carbon reduction into practice.

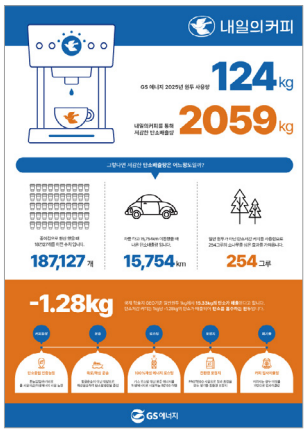
### Low-Carbon Coffee Beans

Since November 2023, GS Energy has used low-carbon coffee beans for part of its office coffee supply. Sourced from the startup Naeil Coffee, these beans are produced with organic fertilizers and renewable energy, while discarded coffee sacks are upcycled into bags, resulting in a lower carbon footprint than conventional coffee beans. GS Energy calculates the associated carbon emissions reductions and displays the figures in the office to help employees understand the impact of the initiative. In 2025, approximately 124 kg of low-carbon coffee beans were used, with an estimated reduction of 2,059 kg in carbon emissions- equivalent to avoiding the use of 187,127 paper cups or the amount of carbon absorbed by 254 30-year-old Korean red pine trees in central Korea.







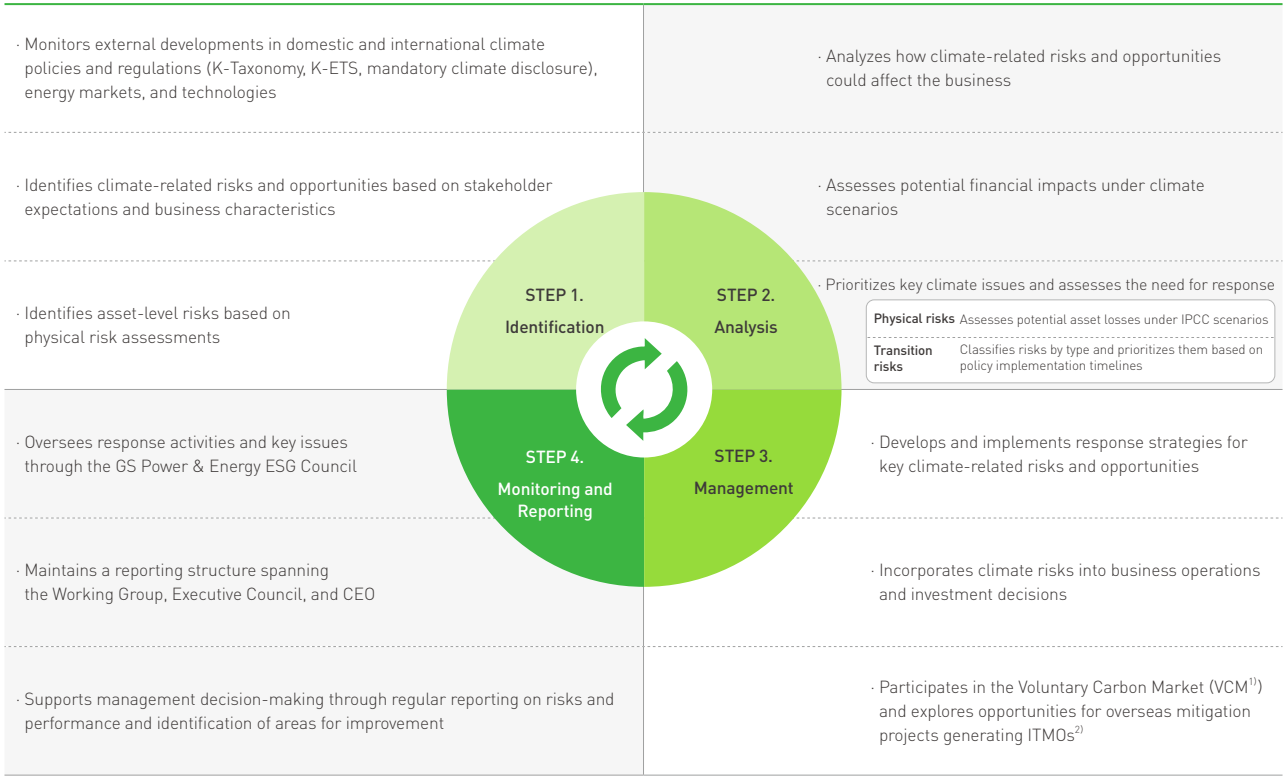



# Climate Change Response Risk Management

## Climate Risk and Opportunity Management

### Climate Risk and Opportunity Management Process

GS Energy has established a process to identify, assess, and manage climate-related risks and opportunities associated with its business operations and broader operating environment. The Company monitors developments in domestic and international climate policies, energy markets, technologies, and stakeholder expectations, with particular attention to material climate issues relevant to its businesses. It also considers the potential impacts of climate change on its businesses as part of operational and investment decision-making.




1) VCM(Voluntary Carbon Market)
2) ITMO(Internationally Transferred Mitigation Outcome)

### Integration into Enterprise Risk Management Process

GS Energy integrates climate-related risks and opportunities into its enterprise-wide risk management process, bringing ESG and climate considerations into investment, financial, and management decisions. Climate risks are factored into investment decisions through reviews by the Investment Review Committee and the Board of Directors, while insights from post-investment monitoring feed into subsequent climate risk assessments. The Company also tracks changes in government and financial institutions' ESG policies and their implications for financing, enabling proactive responses to emerging financial risks. At the subsidiary level, the ESG Council regularly brings together and reviews climate risks, reporting significant matters to the CEO to inform management decisions. GS Energy will continue to develop the process to ensure more systematic integration of climate-related risks and opportunities across enterprise-wide risk management.

# Climate Change Response Risk Management

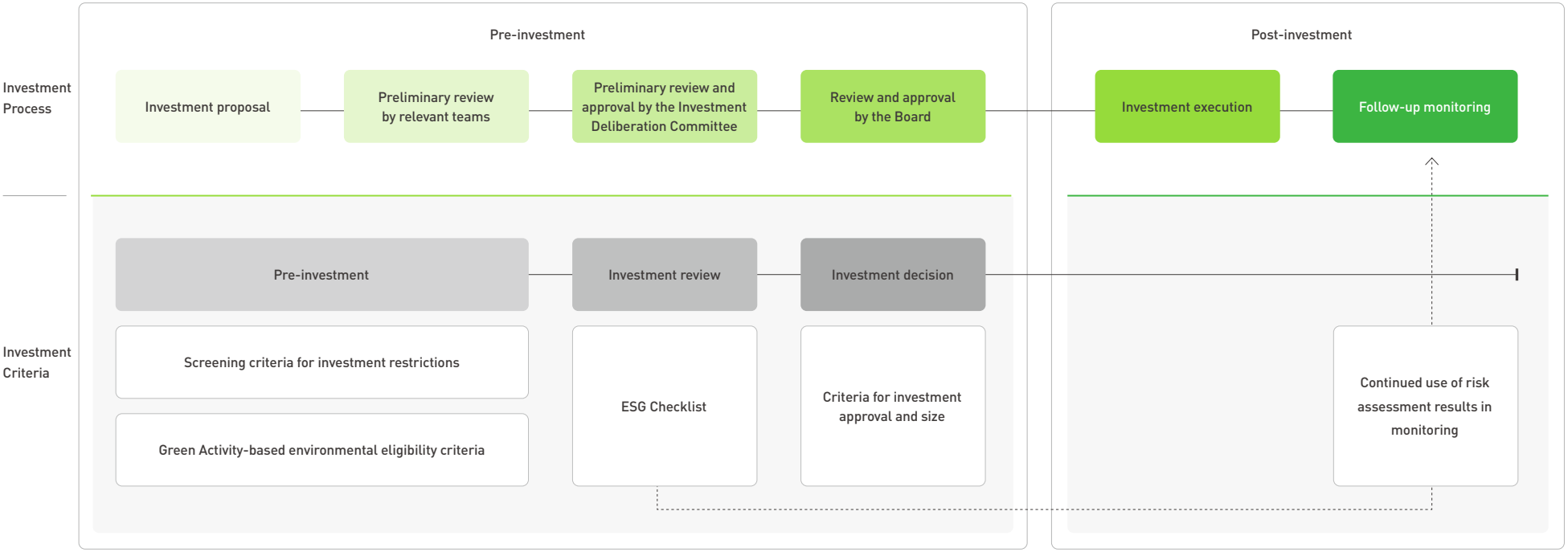
## Climate Risk and Opportunity Management

### Climate Risk Assessment Framework

Recognizing the potential direct and indirect effects of climate change and other ESG-related risks on its future financial position and performance, GS Energy treats the ESG risk profile of candidate investees as a key consideration when exploring new business opportunities. This consideration is also embedded in the Company's investment review and approval process, with ESG risks assessed at both the pre- and post-investment stages. At the pre-investment stage, relevant teams first screen each proposal against ESG investment restrictions and environmental criteria. The candidate investee is then assessed using an ESG checklist[1)] for review by the Investment Deliberation Committee, followed by the Board of Directors' final decision on whether to proceed and at what scale, in accordance with ESG criteria. Once an investment has been made, follow-up monitoring focuses on supporting the investee in improving its ESG management practices and mitigating identified risks.

1) Key items include the presence of a climate response organization and past performance in reducing GHG emissions and energy use.

**Investment Review and Approval Process**



# Climate Change Response Metrics and Targets

## Climate-related Metrics

### GHG Emissions

GS Energy monitors Scope 1 and 2 GHG emissions across the Company, its subsidiaries, and JVs as a key metric for tracking its climate response. Emissions are calculated using the operational control approach for GS Energy and its major subsidiaries and the equity share approach for major JVs. In 2025, consolidated Scope 1 and 2 GHG emissions totaled approximately 3 million $tCO_2eq$, with the majority attributable to GS Power and Incheon Total Energy. As for Scope 3 emissions, GS Energy is building the necessary data collection and management capabilities. The Company will take a phased approach to expanding its coverage as its internal capabilities mature and disclosure requirements evolve.

**Consolidated Scope 1 and 2 GHG Emissions**

Unit: $tCO_2eq$

| | Category | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Scope 1 Emissions | GS Energy | 70 | 79 | 111 |
| | GS Power | 2,534,649 | 2,679,305 | 2,612,102 |
| | Incheon Total Energy | 371,576 | 394,740 | 349,905 |
| | With Incheon Energy | 20,423 | 20,099 | 33,008 |
| | GS ChargEV | 0.3 | 0.7 | 1.1 |
| | **Subtotal** | **2,926,718** | **3,094,224** | **2,995,127** |
| Scope 2 Emissions | GS Energy | 220 | 243 | 267 |
| | GS Power | 21,534 | 20,704 | 19,095 |
| | Incheon Total Energy | 4,404 | 2,960 | 4,233 |
| | With Incheon Energy | 3,015 | 3,302 | 3,414 |
| | GS ChargEV | 54 | 77 | 80 |
| | **Subtotal** | **29,227** | **27,286** | **27,089** |

**Major JVs' Scope 1 and 2 GHG Emissions**[1)]

Unit: $tCO_2eq$

| | Category | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Scope 1 Emissions | Lotte GS Chemical | 20,291 | 17,747 | 46,370 |
| | GS Caltex | 3,638,939 | 3,718,511 | 3,673,067 |
| | Boryeong LNG Terminal | 1,022 | 1,252 | 1,073 |
| | **Subtotal** | **3,660,252** | **3,737,510** | **3,720,510** |
| Scope 2 Emissions | Lotte GS Chemical | 44,041 | 45,722 | 160,668 |
| | GS Caltex | 779,092 | 768,545 | 739,334 |
| | Boryeong LNG Terminal | 25,817 | 29,271 | 27,495 |
| | **Subtotal** | **848,950** | **843,538** | **927,497** |

1) Calculated using the equity share approach (equity interests as of December 31 of the respective year)

## Climate-related Targets

GS Energy has not established or announced an absolute emissions reduction target at this time. The Company prioritizes feasibility and verifiability and therefore does not set targets that depend on unconfirmed reduction measures or projected outcomes. Any further development of a medium- to long-term target framework will depend on a comprehensive assessment of the Group's consolidated emissions profile, the feasibility of potential reduction measures, data management capabilities, and the evolving regulatory landscape.

# Environmental Management

## GS Energy's Environmental Management Framework

GS Energy seeks to support the transition toward lower-carbon, more environmentally sustainable operations in response to growing expectations for climate action and reduced environmental impacts. In alignment with GS Group's approach to environmental impact management, the Company has defined specific medium- to long-term measures under the Beyond Strategy, which provides the overarching direction for its environmental management. GS Energy also monitors environmental impacts across major subsidiaries, including GS Power and Incheon Total Energy, as part of its environmental stewardship as a holding Company.

| | REDUCE | IMPROVE | INNOVATE |
|---|---|---|---|
| Direction | | | |
| Environmental Impact | LESS HARMFUL | NET ZERO | POSITIVE |
| Principles | Minimize carbon emissions and the generation of waste and discarded materials.<br>Reduce waste by improving efficiency in the use of resources and the conversion of energy.<br>Take proactive measures to protect the environment and mitigate potential risks. | Improve the environmental performance of business processes across product development, supply and distribution, and recovery.<br>Foster an environmentally responsible workplace and a culture of voluntary practices.<br>Improve the customer experience to support more environmentally sustainable lifestyles. | Explore environmentally sustainable resources and materials.<br>Transform business models and portfolios with a stronger focus on environmental sustainability.<br>Develop new growth engines that contribute to environmental sustainability. |
| Action Plans | Environmental impact management at subsidiary sites<br>GHG emissions and energy<br>Water use and treatment<br>Waste and pollutants | Circular resource ecosystem<br>Clean hydrogen economy infrastructure | Expansion of green power generation portfolio<br>Leadership in the smart power solutions market |

# Environmental Management

## Pollution Management

### Water Pollutant Management

GS Power

At GS Power, wastewater generated at its facilities undergoes physical and chemical treatment at its on-site integrated wastewater treatment facility. Treatment includes neutralization, coagulation, sedimentation, filtration, and adsorption, after which the treated wastewater is discharged to a nearby municipal wastewater treatment plant. GS Power maintains stringent controls over water pollutants, including internal water quality standards that are more stringent than regulatory limits. Suspended solids, in particular, are managed to an internal limit at least 50 percent below the regulatory limit. The Company also performs periodic maintenance, including the replacement of filtration media and activated carbon, to maintain treatment performance and reduce water pollutants.

