

2024 GS Retail Sustainability Report

GREEN LIFE TOGETHER

About This Report

Report Overview	GS Retail transparently shares its ESG performance and activities with stakeholders. To communicate our strategies, goals, and current status for creating ESG value, we publish a Sustainability Report. We plan to continue releasing this report annually to engage with stakeholders and openly disclose our ESG achievements and efforts.
Reporting Standards	This report was prepared in accordance with the 2021 Global Reporting Initiative (GRI) Standards, which are internationally recognized benchmarks for sustainability reporting. It also takes into account the disclosure metrics for the Food Retailers & Distributors industry issued by the Sustainability Accounting Standards Board (SASB) and incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Unless otherwise specified, the financial performance is presented based on the Korean International Financial Reporting Standards (K-IFRS) consolidated criteria.
Reporting Scope	Our financial performance is reported based on consolidated financial statements, while non-financial performance reflects our progress on ESG management on a separate basis. Additionally, for certain qualitative performance indicators on environment, results from subsidiaries like GS Networks are included. The scope of environmental performance reporting covers company-owned and leased office buildings, logistics centers, and directly operated convenience and supermarket stores.
Reporting Period	The report includes economic, environmental, and social performance from January 1, 2024, to December 31, 2024. It also incorporates some information up to March 2025 for certain performances and includes details on significant activities prior to January 1, 2024. Quantitative performance is presented with data from the most recent three years (2022 to 2024) to enable trend analysis across the years.
Report Verification	This report obtained third-party, independent verification by the Korea Management Registrar (KMR) to transparently communicate sustainable management activities to stakeholders. The AA1000AS v3, Moderate Level, Type 2 has been applied for the purpose of verification. The verification statement is attached on pages 111-112 of this report.

Sustainability Management Report

Responsible Division: Public Policy Team - ESG Part

Contact

We seek to incorporate stakeholder feedback into our Sustainability Report. Please send any relevant suggestions or concerns to the email address below, and we will review and include them in the 2025 report by evaluating their materiality.

Email | esg@gsretail.com

Address | GS Retail Co., Ltd. 508 Nonhyeon-ro, Gangnam-gu, Seoul (GS Tower, 679 Yeoksam-dong)

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CEO Message

“ I would like to express my deep gratitude for the unwavering interest and support from all our stakeholders. ”



The year 2024 marked a pivotal moment in the global climate crisis, as the average global temperature surpassed 1.5°C above pre-industrial levels for the first time in recorded history. In South Korea, we experienced an unusually prolonged summer marked by persistent heatwaves, tropical nights, and intense rainfall. Spring and autumn brought heightened wildfire risks due to drier atmospheric conditions, leading to the destruction of vast forest areas. These extreme weather patterns, driven by climate change, further exacerbated domestic consumption slowdowns and presented considerable challenges for the retail industry.

Such structural changes have compelled companies to seek new solutions across multiple fronts - including consumer behavior, energy costs, and supply chain resilience. In this context, GS Retail has continued to reinforce its fundamental competitiveness by offering responsible products and services, while systematically building a resilient and sustainable management framework through continuous transformation and innovation.

Guided by our ESG mission, Green Life Together, GS Retail has achieved tangible results across environmental, social, and governance dimensions. Environmentally, we have improved energy efficiency at the store level by installing Smart Energy Management Systems (SEMS) and deploying eco-covers in over 8,000 stores. In partnership with the Korea Power Exchange, we introduced an Automated Demand Response (Auto DR) system to contribute to national energy conservation efforts—delivering KRW 23 million in incentive payments to participating franchisees.

To create social value, we operate over 200 community-focused stores—including senior-friendly and care-oriented formats—to support the economic self-sufficiency of vulnerable populations. Since 2013, we have also supported small and medium-sized enterprises (SMEs) by facilitating their entry into home shopping channels, generating cumulative sales of KRW 53 billion.

Our efforts to enhance corporate transparency and strengthen governance, combined with the dedication of our employees, made 2024 a landmark year for GS Retail's ESG journey. We were honored to receive an A+ integrated rating—ranking among the top 2.5% of 764 companies evaluated by the Korea Institute of Corporate Governance and Sustainability - and an AA rating from Sustainvest, earning us the distinction of being named an “ESG Best Company.”

GS Retail is now focused not only on adapting to change, but on leading innovation for long-term sustainable growth. We are sharpening the core competitiveness of our primary business areas while embarking on the next phase of transformative progress.

Esteemed stakeholders,
We deeply appreciate your continued trust and support for GS Retail's commitment to sustainability.

Thank you.