Incheon Total Energy Company

At Incheon Total Energy, wastewater generated at its facilities undergoes physical and chemical treatment before being discharged to the Songdo municipal wastewater treatment plant. The Company regularly conducts its own water quality testing and continuously monitors effluent quality. Pollutant concentrations at the discharge outlet are maintained at less than 10 percent of the applicable regulatory limits.

### Air Pollutant Management

GS Power

At GS Power, advanced emissions control systems, including low-NOx burners and selective catalytic reduction (SCR) systems, are installed and operated to curb nitrogen oxide (NOx) emissions and effectively comply with government-mandated caps on total air pollutant emissions. Air emissions are monitored around the clock through a continuous emissions monitoring system (CEMS), with data transmitted in real time to the air pollutant management system to ensure transparency. GS Power also applies internal air pollutant emission limits that are more stringent than statutory limits.
GS Power continues to invest in and maintain emissions control equipment to minimize air pollutant emissions. In 2025, the Company upgraded the ammonia injection grid (AIG) and replaced SCR catalysts at the Bucheon Combined Heat and Power Plant to maintain optimal performance of its air pollution control systems. Catalyst performance is regularly inspected to ensure timely replacement when needed. In 2025, GS Power also replaced the SCR catalyst and installed additional iron oxide dust collection equipment for Unit 2-1 at the Anyang Combined Heat and Power Plant.

Incheon Total Energy Company

At Incheon Total Energy, LNG is used as a cleaner fuel, alongside advanced emissions control systems such as low-NOx burners, to manage and curb air pollutant emissions. Air emissions are monitored around the clock through a tele-monitoring system (TMS), with real-time data transmitted to the Korea Environment Corporation to ensure transparency. The Company has also proactively introduced new control technologies, including direct-injection SCR systems and iron oxide dust collection equipment, maintaining emissions at levels below the limits set by its integrated environmental permit. In 2025, average NOx concentrations were maintained at approximately 4-5 ppm, well below the 8 ppm limit stipulated in the permit. Incheon Total Energy also participates in the Incheon Blue Sky Agreement and a voluntary agreement on fine dust reduction, demonstrating its commitment to environmental responsibility by contributing to cleaner air and minimizing environmental impacts in the local community.

# Environmental Management

## Pollution Management

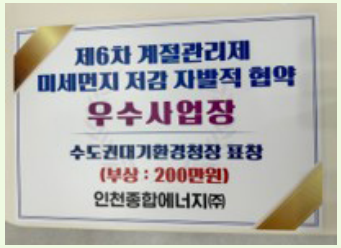
**Case** **Incheon Total Energy's High-Efficiency Wide-Temperature-Range SCR Catalyst**

Natural gas power generation produces fewer air pollutants than coal-fired generation and offers greater operational flexibility, allowing output to adjust quickly to changes in electricity demand. However, as the majority of natural gas power plants are located near urban areas, elevated levels of carbon monoxide (CO), nitrogen dioxide ($NO_2$), and unburned hydrocarbons (UHCs) emitted during startup can pose health risks to nearby communities. SCR systems are widely used at natural gas power plants to control these pollutants, but their reduced catalytic efficiency at lower temperatures has remained a key limitation.

To address this limitation, Incheon Total Energy entered into a demonstration agreement with the Korea Institute of Energy Research and Geumhwa C&E Co., Ltd. to develop low-temperature denitrification catalyst technology. The collaboration included demonstration testing using exhaust gas from natural gas power generation to evaluate catalyst performance and applicability, leading to the development of a catalyst effective across a wider temperature range. The technology has since been deployed at Incheon Total Energy's facility and is currently in operation.

Using the new catalyst, Incheon Total Energy achieved emission concentrations of approximately 4–5 ppm during the sixth seasonal fine dust management period and maintained NOx emissions at less than 50 percent of its target emission level, confirming the performance of the new catalyst.

In recognition of these emissions reduction efforts, Incheon Total Energy was selected as an Outstanding Workplace under the Voluntary Fine Dust Reduction Agreement for the sixth seasonal management period, earning a commendation from the Metropolitan Air Quality Management Office in 2025.






### Chemical Management

GS Power

GS Power's operations do not involve the handling of hazardous chemicals, and in 2019, the government accepted its notification to terminate its hazardous chemical handling business. The Company subsequently joined chemical Safety partnerships between large enterprises and SMEs, signing agreements for its Anyang plant in June 2023 and Bucheon plant in March 2024. Participating companies share equipment and personnel to bolster chemical accident prevention and emergency response capabilities and regularly conduct simulated emergency drills. GS Power also takes part in national emergency response exercises, helping maintain the high level of trust that local communities place in its combined heat and power plants in the Seoul metropolitan area.

Incheon Total Energy Company

Incheon Total Energy lowers the concentrations of hazardous chemicals used or generated at its facilities to improve worker Safety. As a facility subject to Process Safety Management (PSM)[1], the Company maintains up-to-date Material Safety Data Sheets (MSDS)[2] through regular reviews as part of its chemical management practices. Its subsidiary, With Incheon Energy, has similarly lowered the concentrations of hazardous chemicals in use, enabling it to complete the notification process to terminate its hazardous chemical handling business in 2024.

1) PSM: A system designed to prevent major industrial accidents caused by hazardous material releases, fires, explosions, and other incidents by requiring the submission and review of a process Safety report
2) MSDS: A document containing information necessary for the safe use and management of chemical substances

# Environmental Management

## Waste Management

### Promoting the Use of Reusable Cups

As part of its transition toward a more environmentally responsible workplace, GS Energy has expanded the use of reusable cups in its offices to encourage sustainable practices among employees. The initiative helps cut down on single-use products, with social venture The Greet providing an end-to-end service covering the rental, collection, and cleaning of reusable cups. GS Energy will continue to explore practical ways to reduce the environmental impacts of its operations and contribute to a more sustainable society.

### Waste Management

GS Power

At GS Power, waste generated at the Anyang and Bucheon plants is tracked through Allbaro, the Ministry of Environment's electronic waste management system, with designated personnel overseeing waste management at each site. Beyond ensuring proper handling throughout the waste lifecycle, GS Power focuses on conserving resources and increasing the share of waste that can be recycled. Its recycling rate rose by 11.5 percentage points in 2023 from the previous year and by another 2.3 percentage points in 2024. Wastewater treatment sludge, spent sand, spent adsorbents, and other waste requiring external treatment are handled by specialized contractors in accordance with applicable requirements, while materials suitable for recycling are repurposed for uses such as construction materials.

Incheon Total Energy Company

Incheon Total Energy similarly uses Allbaro, operated by the Korea Environment Corporation, to track waste from generation and storage through transportation and final treatment, using online reporting and radio-frequency identification (RFID)1) technology. Its approach begins with reducing general, designated, and construction waste at the source. Waste that is generated is then separated by type and characteristics to maximize opportunities for reuse and recycling, with designated waste and spent adsorbents sent to specialized contractors where they can be reused or recycled.

1) RFID: Technology that uses radio-frequency (RF) signals to identify objects, people, or other subjects

## Water Resource Management

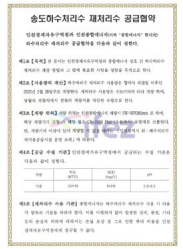
### Water Resource Management

GS Power

GS Power reduces its water footprint by keeping more water in circulation within its power plants. Cooling water recycling and reclaimed water systems reduce the need for freshwater while limiting the volume of wastewater discharged from operations. The Company complements these measures with ongoing monitoring of water use and withdrawal and regular environmental audits to identify and manage water-related risks.

Incheon Total Energy Company

At Incheon Total Energy, reclaimed water systems and wastewater treatment facilities help conserve water by recycling water for use within its operations and reducing reliance on municipal supplies. In 2025, the Company expanded these efforts through a water reuse agreement with the Incheon Free Economic Zone Authority(IFEZ). Under the agreement, reclaimed wastewater is used as process water at its facilities, replacing approximately 100,000 metric tons of municipal water annually.


송도하수처리수 재처리수 공급협약



## Biodiversity Management

### Participation in a Biodiversity Initiative

BNBP 기업과 생물다양성 플랫폼 Biz N Biodiversity Platform

Recognizing the importance of biodiversity conservation, GS Energy joined the Biz N Biodiversity Platform (BNBP) as an initial step toward more active engagement in this area. Established in 2016, BNBP helps companies strengthen their capacity to address biodiversity-related issues. Through the platform, GS Energy participates in discussions with government agencies and other companies to explore practical approaches to biodiversity conservation and build connections with a broader range of stakeholders.







# SOCIAL


Safety & Health 50

Employees 59

Local Communities 63

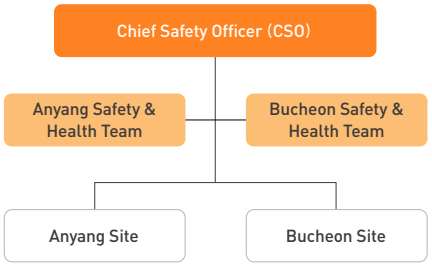
# Safety & Health

Material Issue 4 — Occupational Safety & Health Management at GS Energy and Its Business Partners

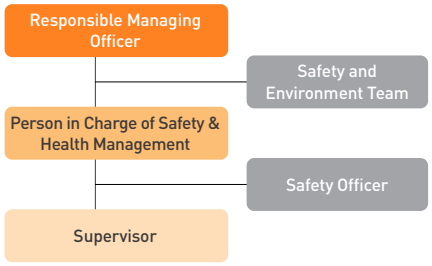
GS Energy prioritizes Safety & Health as a core management priority and maintains a systematic framework covering both the Company and its contractors. By preventing workplace accidents and fostering a strong Safety culture at major subsidiaries, the Company aims to strengthen operational resilience and build a solid foundation for sustainable growth.

## Governance

### GS Power




### Incheon Total Energy




## Risk Management

### Safety Risk Management

**Risk Assessment**

Identify potential hazards by work process and assess the effectiveness of Safety measures

↓

**Accident Prevention Activities**

Safety patrols, STOP program, PSM, monthly Safety inspection days, etc.

### Work Environment Management

**Work Environment Monitoring**

Assess exposure to hazardous factors, including heavy metals and noise, in the workplace

↓

**Work-related Illness Management**

Musculoskeletal hazard assessments, cardiovascular and cerebrovascular disease risk assessments, hazardous chemical management, etc.

## Strategy

### Promoting Employee Health and Well-being

| Health Checkups | Psychological Counseling |
|---|---|
| Regular and specialized health checkups | Employee counseling program |
| Health consultations and follow-up care for employees with identified health concerns | Assessment and management of job stress |

### Strengthening Employee Safety and Health Capabilities

| Safety Training | Health Training |
|---|---|
| Regular Safety & Health training | Seasonal illness prevention training |
| Enhanced Safety training for contractor employees | Training on the prevention of work-related illnesses |

## Metrics and Targets

### Metrics

| Metrics | Category | 2025 |
|---|---|---|
| Lost Time Injury Frequency Rate* (LTIFR) | GS Power | 0 cases per million hours worked |
| | Incheon Total Energy | 0 cases per million hours worked |

* Reporting scope to be expanded gradually

### Target

Achieve Accident-Free Workplaces and Zero Serious Accidents

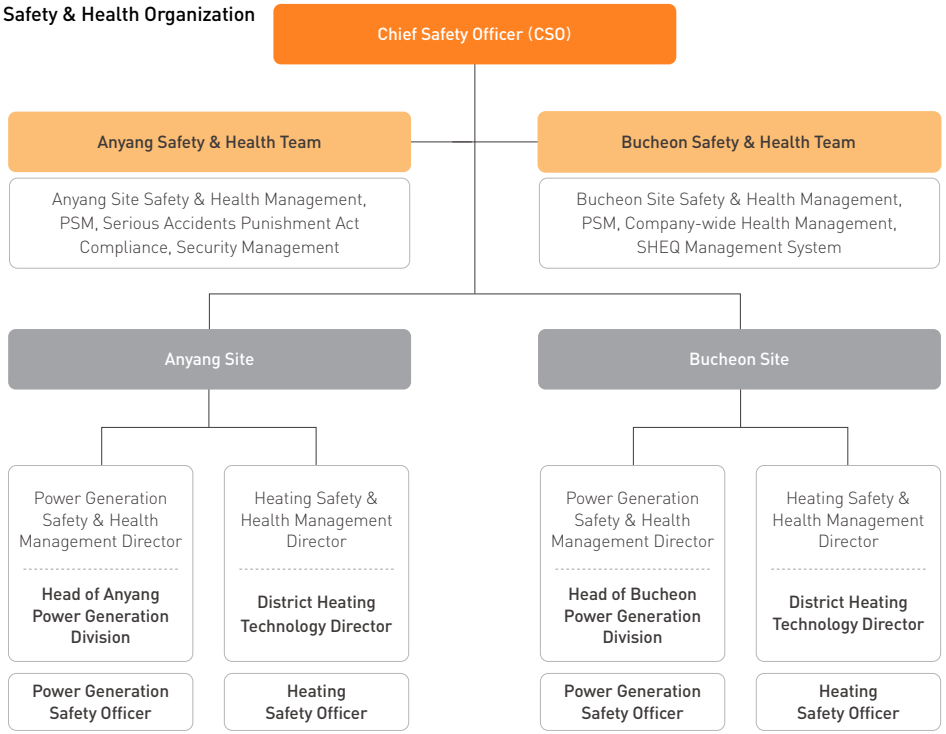
# Safety & Health Governance

## Safety & Health Management Organization

### GS Power

Safety & Health are a top priority at GS Power. The Company has appointed a Chief Safety Officer (CSO) with overall responsibility for developing and implementing its Safety & Health policies and safeguarding employees and stakeholders. Each site also has a dedicated Safety & Health team reporting to the CSO. These teams bring specialist expertise to Safety management and help embed consistent practices and continuous improvement across the organization.

**Safety & Health Organization**




### Incheon Total Energy Company

Incheon Total Energy has appointed a CSO and established a dedicated Safety and Environment Team under the CSO to strengthen compliance with the Serious Accidents Punishment Act and the Company's Safety & Health management. Safety & Health objectives are established and reviewed regularly to ensure consistent management across its operations.

**Safety & Health Organizational Structure**




### With Incheon Energy Company

With Incheon Energy relies on a Company-wide Safety and Environment Team, together with Safety supervisors and designated Safety personnel within each business team, to maintain a safe workplace. Although not legally required to appoint a Safety officer under the Occupational Safety and Health Act, the Company has chosen to do so and established a dedicated organization, enabling systematic oversight of Safety across its operations.

# Safety & Health

Strategy

## Safety & Health Management Policy

GS Power

GS Power places health and Safety among its highest management priorities. Its Safety & Health Management Policy sets out the Company's commitment to protecting everyone in its workforce. GS Power works to prevent occupational accidents by maintaining a safe and comfortable workplace and applying sound Safety & Health practices throughout its operations.

**Safety & Health Management Policy**

01 The Company shall strive to create a safe and healthy working environment by establishing and operating a Safety and health management system based on a self-regulatory prevention framework, with the Safety and health of its employees and all workers at its partner companies as its highest priority in all management activities.

02 The Company shall fulfill its responsibilities and obligations for Safety and health and actively provide organizational, human resource, budgetary, and other support to ensure compliance with Safety and health laws and regulations and internal rules. It shall strive to prevent industrial accidents by eliminating hazardous and harmful factors and strengthening its accident prevention capabilities.

03 The Company shall regularly review whether its Safety and health management system is effectively established and implemented based on communication with and participation by all workers, and shall make and implement improvements to promote a culture of voluntary Safety.

04 The Company shall provide stakeholders, including partner companies, with Safety- and health-related information and encourage their participation through a series of activities, including training support, inspections, and improvements, thereby building mutually beneficial partnerships.

05 All workers shall understand and follow the Safety and health management policy, actively participate in identifying potential hazards to improve Safety and health, and comply with Safety rules and regulations in order to achieve accident-free workplaces.

Incheon Total Energy Company

Incheon Total Energy's Safety, Environment and Health Management Policy puts Safety, environmental protection and health first, setting out the principles that guide the Company in pursuing sustainable management and creating social value across its operations.

**Safety, Environment, and Health Management Policy**

01 We build and operate an organization that prioritizes Safety, the environment, and health, strengthening our capabilities to provide greater value to customers and stakeholders.

02 We make Safety & Health key elements of our management strategy and strictly comply with all applicable laws, regulations, and other requirements, taking the lead in fostering a proactive and self-regulating Safety culture.

03 We create safe workplaces and prevent industrial accidents by proactively identifying potential hazards through risk assessments and continuously implementing improvements.

04 We practice environmentally friendly management by strengthening environmental management at our business sites and actively pursuing initiatives to reduce environmental pollutants.

05 We communicate our Safety, environment, and health management policy to all stakeholders and work together to put the policy into practice through active communication.

With Incheon Energy Company

With Incheon Energy has established a Safety-first management system based on its Safety, Environment and Health Policy, with employee Safety and well-being as its highest priority. The same Safety & Health principles and practices apply across all workplaces and to employees and contractors alike.

# Safety & Health Strategy

## Health Promotion Programs

### Employee Health Checkup Program

GS Power

GS Power provides employees with annual comprehensive Health Checkups at designated hospitals in each region to support their long-term health. Based on the results, the Company may take measures such as job reassignment, participation in the Health Challenge, follow-up testing, health data management, and psychological counseling. The Health Challenge encourages employees to adopt healthier habits and make positive changes to their own health, with goals centered on improving overall body composition and InBody scores. Where further attention is needed, follow-up testing provides additional checks and allows employees' health to be monitored over time.

Incheon Total Energy Company

Incheon Total Energy provides annual health screenings and targeted medical examinations for its employees. Each month, Nurses from health management agencies visit the workplace to check on employees requiring observation or with abnormal findings. Based on the checkup results, the Company may reassign employees or provide personal protective equipment. It also reviews its occupational health practices, and doctors from the agencies visit semi-annually for in-depth consultations. Automated external defibrillators (AEDs) are installed on site for use in medical emergencies.

With Incheon Energy Company

With Incheon Energy provides annual comprehensive health checkups for all employees at designated hospitals. The benefit also extends to spouses aged 40 and above, who are eligible for a comprehensive health checkup every two years.

### Employee Mental Health Support Programs

GS Power

GS Power offers mental health support to help employees manage personal and work-related concerns and maintain their well-being. In partnership with an external professional counseling provider, the Company offers individual counseling for concerns ranging from depression and work-related stress to family issues. Employees who prefer not to meet with a counselor in person can access mental health videos, stress self-assessments, and other resources.

With Incheon Energy Company

With Incheon Energy offers an Employee Assistance Program (EAP) for employees dealing with work-related stress, symptoms of depression, personal concerns, or family issues. The program provides one in-person counseling session and two additional services selected from options such as psychological counseling, the Temperament and Character Inventory (TCI), and stress assessments. Appointments are booked through an app, which also offers content on stress management, meditation, and other topics.

# Safety & Health Strategy

## Building Safety & Health Capabilities

### Safety & Health Training for Employees and Contractors

GS Power

GS Power ensures that Safety & Health guidelines and materials are provided prior to all major high-risk jobs. Contractor employees working on site receive particular attention given their greater potential exposure to hazards, with dedicated training materials provided before these jobs to heighten Safety awareness and reinforce safe work practices.

Incheon Total Energy Company

Incheon Total Energy provides quarterly online Safety training through the Korea Industrial Safety Association. To help employees stay healthy throughout the year, the Company also provides monthly guidance and training, both in writing and in person, on topics such as preventing seasonal illnesses. Contractor employees working on site receive separate health and Safety training from members of the Company's Safety & Environment Team.

| Training Period | Training Topics | Remarks |
|---|---|---|
| Jan 2025 | Stretching | |
| Feb 2025 | Diabetes | |
| Mar 2025 | Insomnia | |
| Apr 2025 | Fine dust | |
| May 2025 | Heat-related illnesses | |
| Jun 2025 | Job stress | Collective training for employees and contractors |
| Jul 2025 | VDT syndrome | |
| Aug 2025 | Low back pain | |
| Sep 2025 | Neck-arm syndrome | |
| Oct 2025 | Clean and safe workplace | |
| Nov 2025 | Cardiovascular and cerebrovascular diseases | |
| Dec 2025 | Winter Safety and health management | |

With Incheon Energy Company

With Incheon Energy conducts regular Safety training and drills to embed a Safety culture and prepare workers to respond effectively in an emergency. The Company plans to add scenario-specific training for a wider range of emergencies so that workers can respond promptly to different situations. It also provides monthly health education tailored to seasonal and workplace conditions, using videos and other materials to make the content relevant to each situation.

| Training Course | Training Hours | Training Frequency |
|---|---|---|
| Supervisor Training | 16 hours | Annually |
| Regular Safety Training for Workers (Non-office) | 12 hours | Semiannually |
| Regular Safety Training for Workers (Office) | 6 hours | Semiannually |
| Safety Training for New Hires | 8 hours | Before commencing work |
| Safety Training for Changes in Work Duties | 2 hours | Before commencing changed work |
| Special Safety Training on Hazardous and Dangerous Substances | 16 hours | Annually |
| Safety Training on Safety Inspection Day | 1 hour | Monthly |
| Safety and Health Training (external institution) | As needed | As needed |
| Safety Seminar | 1 hour | Monthly |
| PSM Report Training | 1 hour | Monthly |

# Safety & Health Risk Management

## Workplace Safety Risk Management

### Workplace Risk Assessment

GS Power

In accordance with the Occupational Safety and Health Act, GS Power manages process Safety to prevent hazardous substance releases, fires, explosions, and other incidents involving hazardous process equipment that could harm workers or nearby communities. Its measures include updating process Safety information, conducting internal audits, and operating a standing PSM task force. GS Power has also developed and implemented Power Job Safety Analysis (P-JSA), a risk assessment method that identifies potential hazards at each stage of a job and evaluates the effectiveness of existing controls for each hazard. GS Power has also introduced AIR, an AI-based risk assessment program that uses natural-language input and analyses of past incidents to identify potential hazards. AIR makes assessments less dependent on each assessor's experience and expertise, reducing variation in the results. It also provides a stronger basis for developing and applying effective controls for each hazard, improving Safety management across work processes. In 2025, the Bucheon Site received a "P" rating, the highest possible grade, in its regular PSM implementation assessment. At two competitions organized by the Major Industrial Accident Prevention Center under the Ministry of Employment and Labor, GS Power won the Minister of Employment and Labor Award in the PSM Safety Culture Promotion Best Practice Competition and an Excellence Award in the PSM Operations Best Practice Competition.

| | |
|---|---|
| **Process Safety Information:** Keep process Safety information up to date and ensure its practical use | **Safe Operating Procedures:** Ensure operators use and comply with safe operating procedures |
| **Process Hazard Analysis:** Conduct periodic hazard assessments with worker participation | **Equipment Inspection, Testing, and Maintenance:** Conduct periodic inspections and maintenance based on equipment risk classifications |
| **Safe Work Permit:** Establish Safety plans for hazardous work and comply with applicable procedures | **Worker Training:** Establish PSM training plans for workers and manage their implementation |
| **Contractor Safety Management:** Implement and evaluate contractor Safety management | **Pre-Startup Safety Review:** Conduct pre-startup inspections of equipment and address identified deficiencies |
| **Management of Change:** Manage and monitor changes based on inspection results | **Process Incident Investigation:** Investigate process incidents, including near misses, and establish measures to prevent recurrence |
| **Self-Audit:** Appoint internal auditors, conduct objective audits, and take follow-up actions | **Emergency Response:** Establish emergency response plans based on quantitative accident scenarios and conduct periodic drills |

Incheon Total Energy Company

Incheon Total Energy manages process Safety in accordance with the Occupational Safety and Health Act to prevent incidents such as hazardous substance leaks, fires, and explosions associated with process facilities that could harm workers or nearby communities. The Company keeps its process Safety information up to date, assesses process risks, manages contractor Safety, and conducts an internal audit every year.

### Accident Prevention Activities

GS Power

**Health and Safety Patrols** | Given that GS Power relies heavily on contractors for high-risk jobs, inadequate technical guidance and advice could result in Safety incidents. To manage this risk, the Company runs a Safety Patrol program that identifies and addresses hazards before high-risk jobs begin. As part of the program, a senior Safety engineer from Korea Construction Safety Corporation, an external Safety consultancy, remains on site during scheduled outage maintenance and conducts regular inspections of heat transmission pipeline construction.
The 2025 Safety Patrol program ran for a total of 70 days between March and November and covered 14 areas, including worksite management and Safety railings. The patrols checked site conditions, worker Safety, and compliance with the Occupational Safety and Health Act and other applicable laws and regulations. Where deficiencies were identified, corrective action was taken or measures for improvement were developed.

**STOP Program** | GS Power operates the Safety Training Observation Program (STOP), an ongoing Safety observation program involving all employees and contractor employees. Under STOP, anyone who spots a hazard at a worksite has the authority to stop the job immediately. Each month, the STOP Committee shares cases reported through STOP Cards, Potential Hazard Identification Cards, and Near-Miss Cards and selects outstanding cases for awards. STOP raises Safety awareness among employees and contractor employees and helps prevent accidents.

**Special Safety Inspections for Major High-Risk Jobs** | GS Power conducts special Safety inspections led by external Safety experts and its health and Safety personnel, with on-site inspections carried out for comprehensive equipment inspections and long-term construction projects.

# Safety & Health Risk Management

Incheon Total Energy Company

Incheon Total Energy works to raise Safety awareness and prevent accidents through a range of measures, including process Safety management (PSM), a program for identifying potential hazards and near misses, and monthly Safety Inspection Day activities. The Company also develops and reviews response scenarios for potential incidents at its facilities and conducts emergency response drills every year. Incheon Total Energy works closely with its contractors, jointly conducting monthly Safety & Health training, site inspections, and Health and Safety Council meetings on Safety Inspection Day. In particular, the Council coordinates multifaceted support to improve contractors' Safety management, including ongoing Health and Safety training and assistance with risk assessments.

| Category | Description | Frequency |
|---|---|---|
| Safety Inspection Day | · Safety & Health training<br>· Worksite patrol inspection<br>· Safety and Health Council meeting with partner companies | Once a month |
| Emergency Response Training | · Emergency response drills based on emergency scenarios<br>· Establishment of an emergency contact network with external agencies<br>· Training on the roles and response procedures of the in-house fire brigade | Once a year |
| Joint Safety Inspection / Special Safety Inspection | · Inspection of facility integrity and on-site Safety | Once a quarter and as needed |
| Worksite Patrol Inspection | · On-site Safety inspection | Once a month |

With Incheon Energy Company

With Incheon Energy maintains a structured Safety & Health program aimed at keeping its workplace accident-free. The fourth day of every month is designated as Safety Inspection Day, when all employees and contractor employees receive Safety training and equipment undergoes Safety inspections. The Company conducts additional inspections to address seasonal and operational risks during winter, the rainy season, the spring thaw, holiday periods, and periods of excessive electricity use, as well as disaster risks from earthquakes and typhoons. Regular inspections by Incheon Metropolitan City and the Jungbu Regional Employment and Labor Office provide further assurance of Safety and operational reliability at the site.

| Category | Description | Remarks |
|---|---|---|
| Safety Inspection Day | Raise Safety awareness among all employees and inspect vulnerable facilities | 4th of every month |
| On-site Patrol Activities | Supervisors (team leaders) | Once a week |
| | Safety manager | Once a week |
| Fire Safety Activities | Functional inspection and comprehensive precision inspection | Once a year each |
| | Visual inspection | Once a month |
| | Fire Safety training | Once a year |
| Gas Facility Inspection | Periodic inspection by an accredited inspection agency | Once a year |
| | User facility inspection (Samchully ENG) | Once a year each |
| Safety and Health Campaign Period | Industrial Safety and health campaign period | July |
| | Fire prevention campaign period | November |
| Safety Inspection | Safety valves | Once a year |
| | Heat-using equipment (heat exchangers, pressure vessels) | Once every two years |
| | Main boiler (performance inspection, open inspection, or in-service inspection) | Once a year |
| | PLB (performance inspection, open inspection, or in-service inspection) | Once a year each |
| | Cranes, hoists, and pressure vessels | Once every two years |
| | Periodic inspection of electrical installations for business use (Korea Electrical Safety Corporation) | Once every two years |
| Seasonal Safety Inspection | Spring thaw season | March |
| | Rainy season | July-September |
| | Winter season | December-February |
| Safety Inspection during Vulnerable Periods | Lunar New Year holiday | February |
| | Chuseok holiday | September |

# Safety & Health Risk Management

## Work Environment and Work-related Illness Management

### Work Environment Monitoring

GS Power

GS Power monitors workplace exposure to hazardous agents twice a year to protect workers from potential harm. The monitoring is conducted by Anyang Sam Hospital at the Anyang site and the Korean Industrial Health Association at the Bucheon site. In 2025, measured exposure to noise, acids and alkalis, metals, dust, and other hazardous agents remained below all applicable limits. Exposure limits alone, however, do not eliminate every health risk. Individual susceptibility and working conditions can still contribute to illness, and GS Power therefore looks for further ways to improve the work environment. Warning signs are posted and earplugs are provided in noise-exposure areas. Where chemical agents are handled, the Company checks the capture velocity of local exhaust systems and provides guidance on appropriate control measures so that workers can perform their jobs safely and with confidence.

Incheon Total Energy Company

Incheon Total Energy strives to protect workers from hazardous agents in the workplace. It commissions Nasaret International Hospital to conduct workplace exposure monitoring once a year and takes follow-up measures based on the results, including providing protective equipment, improving workplace conditions, and reassigning workers. In 2024, measured exposure to noise, acids and alkalis, metals, dust, and other hazardous agents was below all applicable limits.

With Incheon Energy Company

With Incheon Energy has workplace exposure monitored twice a year by the Jian Health and Environment Research Institute and shares the results on its internal bulletin board. Feedback from site workers is also used to identify further improvements. In chemical-handling areas, the Company checks the capture velocity of local exhaust systems and provides guidance on their proper management. Workers are also provided with respirators and instructions on their correct use so that they can perform their jobs safely.

### Prevention of Work-related Illnesses

GS Power

GS Power works with external specialists to periodically measure and assess hazards at each site and make improvements so that everyone can work in a safe environment. To prevent occupational diseases caused by toxic chemicals, the Company has prohibited the use of hazardous chemicals at all sites and replaced them with less toxic alternatives. It also closely examines and addresses factors that may cause musculoskeletal disorders, including repetitive tasks and the handling of heavy loads. Since 2020, GS Power has assessed employees' risk of cardiovascular and cerebrovascular disease every two years and conducted an annual job stress survey. Musculoskeletal risk factors are also assessed every three years. In 2025, all employees took part in this assessment, after which the Company introduced a prevention and management program that includes corrective therapy for musculoskeletal conditions. The program forms part of its ongoing approach to employee health.

Incheon Total Energy Company

Incheon Total Energy also works to prevent occupational illness by assessing cardiovascular and cerebrovascular disease risks annually and musculoskeletal risk factors every three years.

# Safety & Health

Metrics and Targets

## Safety & Health Indicators

GS Power

| Category | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Occupational Fatalities | Persons | 0 | 0 | 0 |
| Occupational Injuries | Cases | 0 | 0 | 0 |
| LTIR (Lost Time Injury Rate for Domestic Employees) | - | 0 | 0 | 0 |

Incheon Total Energy Company

| Indicator | 2025 Performance |
|---|---|
| LTIFR | 0 cases per 1 million hours |
| Accident-Free Campaign | Achieved 7th accident-free milestone (Oct 11, 2025; first milestone target: 546 days) |
| Potential Hazards and Near Misses Identified | 43 cases (including those identified by partner companies) |

## Safety & Health Goals

GS Power

GS Power's goal is "An Accident-Free Workplace Through Everyone's Participation." The Company works to establish a Safety culture involving all employees and prevent serious industrial accidents. It reinforces compliance with Health and Safety laws and procedures, carries out site-focused preventive activities, and identifies potential hazards early so that they can be addressed before the risks escalate. Open communication and active participation help make Safety the first consideration throughout the organization. GS Power is also incorporating AI and digital technologies into its day-to-day operations to improve how Safety risks are identified and controlled.

Incheon Total Energy Company

Incheon Total Energy sets its goals under its Health and Safety Management Policy and supports them with practical accident prevention measures. Its immediate priorities are regular site inspections and systematic oversight of contractor Safety, all directed toward the ultimate goal of zero serious industrial accidents. Over the medium to long term, the Company aims to improve its accident prevention capabilities through digital transformation and a Safety culture based on voluntary participation.



# Employees

## Organizational Culture

### Culture & Communication

GS Energy values the voices of its employees and builds a strong, united community around its "One Team" principle.

### Tailored Workshop Design and Facilitation

Professional facilitators design and run workshops tailored to each organization's agenda and specific needs, drawing on a range of tools and insights. The workshops are available to GS Energy as well as its affiliates and investee companies.

### Dialogue with Management

At its annual business update sessions, GS Energy shares the Company's future direction and business performance. The sessions also give employees an opportunity to speak openly with the CEO and other organizational leaders on a wide range of topics.

### One Team Lunch

Each month, around ten participants, including the CEO, meet over lunch to talk about a different theme, from sports, food, and art to cooking, travel, and music. The informal setting helps them discover shared interests and build connections across the Company.

### GSE Round (Labor-Management Council)

GSE Round is GS Energy's Labor-Management Council. It brings management and employee representatives together to discuss a range of issues and build common understanding. Participants exchange views on major business developments, workplace conditions, and improvements to Company policies and systems, contributing to constructive communication and the Company's sound development.

### Employee Assistance Program (EAP)

GS Energy's Employee Assistance Program provides ongoing support for employees experiencing psychological or physical stress. It also forms part of the Company's approach to protecting employee rights and identifying and addressing workplace issues early. Assessments designed around the workplace context inform individual psychological profiles, one-on-one coaching, and counseling.

### Readers' Club

GS Energy provides e-book subscriptions to help employees gain knowledge across a range of fields, exchange insights, and learn and grow together.

### Employee Clubs

Employee clubs give GS Energy employees opportunities to pursue shared interests and hobbies while building networks within the Company.



# Employees

## Training Framework

### On-Boarding

Onboarding at GS Energy begins before a new hire's first day and continues through the first 100 days. A pre-arrival Welcome Survey gathers everything from preferences for IT equipment and email addresses to profile photographs, allowing the Company to prepare the equipment and accounts needed for new hires to begin work immediately. Their first day includes a formal welcome that sets a positive tone for the rest of the onboarding experience. Over the following 100 days, new hires work with a preassigned buddy and take part in various activities that introduce them to the Company's workspaces, systems, and internal networks, helping them settle comfortably into their new roles.

### Role-based Training

GS Energy allocates a learning budget to each organizational unit to develop employees' professional expertise. Each unit may organize its own training or use external programs according to its needs. The People Team offers technical training in both foundational and advanced industry knowledge, allowing employees to choose courses relevant to their work when they need them.

### Career-level Training

GS Energy operates a reverse mentoring program that pairs executives with new employees. The program helps executives better understand and communicate with younger generations, while giving new employees opportunities to gain institutional knowledge and build internal networks. The Company also offers training tailored to different career stages, addressing the responsibilities associated with each level, career planning, and emerging trends.

### Wednesday Lecture Series

GS Energy sets aside one Wednesday each month for employees to explore ideas that can enrich both their work and personal lives. Topics range from the Company's business, the humanities, and digital transformation to ways of working, personal finance, and well-being, offering employees insights across a variety of fields.

### Support for Degree and Short-term Programs

To deepen employees' professional expertise and expand their networks, GS Energy supports selected employees in attending degree programs and short-term courses at leading educational institutions in Korea. Short-term courses are non-degree programs of up to one year.

### E-learning, Language Learning, and Communities of Practice

GS Energy encourages self-directed learning by giving employees unlimited access to e-learning courses. The Company also offers language learning by telephone, video, in person, and through self-study to meet the needs of its global business. Employee-led Communities of Practice (CoPs) receive funding to facilitate knowledge sharing and learning among members.

### GS Group Training Programs

Employees can build their data and digital transformation (DX) capabilities through training programs offered across GS Group. Hackathons help identify a range of issues and potential solutions. GS Group's open innovation group, 52g, also runs the Catalyst and Facilitator development programs. At GS Energy, trained Catalysts and Facilitators identify problems in day-to-day operations, initiate projects, develop solutions, and carry them through to implementation.

# Employees

## Performance Evaluation and Compensation

GS Energy's performance system is designed to help the Company and its people grow together. Employees can take on a variety of roles, build practical expertise, and expand their impact across the organization. Rather than ranking employees against one another based on annual targets, GS Energy assesses performance against defined expectations, drawing on feedback and observations gathered throughout the year from multiple perspectives.

GS Energy bases compensation on the scope of each employee's role, ensuring that it remains fair and competitive while recognizing different forms of contribution. Employees set their goals in line with organizational priorities and receive ongoing feedback from managers and peers to support their development. Performance management takes place throughout the year, combining feedback on day-to-day work with reviews in both halves of the year. The year-end assessment considers objective results, how fully each employee has fulfilled their expected role, and peer review feedback.

Performance assessments are intended primarily as tools for development and feedback rather than as a direct basis for compensation. The only exception is selected rewards for high performers. Promotion decisions take into account both how well employees have fulfilled their role expectations and feedback from their peers. GS Energy's broader reward framework emphasizes collaboration and collective achievement. It combines Company-wide performance bonuses with team bonuses based on team results and One Team Present, a peer-recognition program through which employees recognize colleagues for their contributions to collaborative work.



# Employees

## Employee Benefits

### Flexible Work Schedules

GS Energy's flexible working-hours system allows employees to set their own schedules for each month within statutory working-hour limits.

### Retirement Planning Support

GS Energy operates a retirement pension plan to help employees prepare for a financially secure retirement and build retirement savings. The Company also makes matching contributions to employees' Individual Retirement Pension (IRP) accounts. At the end of 2021, it introduced a program allowing Company performance bonuses to be contributed to defined contribution (DC) pension accounts, helping employees reduce their tax burden and increase their retirement assets.

### Recognition of Long Service and Retirement

Employees receive cash awards, commemorative gifts, and additional leave in recognition of long service. Those reaching retirement age are given a commemorative gift and extended leave to help them prepare for the next stage of their lives.

### Flexible Benefits

GS Energy operates an online benefits mall and provides benefit points that employees can use freely for personal development, leisure activities, health care, and other purposes.

### Leisure and Recreation

Resorts and condominiums in various locations across Korea are available to employees year-round at membership rates. The Company also operates seasonal vacation facilities in winter and summer, generally free of charge, although fees apply to some facilities.

### Health and Medical Support

GS Energy helps cover medical expenses for employees, their spouses, and their children, easing the financial burden on their households. Employees are also covered by group insurance, while comprehensive health screenings are available to employees, their spouses, and their parents.

### Financial, Childcare, and Education Support

GS Energy offers low-interest loans for household needs to support employees' financial stability. A workplace childcare center near GS Tower helps ease the demands of raising children, while employees receive school-entry grants from kindergarten through university as well as university tuition assistance.

### Family Events and Bereavement Support

GS Energy supports employees during family celebrations and bereavements, sharing in the important moments of employees' family lives.

## Human Rights Management

### Human Rights Training

GS Energy provides human rights training to all employees every year. Core courses cover disability awareness and the prevention of workplace harassment and sexual harassment and are offered online or in person at least once a year. Employees in managerial positions receive additional sessions on the prevention of workplace harassment and sexual harassment to deepen their understanding of the relevant laws. The Company also publishes its Workplace Harassment Prevention Guidelines on the Company's groupware system, keeping employees informed of the procedures and standards for handling human rights violations.

### Grievance Handling Process

GS Energy operates a two-track grievance handling process. Employees can either use a grievance hotline that connects them directly with a member of the People Team or submit their concerns to an employee-elected grievance officer. Grievances received through these formal channels-or through small-group meetings with the CEO, GSE Round, email, telephone, or written submissions-are investigated immediately and addressed as quickly as possible. If a matter cannot be resolved by the Grievance Committee, it is referred to the Human Resources Committee, Disciplinary Committee, or another appropriate body for action in accordance with Company regulations. Sexual harassment and workplace harassment cases are handled with particular rigor, under strict confidentiality and in accordance with established procedures. Beyond the grievance process, GS Energy offers an Employee Assistance Program (EAP) that provides early mental well-being assessments as a preventive measure, as well as follow-up coaching and counseling when concerns arise, helping employees remain healthy and engaged at work.

# Local Communities

## CSR Framework

### CSR Promotion System

**Vision**

Creating a sustainable society and a happy future through energy

**Slogan**

Energy to add happiness to our precious lives

**Focus Areas**

- **Energy & Eco-friendliness**: Sustainable energy
- **Support for Local Communities**: A partner of local communities
- **Culture & Arts**: Sharing happiness with all members of society

## Social Contribution Framework

### Charitable Activities

Guided by GS's social contribution vision, GS Energy directs its capabilities and resources toward charitable giving and volunteer work that benefits local communities. In 2025, GS Energy spent a total of KRW 123.15 million on social contribution activities. The Company plans to remain active in donations and sponsorships and grow alongside the communities it serves.

**Total Donations**

KRW 123.15 million

**2025 Donations**

| Recipients | Amount (KRW thousand) |
|---|---|
| The National Assembly Forum on Climate Change | 40,000 |
| Habitat for Humanity Korea's 815 Run | 8,150 |
| Seoul National University Foundation | 30,000 |
| Friends of National Museum of Korea | 10,000 |
| The Seoul Forum for International Affairs (SFIA) | 15,000 |
| National Museum of Modern and Contemporary Art, Korea (MMCA) | 20,000 |

# Local Communities

## Key Charitable Initiatives

### Local Communities

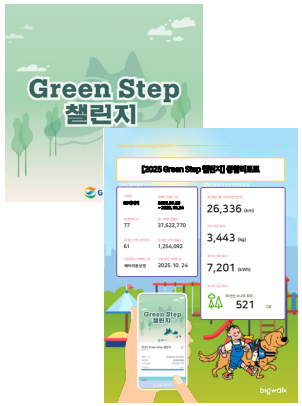
**815 Run with Habitat for Humanity Korea**

The 815 Run commemorates the meaning of Liberation Day and honors Korea's independence activists under the positive slogan "Everything Will Be All Right, Korea!" GS Energy's contribution helped fund housing improvement projects for the descendants of independence activists.

**Green Step Challenge**

GS Energy partnered with Big Walk, a walking-based donation platform, to launch the employee-led Green Step Challenge and encourage carbon-conscious practices. Employees contributed to reducing carbon emissions, conserving energy, and protecting the local environment by incorporating walking into their daily routines. The Company plans further environmental campaigns to create lasting value for society.

| | |
|---|---|
| Carbon Reduction | 3,443 kg |
| Steps Donated | 37,622,770 |
| Energy-saving Benefit | 7,201 kWh |




### Climate and Energy

**Sponsorship of the National Assembly Forum on Climate Change**

The National Assembly Forum on Climate Change brings together stakeholders to discuss climate issues, raise awareness across society, and explore national-level solutions. By sponsoring the Forum, GS Energy supports the Forum's work and broader efforts to address climate change and create a more environmentally sustainable society.

**Sponsorship of the SOS (Save Our Snow) Campaign**

'SOS (Save Our Snow)' is a public climate education campaign that draws attention to declining snowfall to highlight the effects of climate change and encourage action. As a sponsor, GS Energy worked with the Seoul National University Climate Tech Center to offer climate education, carbon footprint calculation activities, a climate-themed quiz competition, and other programs to approximately 1,300 people. These activities encouraged practical carbon reduction in daily life and fostered a broader public understanding of the climate crisis.

SOS (Save Our Snow) Campaign Site



### Arts and Culture

**National Museum of Modern and Contemporary Art, Korea**

GS Energy supports exhibitions and artists at the National Museum of Modern and Contemporary Art, Korea (MMCA), to broaden public engagement with art and help strengthen the Museum's standing as a cultural landmark in Korea.

**Friends of National Museum of Korea**

GS Energy supports the work of Friends of National Museum of Korea (FNMK) to promote and preserve Korea's history and culture. Its wide-ranging museum initiatives include academic research and education, the acquisition, donation, and exhibition of cultural artifacts, public education programs, and exchanges with museum support organizations in Korea and abroad.

SOS (Save Our Snow) Campaign Site







# GOVERNANCE




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# Corporate Governance

## Board Operations

### Board Responsibilities

GS Energy's Board of Directors supports executive management in fulfilling its responsibilities and requests corrective action when it identifies deficiencies in management standards, procedures, or practices. The Board deliberates and resolves matters delegated by the General Meeting of Shareholders, basic management policies, and major matters concerning business execution. It also oversees the performance of duties by directors and executive management.

### Board Composition

To safeguard the Board's independence, directors are appointed by shareholders at the General Meeting of Shareholders after their eligibility under applicable laws and regulations has been confirmed. Director candidates are considered without discrimination on the basis of gender, supporting diversity in the Board's composition. As of March 2026, the Board comprises one inside director, who also serves as Representative Director and CEO, and four other non-executive directors. The Chair is selected based on experience and expertise in the energy sector.

**Board Composition** As of Mar 2026

| Position | Name | Gender | Term of Office | Expertise | Career |
|---|---|---|---|---|---|
| Executive Director (CEO) | Yong-soo Huh | Male | Mar 25, 2028 | Management | Vice Chairman & CEO of GS Energy<br>Former President & CEO of GS Energy |
| Non-executive Director | Jun-hong Huh | Male | Mar 24, 2029 | Management | Vice Chairman & CEO of SYTS<br>Former President & CEO of Samyang Tongsang |
| | Soon-ki Hong | Male | Mar 25, 2027 | Finance | Vice Chairman & CEO of GS Holdings<br>Former President & CEO of GS Holdings |
| | Se-hong Huh | Male | Mar 25, 2028 | Management | Vice Chairman & CEO of GS Caltex<br>Former President & CEO of GS Caltex |
| | Suk-hwan Kim | Male | Mar 25, 2028 | Finance | President & CEO of GS EPS<br>Former President & CEO of GS E&R |

### Board Transparency

In accordance with Article 382 of the Commercial Act, directors are appointed by resolution of shareholders at the General Meeting of Shareholders. Inside directors are selected from candidates recommended by the Board. Each director serves a three-year term and is eligible for reappointment at the end of that term.

### Board Operations

GS Energy operates its Board in accordance with the Board Operating Regulations. The Chair convenes Board meetings, sets the meeting date, and notifies each director in writing or verbally at least 12 hours in advance. This notice requirement may be waived with the unanimous consent of all directors, allowing a meeting to be convened at any time. The Board met 13 times in 2025 to consider 38 agenda items. All directors attended every meeting.

### Board Performance Evaluation and Compensation

The Board establishes compensation policies for key executives that align with shareholders' long-term interests and transparently discloses the relevant information. The inside director's performance is assessed using objective and comprehensive criteria, including established quantitative metrics, leadership, progress in developing core capabilities, and other contributions to the Company.

**Remuneration of Registered Directors**

| Position | Number of Directors | Unit | Total Remuneration | Average Remuneration per Director |
|---|---|---|---|---|
| Registered Directors | 1 | KRW million | 1,899 | 1,899 |

# Corporate Governance

## Audit Framework

### Internal Audit

GS Energy's statutory auditor is appointed in accordance with the eligibility requirements under the Commercial Act. The auditor reviews the Company's financial statements and assesses how its internal control over financial reporting is designed and operated. Annual training is provided to develop the auditor's expertise, and the Accounting Team assists with internal control activities to facilitate efficient audits.

**Audit Training**

| Training Date | Training Provider | Key Training Topics |
|---|---|---|
| Apr 30, 2023 | Oneline Edu (online training) | · Components and principles of internal control over financial reporting (ICFR)<br>· Practical guidelines for ICFR |
| Oct 10, 2023 | KEHRD | · Accounting for ICFR |
| Nov 15, 2024 | KEHRD | · Conceptual framework and best practice guidelines for ICFR<br>· Core values and ethical management for value-up |
| Oct 24, 2025 | KEHRD | · Design and operation of ICFR<br>· Evaluation and reporting of ICFR |

### External Audit

An independent external auditor regularly reviews GS Energy's accounting information for fairness and transparency. The external auditor and the internal audit team communicate regularly regarding the audit plan, auditor independence, and audit results. In 2025, the external auditor issued an unmodified opinion and reported no other matters.

**Audit Opinion**

| Year | Auditor | Audit Opinion | Note |
|---|---|---|---|
| 2025 | Samil PwC | Unmodified | N/A |
| 2024 | Deloitte Anjin | Unmodified | N/A |
| 2023 | Deloitte Anjin | Unmodified | N/A |

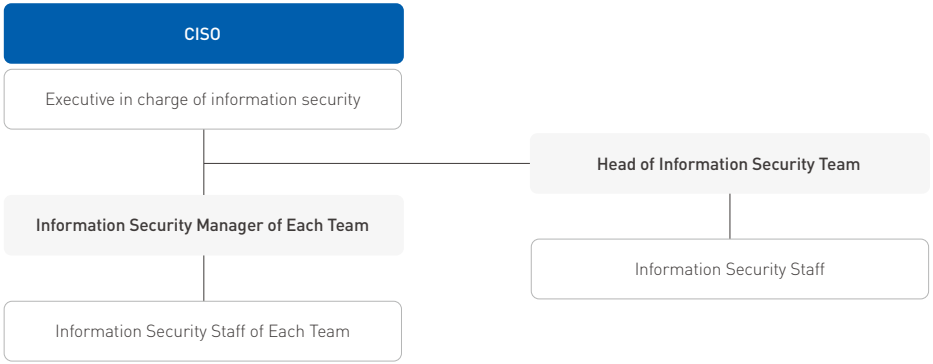
**Audit Fees**

| Year | Auditor | Unit | Total Audit Fees |
|---|---|---|---|
| 2025 | Samil PwC | KRW million | 290 |
| 2024 | Deloitte Anjin | KRW million | 330 |
| 2023 | Deloitte Anjin | KRW million | 340 |

# Information Security

## Information Protection Management System

GS Energy maintains an information security management system governed by formal internal regulations. The Company reviews its information security status at least annually, with necessary improvements incorporated following each review. In 2026, the Company expanded and reorganized its IT Security Team into the Infra & Security Team, integrating responsibility for stable IT infrastructure operations and information security management.




- Compliance with legal requirements, including the Personal Information Protection Act
- Protection of personal information and information assets, security reviews, response to vulnerabilities and security incidents, and activities to raise security awareness
- Strengthening information security risk management on a consolidated basis by expanding the scope of management to subsidiaries and overseas offices

GS ChargEV

GS ChargEV has appointed a Chief Privacy Officer (CPO) and designated a department responsible for handling member complaints and providing remedies for harm related to the processing of personal information. It also maintains procedures for responding promptly to privacy-related inquiries and complaints.

## Information Security Awareness

### Information Security Pledge

GS Energy requires all employees to sign a pledge to comply with the Company's information security regulations in the course of their work.

| | |
|---|---|
| 01 | I will maintain the confidentiality of the Company's business information, technical information, management information, trade secrets, and other information of economic value, and will not use such information for purposes unrelated to my duties. |
| 02 | To protect confidential information, I will not bring unauthorized equipment or software into the Company without prior approval. |
| 03 | To protect confidential information, I consent to the collection and review of information conducted by the department responsible for information security. |
| 04 | Upon retirement, I will return to the Company all originals and copies of confidential information under my management, as well as my access card and other Company property. |
| 05 | I will not unlawfully bring into the Company any information managed as confidential by a third party. I will not disclose any third-party confidential information that the Company is obligated to protect, nor use such information for purposes unrelated to my duties. |
| 06 | I will comply with all Company regulations related to information security, other applicable work rules, and job-related instructions. |

### Employee Information Security Training

GS Energy conducts annual information security training across the Company and provides executives with additional security awareness training. Malicious email response drills prepare employees to respond effectively to real-world threats. Employees also sign information security pledges that define their responsibility for protecting business, technical, personal, and other sensitive information acquired in the course of their work. In response to the growing use of generative AI and vibe coding, GS Energy is developing guidelines to prevent emerging security risks associated with data leakage and source code exposure.

GS ChargEV

GS ChargEV provides privacy training to its entire workforce at least annually. Employees who handle personal information must sign a privacy protection pledge and comply with applicable laws and internal regulations, helping safeguard members' personal information. GS ChargEV also complies with information security and privacy laws and internal regulations and continues to refine its information security management framework to keep customer information secure.

# Information Security

## Information Security Measures

### Technical Measures

As GS Energy expands its cloud- and SaaS-based work environment, key systems and new services undergo security reviews to support reliable IT operations and guard against cyber threats. Company PCs are equipped with endpoint detection and response (EDR) and antivirus solutions that automatically detect and block viruses and malware. Security risks are also assessed across internal administrative and operational systems and subsidiary systems. Firewalls and web application firewalls (WAFs) protect cloud-based operational services by restricting external attack paths. Vulnerabilities in key cloud accounts are identified and addressed as part of the Company's security configuration management. The demilitarized zone (DMZ)[1] is monitored continuously through regular vulnerability assessments and a professional security monitoring service.

Data loss prevention (DLP) controls have been deployed Company-wide to manage the external transfer of internal information, and DLP policies are regularly refined to improve consistency. GS Energy plans to introduce further preventive measures, including alerts to users attempting to transfer sensitive information externally. Backup systems and regular disaster recovery drills prepare the Company for ransomware and other security incidents.

Penetration testing is also conducted on new external-facing systems prior to launch. To address risks associated with the growing use of generative AI, GS Energy evaluates the security features of GenAI tools before deployment and is considering controls over the use of AI services.

1) Demilitarized Zone (DMZ): A network segment between internal and external networks that restricts access to protect internal resources when providing external-facing services.

### Personal Information Protection System

GS ChargEV

GS ChargEV limits system access to the minimum required for each role, with access rights managed through access logs, password controls, and other measures. Firewalls block unauthorized access to systems that process personal information, while antivirus software and regular updates protect against malware. Passwords, card numbers, and other sensitive personal information are encrypted both at rest and in transit. When personal information is disposed of, it is rendered irrecoverable by incineration, shredding, perforation, secure overwriting, or another appropriate method.

### Partner Information Security Management

GS ChargEV

GS ChargEV maintains separate administrative pages for partners and for internal management, segregating access and restricting partners' access to personal information.

Both external parties and internal personnel must connect through a restricted network using a virtual private network (VPN). Confidentiality agreements with internal and external partners also protect the Company's core technologies and information from unauthorized disclosure.

### Security Incident Response Procedures

GS ChargEV

GS ChargEV uses a Web Application Firewall (WAF) to prevent cyber intrusions and is currently developing a 24/7 security incident monitoring system.

**Customer Privacy Breach Complaints**

As of 2025 **0 cases**

**Total number of confirmed cases of customer data leakage, theft, or loss**

As of 2025 **0 cases**

# Risk Management

## Ethics and Compliance Risks

### Ethics and Compliance Risk Management System

GS Energy maintains a Code of Ethics and detailed conduct guidelines that apply to all employees. The Company also operates an ethics reporting line and grievance channel and requires employees to sign compliance pledges, providing clear mechanisms for managing ethics and compliance risks across the organization.

### Ethics Reporting Line

GS Energy operates a dedicated telephone line and email address through which any stakeholder-including employees, customers, and business partners-can report employee misconduct or unfair practices involving business partners.

### Grievance Channel

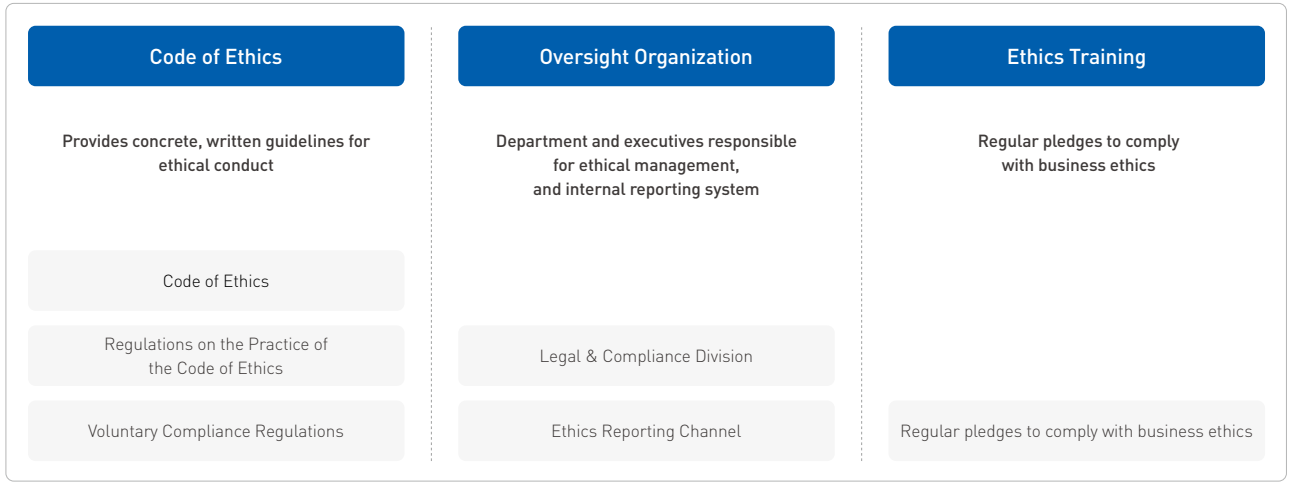
Employees and other reporting parties can use GS Energy's grievance channel if they have experienced a human rights violation or become aware of a related risk. Human rights concerns, including workplace harassment and sexual harassment, may be reported through a dedicated telephone line.

### Whistleblower Protection

When a report is submitted through the ethics reporting line or grievance channel, the designated department strictly protects the reporting party's anonymity to prevent any disadvantage resulting from the report.

### Code of Ethics Pledge

All employees are required to sign a Code of Ethics Pledge to foster a Company-wide culture of ethical conduct and compliance. The pledge commits employees to following Company policies, the Code of Ethics, and applicable fair trade laws and to acting responsibly in the course of their work.




**Chapter 1** Management for Customer Satisfaction
We recognize that customers are the foundation of the Company's profits and growth, and strive to achieve customer satisfaction by providing the genuine value they seek.

**Chapter 2** Coexistence and Co-prosperity with Partner Companies
We pursue mutual growth by building relationships of trust and cooperation through transparent and fair transactions.

**Chapter 3** Respect for Employees and Compliance with Basic Ethics
The Company and its employees faithfully fulfill their respective responsibilities for mutual growth and development based on trust and respect.

**Chapter 4** Protection of Shareholders' Interests
We protect shareholders' interests through efficient and transparent management so that they can invest in the Company with confidence.

**Chapter 5** Contributions to the Country and Society
As a corporate citizen, we respect national policies and applicable laws and regulations and fulfill our social responsibilities.

**Chapter 6** Environmental, Health, and Safety Management
We make every effort to protect the environment and pursue an accident-free workplace.

# Risk Management

## Financial Risks

### Financial Risk Management System

GS Energy defines liquidity risk, credit rating risk, financial market volatility risk, and internal control risk as its principal financial risks. The Company continuously monitors these risks as internal and external conditions evolve and determines the appropriate course of action in each case.

### Liquidity Risk Management

GS Energy maintains sufficient cash reserves based on cash flow analysis and forecasts and secures credit lines to preserve stable liquidity. It also staggers the maturities of its funding to reduce liquidity risk. During periods of tight funding caused by financial market volatility, the Company considers a range of financing instruments and diversifies its borrowing portfolio to minimize refinancing risk. The Company also tracks how financial markets are responding to the changing ESG landscape. It assesses how ESG policies and guidelines adopted by governments and financial institutions may affect its financing and takes early action where necessary.

### Credit Rating Risk Management

GS Energy seeks to maintain a stable credit rating to retain the confidence of investors and customers. As part of the review and approval of business and investment plans, projected medium- and long-term financial ratios are included in senior management's decision-making process to limit any adverse effect on the Company's credit rating. GS Energy also analyzes a range of scenarios to determine how financial market conditions and changes in corporate strategy could affect its debt levels. It uses the results to manage its financial ratios at appropriate levels and maintain a sound capital structure.

### Financial Market Volatility Risk Management

GS Energy continuously monitors key financial indicators to respond promptly to risks arising from changes in interest rates and foreign exchange rates. The Company examines the factors driving these movements and their likely direction before determining appropriate measures to limit their effects on its financial statements and business plans. The Company manages interest rate exposure by adjusting the mix of fixed- and floating-rate borrowings or using derivatives to offset cash flow risk. For foreign exchange risk, the Company closely analyzes its foreign exchange positions and applies suitable hedging strategies.

### Internal Control Risk Management

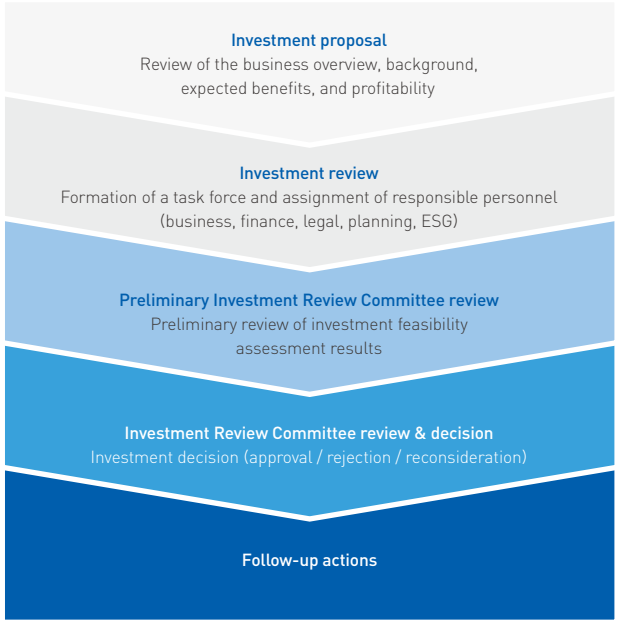
GS Energy operates an internal accounting control system in accordance with applicable laws to promote transparency and reliability throughout the financial reporting process, from the preparation of financial information to its disclosure. The system applies reasonable and consistent controls to safeguard the reliability of financial information and provide investors and other stakeholders with an objective basis for decision-making. Following an audit of the effectiveness of the Company's internal controls, the statutory auditor concluded that its internal monitoring system operated effectively during the fiscal year ended December 31, 2025.

## Investment Risks

### Investment Risk Management System

GS Energy manages investment risks through its Investment Review Committee. The Committee reviews the economic viability of each proposed investment and its alignment with the Company's investment portfolio. It also assesses the adequacy of financing plans and the risks inherent in the proposed structure. Given rapid changes in the business environment and volatility across the energy industry, investments and disposals valued at KRW 5 billion or more are subject to mandatory Committee approval.

**Investment Review Process**









# APPENDIX


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# ESG Data

## Environment

### Greenhouse Gas (GHG) Emissions

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy | Scope 1 Emissions | $tCO_2eq$ | 70 | 79 | 111 |
| | Scope 2 Emissions | $tCO_2eq$ | 220 | 243 | 267 |
| | Total Emissions | $tCO_2eq$ | 291 | 322 | 378 |
| | GHG Intensity | $tCO^2eq$/KRW billion | 0.28 | 0.58 | 1.41 |
| GS Power** | Scope 1 Emissions | $tCO_2eq$ | 2,534,649 | 2,679,305 | 2,612,102 |
| | Scope 2 Emissions | $tCO_2eq$ | 21,534 | 20,704 | 19,095 |
| | Total Emissions | $tCO_2eq$ | 2,556,183 | 2,700,006 | 2,631,197 |
| | GHG Intensity | $tCO^2eq$/KRW billion | 1,547.81 | 1,757.86 | 1,905.47 |
| Incheon Total Energy | Scope 1 Emissions | $tCO_2eq$ | 371,576 | 394,740 | 349,905 |
| | Scope 2 Emissions | $tCO_2eq$ | 4,404 | 2,960 | 4,233 |
| | Total Emissions | $tCO_2eq$ | 375,980 | 397,700 | 354,137 |
| | GHG Intensity | $tCO^2eq$/KRW billion | 1,242.12 | 1,459.90 | 1,380.33 |
| With Incheon Energy | Scope 1 Emissions | $tCO_2eq$ | 20,423 | 20,099 | 33,008 |
| | Scope 2 Emissions | $tCO_2eq$ | 3,015 | 3,302 | 3,414 |
| | Total Emissions | $tCO_2eq$ | 23,439 | 23,401 | 36,421 |
| | GHG Intensity | $tCO^2eq$/KRW billion | 419.36 | 418.70 | 583.62 |
| GS ChargEV | Scope 1 Emissions | $tCO_2eq$ | 0.3 | 0.7 | 1.1 |
| | Scope 2 Emissions | $tCO_2eq$ | 54 | 77 | 80 |
| | Total Emissions | $tCO_2eq$ | 55 | 78 | 81 |
| | GHG Intensity | $tCO^2eq$/KRW billion | 1.73 | 1.07 | 0.75 |

* Total GHG emissions may differ from the sum of Scope 1 and Scope 2 emissions (total emissions are calculated by aggregating truncated figures for each scope).
** GS Power's 2024 GHG data have been revised following final confirmation of the figures.

### Energy Consumption

| Company | | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| GS Energy | | Direct Energy Consumption | TJ | 1 | 2 | 2 |
| | | Indirect Energy Consumption | TJ | 5 | 5 | 6 |
| | | Total Energy Consumption | TJ | 6 | 6 | 7 |
| | | Energy Consumption Intensity | TJ/KRW billion | 0.00 | 0.01 | 0.03 |
| GS Power | Anyang | Direct Energy Consumption | TJ | 38,079 | 44,780 | 40,979 |
| | | Indirect Energy Consumption | TJ | 263 | 207 | 229 |
| | | Total Energy Consumption | TJ | 38,342 | 44,987 | 41,208 |
| | Bucheon | Direct Energy Consumption | TJ | 11,093 | 7,032 | 10,180 |
| | | Indirect Energy Consumption | TJ | 353 | 419 | 368 |
| | | Total Energy Consumption | TJ | 11,447 | 7,451 | 10,547 |
| | Seoul | Direct Energy Consumption | TJ | 1 | 1 | 1 |
| | | Indirect Energy Consumption | TJ | 3 | 3 | 3 |
| | | Total Energy Consumption | TJ | 4 | 4 | 4 |
| | | Energy Consumption Intensity | TJ/KRW billion | 30.15 | 34.17 | 37.48 |
| Incheon Total Energy | | Direct Energy Consumption | TJ | 7,362 | 7,821 | 6,962 |
| | | Indirect Energy Consumption | TJ | 188 | 164 | 215 |
| | | Total Energy Consumption | TJ | 7,550 | 7,984 | 7,176 |
| | | Energy Consumption Intensity | TJ/KRW billion | 24.94 | 29.31 | 27.97 |

* Total energy consumption may differ from the sum of consumption by type (direct and indirect) due to truncation of figures by type before aggregation.

# ESG Data

## Environment

### Energy Consumption

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| With Incheon Energy | Direct Energy Consumption | TJ | 403 | 396 | 652 |
| | Indirect Energy Consumption | TJ | 81 | 96 | 117 |
| | Total Energy Consumption | TJ | 484 | 493 | 769 |
| | Energy Consumption Intensity | TJ/KRW billion | 8.83 | 8.82 | 12.32 |
| GS ChargEV | Direct Energy Consumption | TJ | 0 | 0 | 0 |
| | Indirect Energy Consumption | TJ | 1 | 2 | 2 |
| | Total Energy Consumption | TJ | 1 | 2 | 2 |
| | Energy Consumption Intensity | TJ/KRW billion | 0.03 | 0.03 | 0.02 |

### Water

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy** | Water Withdrawal | ton | 4,708 | 4,477 | 4,587 |
| | Water Consumption | ton | 0 | 0 | 0 |
| | Water Discharge | ton | 4,708 | 4,477 | 4,587 |
| | Water Reuse | ton | - | - | - |
| GS Power Anyang | Water Withdrawal | ton | 2,681,070 | 3,550,597 | 2,903,345 |
| | Water Consumption | ton | 2,525,667 | 3,392,987 | 2,768,068 |
| | Water Discharge | ton | 155,403 | 157,610 | 135,277 |
| | Water Reuse | ton | 422,034 | 612,240 | 531,725 |

### Water

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Power Bucheon | Water Withdrawal | ton | 318,357 | 548,584 | 520,173 |
| | Water Consumption | ton | 221,288 | 382,278 | 325,281 |
| | Water Discharge | ton | 97,069 | 166,306 | 194,892 |
| | Water Reuse | ton | 19,335 | 0 | 0 |
| Incheon Total Energy | Water Withdrawal | ton | 58,449 | 88,468 | 101,755 |
| | Water Consumption | ton | 40,208 | 71,747 | 82,432 |
| | Water Discharge | ton | 18,241 | 16,721 | 19,323 |
| | Water Reuse | ton | 8,356 | 11,439 | 9,756 |
| With Incheon Energy*** | Water Withdrawal | ton | 73,950 | 79,372 | 90,037 |
| | Water Consumption | ton | 55,705 | 60,765 | 61,805 |
| | Water Discharge | ton | 18,245 | 18,607 | 28,232 |
| | Water Reuse | ton | 0 | 0 | 0 |
| GS ChargEV | Water Withdrawal | ton | 844 | 1,248 | 1,468 |
| | Water Consumption | ton | 0 | 0 | 0 |
| | Water Discharge | ton | 844 | 1,248 | 1,468 |
| | Water Reuse | ton | - | - | - |

* Water consumption = water withdrawal - water discharge
** GS Energy and GS ChargEV use only municipal water for domestic purposes, with all water withdrawn ultimately discharged. As a result, water consumption is calculated as zero.
*** With Incheon Energy's 2023 and 2024 data have been revised due to a change in the water calculation methodology.

# ESG Data

## Environment

### Waste

| Company | | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| GS Energy*** | | General Waste Generated | Ton | 21 | 22 | 20 |
| | | Designated Waste Generated | Ton | - | - | - |
| | | Total Waste Generated | Ton | 21 | 22 | 20 |
| | | Waste Recycled | Ton | 21 | 22 | 20 |
| | | Waste Recycling Rate | % | 100 | 100 | 100 |
| GS Power | Anyang | General Waste Generated | Ton | 676 | 520 | 528 |
| | | Designated Waste Generated | Ton | 1 | 4 | 52 |
| | | Total Waste Generated | Ton | 677 | 524 | 580 |
| | | Waste Recycled | Ton | 537 | 420 | 447 |
| | | Waste Recycling Rate | % | 79 | 80 | 77 |
| | Bucheon | General Waste Generated | Ton | 327 | 208 | 182 |
| | | Designated Waste Generated | Ton | 20 | 15 | 9 |
| | | Total Waste Generated | Ton | 348 | 223 | 191 |
| | | Waste Recycled | Ton | 163 | 107 | 82 |
| | | Waste Recycling Rate | % | 47 | 48 | 43 |
| Incheon Total Energy | | General Waste Generated | Ton | 9 | 22 | 21 |
| | | Designated Waste Generated | Ton | 1 | 1 | 2 |
| | | Total Waste Generated | Ton | 10 | 24 | 23 |
| | | Waste Recycled | Ton | 5 | 5 | 5 |
| | | Waste Recycling Rate | % | 51 | 21 | 22 |

* Data for GS ChargEV will be disclosed in future reports.
** The total may differ from the sum of individual waste amounts due to rounding.
*** GS Energy's 2023 and 2024 data have been revised following a change in the waste calculation methodology.

### Waste

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| With Incheon Energy | General Waste Generated | Ton | 1 | 9 | 0 |
| | Designated Waste Generated | Ton | 0 | 0 | 0 |
| | Total Waste Generated | Ton | 1 | 9 | 0 |
| | Waste Recycled | Ton | - | - | - |
| | Waste Recycling Rate | % | - | - | - |

### Air Pollutants

| Company | | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| GS Power | Anyang | NOx Emissions | Ton | 218 | 257 | 250 |
| | | SOx Emissions | Ton | 0 | 0 | 8 |
| | | TSP Emissions | Ton | 8 | 5 | 18 |
| | Bucheon ** | NOx Emissions | Ton | 210 | 130 | 155 |
| | | SOx Emissions | Ton | 1 | 1 | 1 |
| | | TSP Emissions | Ton | 5 | 2 | 5 |
| Incheon Total Energy | | NOx Emissions | Ton | 69 | 67 | 55 |
| | | SOx Emissions | Ton | 0 | 0 | 0 |
| | | TSP Emissions | Ton | 0 | 0 | 0 |
| With Incheon Energy *** | | NOx Emissions | Ton | 6 | 6 | 6 |
| | | SOx Emissions | Ton | - | - | - |
| | | TSP Emissions | Ton | - | - | - |

* Data for GS ChargEV will be disclosed in future reports. GS Energy and GS ChargEV do not operate facilities that emit air pollutants.
** GS Power's 2024 air pollutant emissions data have been revised following finalization of the data in the Environmental Information Disclosure System.
*** With Incheon Energy is subject to the total emissions management system, under which the permitted total emissions are calculated only for NOx.

# ESG Data

## Environment

### Water Pollutants

| Company | | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| GS Power | Anyang ** | COD Emissions | Ton | - | - | - |
| | | SS Emissions | Ton | 0.06 | 0.35 | 0.97 |
| | | TOC Emissions | Ton | 0.17 | 0.96 | 0.83 |
| | Bucheon | COD Emissions | Ton | - | - | - |
| | | SS Emissions | Ton | 0.01 | 0.16 | 0.44 |
| | | TOC Emissions | Ton | 0.19 | 0.43 | 0.42 |
| Incheon Total Energy | | COD Emissions | Ton | - | - | - |
| | | SS Emissions | Ton | 0.01 | 0.03 | 0.02 |
| | | TOC Emissions | Ton | 0.06 | 0.02 | 0.02 |
| With Incheon Energy *** | | COD Emissions | Ton | - | - | - |
| | | SS Emissions | Ton | - | 0.28 | 0.01 |
| | | TOC Emissions | Ton | 0.03 | 0.07 | 0.08 |

* GS Energy and GS ChargEV do not operate facilities that discharge water pollutants.

** GS Power's 2024 water pollutant emissions data have been revised following finalization of the data in the Environmental Information Disclosure System.

*** With Incheon Energy changed the parameters for self-monitoring of effluent discharge in 2022 (COD → TOC).

### Environmental Regulation Violations

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy | Number of Violations | Cases | 0 | 0 | 0 |
| | Fines Imposed for Violations | KRW 10,000 | 0 | 0 | 0 |
| GS Power | Number of Violations | Cases | 0 | 0 | 0 |
| | Fines Imposed for Violations | KRW 10,000 | 0 | 0 | 0 |
| Incheon Total Energy | Number of Violations | Cases | 0 | 0 | 0 |
| | Fines Imposed for Violations | KRW 10,000 | 0 | 0 | 0 |
| With Incheon Energy | Number of Violations | Cases | 0 | 0 | 0 |
| | Fines Imposed for Violations | KRW 10,000 | 0 | 0 | 0 |
| GS ChargEV | Number of Violations | Cases | 0 | 0 | 0 |
| | Fines Imposed for Violations | KRW 10,000 | 0 | 0 | 0 |

# ESG Data

## Social

### Employee Overview

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy | Total Employees | Persons | 196 | 203 | 193 |
| | Executives | Persons | 1 | 1 | 1 |
| | Employees | Persons | 195 | 202 | 192 |
| | Male | Persons | 151 | 152 | 143 |
| | Female | Persons | 44 | 50 | 49 |
| | Permanent Employees | Persons | 188 | 194 | 186 |
| | Non-permanent Employees | Persons | 8 | 9 | 7 |
| | Employees with Disabilities | Persons | 1 | 1 | 1 |
| GS Power | Total Employees | Persons | 320 | 321 | 322 |
| | Executives | Persons | 2 | 2 | 4 |
| | Employees | Persons | 318 | 319 | 318 |
| | Male | Persons | 289 | 289 | 291 |
| | Female | Persons | 29 | 30 | 27 |
| | Permanent Employees | Persons | 314 | 314 | 308 |
| | Non-permanent Employees | Persons | 6 | 7 | 14 |
| | Employees with Disabilities | Persons | 7 | 6 | 6 |
| Incheon Total Energy | Total Employees | Persons | 91 | 92 | 89 |
| | Executives | Persons | 2 | 2 | 2 |
| | Employees | Persons | 89 | 90 | 87 |
| | Male | Persons | 80 | 82 | 80 |
| | Female | Persons | 9 | 8 | 7 |

### Employee Overview

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Incheon Total Energy | Permanent Employees | Persons | 83 | 84 | 82 |
| | Non-permanent Employees | Persons | 8 | 8 | 7 |
| | Employees with Disabilities | Persons | 4 | 4 | 4 |
| With Incheon Energy* | Total Employees | Persons | 48 | 46 | 48 |
| | Executives | Persons | 4 | 2 | 2 |
| | Employees | Persons | 44 | 44 | 46 |
| | Male | Persons | 40 | 39 | 41 |
| | Female | Persons | 4 | 5 | 5 |
| | Permanent Employees | Persons | 46 | 44 | 44 |
| | Non-permanent Employees | Persons | 0 | 0 | 2 |
| | Employees with Disabilities | Persons | 1 | 3 | 3 |
| GS ChargEV | Total Employees | Persons | 99 | 96 | 100 |
| | Executives | Persons | 1 | 8 | 6 |
| | Employees | Persons | 98 | 88 | 94 |
| | Male | Persons | 66 | 54 | 62 |
| | Female | Persons | 32 | 34 | 32 |
| | Permanent Employees | Persons | 91 | 85 | 91 |
| | Non-permanent Employees | Persons | 8 | 3 | 9 |
| | Employees with Disabilities | Persons | 2 | 3 | 2 |

* With Incheon Energy's 2024 data have been revised following a change in the employee headcount calculation methodology.
** Data on employees with disabilities are based on figures reported to the Korea Employment Agency for Persons with Disabilities.

# ESG Data

## Social

### Employee Diversity

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy | Female Employees | % | 22.4 | 24.6 | 25.4 |
| | Female Managers | % | 7.0 | 11.1 | 10.5 |
| GS Power | Female Employees | % | 9.1 | 9.3 | 8.4 |
| | Female Managers | % | 6.5 | 6.8 | 7.5 |
| Incheon Total Energy | Female Employees | % | 9.9 | 8.7 | 7.9 |
| | Female Managers | % | 7.1 | 0.0 | 0.0 |
| With Incheon Energy | Female Employees | % | 8.3 | 10.2 | 10.4 |
| | Female Managers | % | 0.0 | 0.0 | 0.0 |
| GS ChargEV | Female Employees | % | 32.3 | 35.4 | 32.0 |
| | Female Managers | % | 0.0 | 7.7 | 9.1 |

### New Hires

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy | Total New Hires | Persons | 18 | 22 | 10 |
| | Male | Persons | 15 | 12 | 8 |
| | Female | Persons | 3 | 10 | 2 |
| GS Power | Total New Hires | Persons | 31 | 24 | 20 |
| | Male | Persons | 28 | 16 | 18 |
| | Female | Persons | 3 | 8 | 2 |
| Incheon Total Energy | Total New Hires | Persons | 12 | 6 | 1 |
| | Male | Persons | 9 | 5 | 1 |
| | Female | Persons | 3 | 1 | 0 |
| With Incheon Energy | Total New Hires | Persons | 3 | 6 | 4 |
| | Male | Persons | 3 | 4 | 2 |
| | Female | Persons | 0 | 2 | 2 |
| GS ChargEV | Total New Hires | Persons | 45 | 14 | 21 |
| | Male | Persons | 18 | 6 | 16 |
| | Female | Persons | 27 | 8 | 5 |

# ESG Data

## Social

### Training Performance

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy | Total Training Hours | Hours | 8,690 | 6,394 | 6,540 |
| | Average Training Hours per Employee | Hours/Person | 44.3 | 31.5 | 33.9 |
| | Total Training Expenses | KRW million | 845 | 841 | 855 |
| | Average Training Expenses per Employee | KRW million/ Person | 4.3 | 4.1 | 4.4 |
| GS Power | Total Training Hours | Hours | 11,661 | 10,144 | 13,593 |
| | Average Training Hours per Employee | Hours/Person | 36.4 | 31.6 | 42.2 |
| | Total Training Expenses | KRW million | 128 | 415 | 353 |
| | Average Training Expenses per Employee | KRW million/ Person | 0.4 | 1.3 | 1.1 |
| Incheon Total Energy | Total Training Hours | Hours | 3,256 | 3,418 | 4,082 |
| | Average Training Hours per Employee | Hours/Person | 35.8 | 37.2 | 45.9 |
| | Total Training Expenses | KRW million | 141 | 129 | 136 |
| | Average Training Expenses per Employee | KRW million/ Person | 1.6 | 1.4 | 1.5 |
| With Incheon Energy | Total Training Hours | Hours | 487 | 700 | 520 |
| | Average Training Hours per Employee | Hours/Person | 10.1 | 14.3 | 10.8 |
| | Total Training Expenses | KRW million | 6 | 27 | 8 |
| | Average Training Expenses per Employee | KRW million/ Person | 0.12 | 0.55 | 0.17 |

### Training Performance

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS ChargEV | Total Training Hours | Hours | 1,151 | 1,265 | 1,521 |
| | Average Training Hours per Employee | Hours/Person | 11.6 | 13.2 | 14.1 |
| | Total Training Expenses | KRW million | 5 | 1 | 1 |
| | Average Training Expenses per Employee | KRW million/ Person | 0.05 | 0.01 | 0.01 |

## Governance

### Ethical Management Violations

| Company | Indicator | Unit | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| GS Energy | Violation of the Code of Ethics | Cases | 0 | 0 | 0 |
| | Fair Trade Law Violations | Cases | 0 | 0 | 0 |

# GRI Content Index

## General Disclosures

| Topic | Indicator | Page | Remarks |
|---|---|---|---|
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | 6-7 | |
| | 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 | 73-77 | Indicated in the notes |
| | 2-5 External assurance | 85-86 | |
| | 2-6 Activities, value chain and other business relationships | 9, 11-15 | |
| | 2-7 Employees | 77 | |
| | 2-8 Workers who are not employees | Business Report 267 | |
| | 2-9 Governance structure and composition | 18, 66 | |
| | 2-10 Nomination and selection of the highest governance body | 66 | |
| | 2-11 Chair of the highest governance body | 66 | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 18 | |
| | 2-13 Delegation of responsibility for managing impacts | 66 | |
| | 2-14 Role of the highest governance body in sustainability reporting | 18, 66 | |
| | 2-15 Conflicts of interest | 66 | |
| | 2-16 Communication of critical concerns | 18 | |
| | 2-17 Collective knowledge of the highest governance body | 18 | |
| | 2-18 Evaluation of the performance of the highest governance body | 66 | |
| | 2-19 Remuneration policies | 66 | |
| | 2-20 Process to determine remuneration | 66 | |
| GRI 2: General Disclosures 2021 | 2-21 Annual total compensation ratio | - | Confidential information |
| | 2-22 Statement on sustainable development strategy | 5 | |
| | 2-23 Policy commitments | 19, 70 | |
| | 2-24 Embedding policy commitments | 62, 70 | |
| | 2-25 Processes to remediate negative impacts | 42, 62, 70 | |
| | 2-26 Mechanisms for seeking advice and raising concerns | 62, 70 | |
| | 2-27 Compliance with laws and regulations | 70, Business Report 284-288 | |
| | 2-28 Membership associations | 84 | |
| | 2-29 Approach to stakeholder engagement | 22 | |
| | 2-30 Collective bargaining agreements | - | Labor-Management Council in operation |

| | |
|---|---|
| **Statement of use** | GS Energy reports its sustainability performance for the period from January 1 to December 31, 2025, in accordance with the GRI Standards. |
| **GRI 1 used** | GRI 1: Foundation 2021 |
| **Applicable GRI Sector Standards** | - |

# GRI Content Index

## Material Topics

| Topic | Indicator | Page | Remarks |
|---|---|---|---|
| GRI 3: Material Topics | 3-1 Process to determine material topics | 20 | |
| | 3-2 List of material topics | 21 | |
| **Material Issue #1. Response to Changes in the Global Energy Market** | | | |
| GRI 3: Material Topics | 3-3 Management of material topics | 21, 24-44 | |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 73-74 | |
| | 302-2 Energy consumption outside of the organization | - | Data not available |
| | 302-3 Energy intensity | 73-74 | |
| | 302-4 Reduction of energy consumption | 39-40 | |
| | 302-5 Reductions in energy requirements of products and services | - | Data not available |
| **Material Issue #2. Diversification into New Low-Carbon Businesses, #3. Response to Greenhouse Gas Regulations** | | | |
| GRI 3: Material Topics | 3-3 Management of material topics | 21, 24-48 | |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 24, 44, 73 | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 24, 44, 73 | |
| | 305-3 Other indirect (Scope 3) GHG emissions | - | Data not available |
| | 305-4 GHG emissions intensity | 73 | |
| | 305-5 Reduction of GHG emissions | 35-41 | |
| | 305-6 Emissions of ozone-depleting substances (ODS) | - | Not applicable |
| | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 75 | |

| Topic | Indicator | Page | Remarks |
|---|---|---|---|
| **Material Issue #4. Safety & Health Management at GS Energy and Its Business Partners** | | | |
| GRI 3: Material Topics | 3-3 Management of material topics | 21, 50-58 | |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and Safety management system | 51-52 | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 55-57 | |
| | 403-3 Occupational health services | 53, 57 | |
| | 403-4 Worker participation, consultation, and communication on occupational health and Safety | 51 | |
| | 403-5 Worker training on occupational health and Safety | 54 | |
| | 403-6 Promotion of worker health | 53 | |
| | 403-7 Prevention and mitigation of occupational health and Safety impacts directly linked by business relationships | 55-57 | |
| | 403-8 Workers covered by an occupational health and Safety management system | 52 | |
| | 403-9 Work-related injuries | 58 | |
| | 403-10 Work-related ill health | - | Data not available |

# GRI Content Index

## Other Topics

| Topic | Indicator | Page | Remarks |
|---|---|---|---|
| GRI 201: Economic Performance 2016 | 201-2 Financial implications and other risks and opportunities due to climate change | 26-34 | |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported | 63-64 | |
| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | - | Primarily managed by individual subsidiaries rather than by GS Energy at the holding Company level |
| | 205-2 Communication and training about anti-corruption policies and procedures | 70 | |
| | 205-3 Confirmed incidents of corruption and actions taken | 79 | |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | 48 | |
| | 303-2 Management of water discharge-related impacts | 48, 76 | |
| | 303-3 Water withdrawal | 74 | |
| | 303-4 Water discharge | 74 | |
| | 303-5 Water consumption | 74 | |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 48 | |
| | 306-2 Management of significant waste-related impacts | 48 | |
| | 306-3 Waste generated | 75 | |
| | 306-4 Waste diverted from disposal | 75 | |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 78 | |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 62 | |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | 79 | |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 60 | |

| Topic | Indicator | Page | Remarks |
|---|---|---|---|
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 78 | |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | 63-64 | |

# SASB Index

## Electric Utilities & Power Generators

| Topic | Code | Metric | Page | Remarks |
|---|---|---|---|---|
| GHG Emissions & Energy Resource Planning | IF-EU-110a.1 | (1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations | 24, 44, 73 | |
| GHG Emissions & Energy Resource Planning | IF-EU-110a.2 | Greenhouse gas (GHG) emissions associated with power deliveries | 24, 44, 73 | |
| GHG Emissions & Energy Resource Planning | IF-EU-110a.3 | Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | 36 | |
| Air Quality | IF-EU-120a.1 | Air emissions of the following pollutants: (1) NOx (excluding $N_2O$), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population | 75 | No lead or mercury emissions |
| Water Management | IF-EU-140a.1 | (1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress | 74 | |
| Water Management | IF-EU-140a.2 | Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations | 76 | |
| Water Management | IF-EU-140a.3 | Description of water management risks and discussion of strategies and practices to mitigate those risks | 48 | |
| Coal Ash Management | IF-EU-150a.1 | Amount of coal combustion products (CCPs) generated, percentage recycled | N/A | No coal-fired power generation in the business portfolio |
| Coal Ash Management | IF-EU-150a.3 | Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations | N/A | |
| Energy Affordability | IF-EU-240a.1 | Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers | N/A | Managed exclusively by Korea Electric Power Corporation (KEPCO) due to the structure of the Korean electricity market |
| Energy Affordability | IF-EU-240a.3 | (1) Number of residential customer electric disconnections for non-payment, (2) percentage reconnected within 30 days | N/A | |
| Energy Affordability | IF-EU-240a.4 | Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory | N/A | |
| Workforce Health & Safety | IF-EU-320a.1 | (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees | - | To be disclosed in future reports |
| End-Use Efficiency & Demand | IF-EU-420a.2 | Percentage of electric load served by smart grid technology | - | 0% |
| End-Use Efficiency & Demand | IF-EU-420a.3 | Customer electricity savings from efficiency measures, by market | N/A | Managed exclusively by Korea Electric Power Corporation (KEPCO) due to the structure of the Korean electricity market |
| Nuclear Safety & Emergency Management | IF-EU-540a.1 | Total number of nuclear power units, classified based on the results of the most recent independent assessment | N/A | No nuclear power generation in the business portfolio |
| Nuclear Safety & Emergency Management | IF-EU-540a.2 | Description of efforts to manage nuclear Safety and emergency preparedness | N/A | |
| Grid Resiliency | IF-EU-550a.1 | Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations | N/A | Managed exclusively by Korea Electric Power Corporation (KEPCO) due to the structure of the Korean electricity market |
| Grid Resiliency | IF-EU-550a.2 | (1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days | N/A | |

# Membership in Associations and Organizations

| Category | Organization | Position | Year Joined |
|---|---|---|---|
| Sustainability | National Assembly Forum on Climate Change | Co-chair | 2014 |
| | Korea Business Council for Sustainable Development (KBCSD) | Steering Committee Member | 2016 |
| | GHG International Reduction Industry Association | General Member | 2023 |
| Energy in General | Energy Future Forum | Board Member | 2014 |
| | Energy Alliance | Board Member | 2021 |
| E&P / Gas | Korea Overseas Resources & Energy Industry Association | Vice Chair | 2008 (GSC) |
| | Korea Gas Union | Vice Chair | 2008 (GSC) |
| | Private LNG Industry Association | Co-chair | 2021 |
| Electric Power / District Heating | Independent Power Producer Association | Special Member | 2014 |
| | Korea Integrated Energy Association | Regular Member | 2024 |
| Hydrogen | Korea Hydrogen Alliance | Associate Member | 2021 |
| | K-CCUS Association | General Member | 2022 |
| | Clean Ammonia Council | General Member | 2021 |
| | Carbon Free Alliance | Board Member | 2023 |
| Business Community / Others | Korea Chamber of Commerce and Industry | Ex Officio Member | 2017 |
| | The Seoul Forum for International Affairs (SFIA) | Regular Member | 2019 |

# Independent Assurance Statement

**Dear Stakeholders of GS Energy Corporation Ltd.**

## Assurance Outline

Korea Productivity Center Quality Assurance (hereinafter "KPCQA") was commissioned by GS Energy Corporation Ltd. (hereinafter "GS Energy") to conduct an independent assurance on the 2025 ESG Sustainability Report (hereinafter "the report") and issues an assurance statement. GS Energy has sole responsibility for the preparation of the data within the report. KPCQA's responsibility is to provide objective opinions on this report with the specified criteria and scope of assurance.

## Scope

This report describes GS Energy's sustainability efforts and performance. The scope of assurance was included on activities from January 1, 2025 to December 31, 2025. Activities through 2026 have also been used in some areas. The report was assured focusing on the reporting of sustainable management policies, strategies, goals, businesses, and performance, and conformity of data collection and analysis, and the report creation process.

## Criteria

The assurance was carried out in accordance with the following standards:

· AA1000AS v3

· KPCQA ESG Report Assurance Protocol

## Levels

The assurance of this report was conducted in line with the requirements of the AA1000AS v3 Type 2(Adherence to the AA1000 four principles, information reliability and quality) at moderate level of assurance. The assurance was applied by professional judgement about materiality.

The report has been produced in accordance with GRI Standards. We confirmed that the report was complied with reporting principles of GRI Standards, Universal Standards, and Topic Standards based on the data and information provided by GS Energy

### Universal Standards

| | |
|---|---|
| Organizational and its reporting practices | 2-1 ~ 2-5 |
| Activities and workers | 2-6 ~ 2-8 |
| Governance | 2-9 ~ 2-21 |
| Strategy, policies and practices | 2-22 ~ 2-28 |
| Stakeholder engagement | 2-29 ~ 2-30 |
| Material topics | 3-1 ~ 3-3 |

### Topic Standards

| | |
|---|---|
| Economic Performance | 201-2 |
| Indirect Economic Impacts | 203-1 |
| Anti-corruption | 205-2, 205-3 |
| Energy | 302-1, 302-3, 302-4 |
| Water and Effluents | 303-1, 303-2, 303-3, 303-4, 303-5 |
| Emissions | 305-1, 305-2, 305-4, 305-5, 305-7 |
| Effluents and Waste | 306-1, 306-2, 306-3, 306-4 |
| Employment | 401-1, 401-2 |
| Occupational Health and Safety | 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9 |
| Training and Education | 404-1, 404-2 |
| Diversity and Equal Opportunity | 405-1 |
| Local Communities | 413-1 |

# Independent Assurance Statement

## Methodology

· Review of Sustainability Performance Data and Management System
· Review of the reporting process and data management framework
· Review of materiality assessment process and Internal Analysis Procedure
· Review of media report on sustainability
· Interviews with executives and employees involved in material topics and report preparation
· Review of the overall report

## Limitations

This assurance is limited assurance in limited criteria with comparative review of data provided by GS Energy. It has its own limitations depending on the characteristics and calculation method of the data.

## Conclusions

KPCQA conducted assurance on the draft by review of the data, onsite verification and interview with the employees. It was confirmed that all errors identified during the assurance were corrected.
As a result of the assurance of this report, no material errors or improper descriptions have been found and the conclusions are as follows.

**▶ Inclusivity : Participation of stakeholders**
GS Energy operates stakeholder communication channels to gather opinions from various stakeholders to derive material topics and ensure that they are reflected in decision-making.

**▶ Materiality : Selection and reporting of material topics**
GS Energy presented sustainability performance data without any material omissions. Relating to the material issues in the report, nothing had come to our attention that would cause problem in decision-making process.

**▶ Responsiveness : Organizational response to issues**
KPCQA checked and reviewed the data related to the internal and external stakeholders of GS Energy, we confirmed GS Energy identified the reporting scope and stakeholders' interests and reflected them. we confirmed GS Energy has management process of material topics through materiality assessment.

**▶ Impact : Monitoring and measurement of business activities**
KPCQA reviewed GS Energy identified and monitored the impact of GS Energy's business activities on stakeholders. we confirmed the impact associated with material issues have been properly measured.

**▶ Reliability : Reliability and quality of specified sustainability performance information**
KPCQA conducted reliability verification of sustainability performance information provided by GS Energy. we found no intentional errors or misstatements in the sustainability performance information through reviewing internal procedures for data measurement and management through interviews with the person in charge and sampling of data.

## Independence of Assurance

KPCQA is a 3rd Party Conformity Assessment Body that conforms to ISO/IEC 17021:2015 and has documented policies, assessment processes, and quality assurance systems with assurance team of ESG experts.
KPCQA was not involved in any of the business operations of the GS Energy and the assurance was conducted with independence.

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AA1000 Licensed Report 000-404/V3-WA82Z

Aug. 2026

Korea Productivity Center Quality Assurance

President **Jang Jean, Kang** 강장진


GS Energy