June 2025
CEO of GS Retail **Suh-hong Hur**

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GS Retail At a Glance

Company Profile

GS Retail is a leading Lifestyle Platform company in South Korea, operating a variety of platforms that shape and guide customer lifestyles. From a long-term perspective, we practice sustainable management to resonate with society and create enduring value. We are committed to becoming a company cherished by customers through our unique products and services.

Company History

1971~1987

Laying the foundation for the distribution industry

'71

Established Goldstar Jeongong Co., Ltd.

'74

Opened the first Lucky Supermarket

'75

Changed the company name to Heeseong Industry Co., Ltd.

'78

Acquired the advertisement department of Goldstar

'80

Merged with Lucky Chain Co., Ltd.

'84

Merged with Heeseong Paper Co., Ltd.

1990~1997

Striving to become a comprehensive distributor

'90

Opened the first LG25

'91

Changed the company name to LG Distribution

'92

Opened the first LG Department Store

'94

Established Korea Home Shopping

'95

Launched Korea's first TV home shopping

'96

Opened the 1st LG Mart

1999~2002

Emerging as a new leader in distribution

'00

Opened a comprehensive internet shopping mall

'02

Integrated LG Group's three distribution companies

LG25 opened its 1,000th store

Selected as one of Korea's Top 50 Companies by Monthly Chosun

2004~2010

Securing industry-leading competitiveness

'04

Established GS Watsons, a health and beauty company

'05

Changed the company name to GS Retail

Opened 2,000th store of GS25

'06

Opened logistics center exclusively for home shopping

'08

Established FRESH SERVE

'09

Launched integrated Brand GS SHOP

Won the Customer Satisfaction Management Award

'10

Launched mobile web/app service

2011~2018

Entering the global market

'11

GS SHOP entered Thai market

'12

Conducted Shared Growth seminar for small and medium-sized partners

GS SHOP entered China, Vietnam, and Indonesia market

'14

Entered Malaysian market

'16

Launched an integrated private brand

Opened 10,000th GS25 store

'17

Won Asia-Pacific Retail Industry Award

'18

Opened GS25 Vietnam store

2019~Present

Expanding into a lifestyle platform

'19

Introduced an eco-friendly delivery service

'20

Launched delivery platform Woodel (Delivery service)

'21

GS25 entered Mongolian market

Established ESG Steering Committee

Acquired industry's first ISO 14001 and 9001

Merged GS Retail-GS Home Shopping

'22

Launched Seoul City Children's Meal Card online payment system

Won the \$ 7 million Tower of Export Award

'23

Received the first A+(excellent) rating in the environmental sector from KCGS in the convenience store industry

Selected as the 2023 Great Place to Work in Korea

Received the Minister of Environment Award (two consecutive years)


'24

Opened 300th GS25 Vietnam store

Revamped GS SHOP app as an 'AI lifestyle commerce' app

Achieved 'Excellent' grade in win-win index

'A+' grade in KCGS ESG Integration, Achieved 'AA' grade in Sustainvest ESG evaluation



The **trusted** platform for products and services that **connects** and **empathizes** with all customer experiences through data

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GS Retail At a Glance

Global Network

Headquartered in Korea, GS Retail leverages advanced distribution expertise to manage local operations across Asian regions such as China, Vietnam, and Indonesia. We also support small and medium-sized businesses by facilitating export channels through joint ventures and other initiatives.

Type	Region	Note	(As of 31.Dec.2024)
GS25	Vietnam	Ho Chi Minh City and its suburbs / 354 stores	
	Mongolia	Ulaanbaatar / 267 stores	
GS THE FRESH	Indonesia	Jakarta / 8 stores	
GS SHOP	HUMAI (China)	Joint venture with a license holder capable of conducting home shopping business in China	
	TRUE GS (Thailand)	No. 1 business group in Thailand, with TRUE VISION, a shareholder of the joint venture, being the largest paid broadcasting operator	

- Headquarters

GS25 / GS THE FRESH

GS SHOP



ESG Evaluation Results

GS Retail transparently discloses its ESG evaluation ratings and strives to realize sustainability management.



Total

A+

AA

Climate Change

B

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GS Retail At a Glance

Mission & Vision

We innovate our distribution services through data-driven decisions and deliver top-quality products and services that leads to trust among the customers.

GS Value & GS Way

We are committed to realizing exceptional customer satisfaction by internalizing and practicing GS Value and GS Way, which are essential principles for all our members.



Management Philosophy

We create new value for life by dreaming of tomorrow with our customers.

Our Promise

We share in your better everyday lifethrough heartfelt service and empathetic digital technology.

Our Vision

A platform that connects all customer experiences, empathizes through data, and earns trust with products and services.



A platform connecting all customer experiences

A platform empathizing with customers through data

A platform trusted for its products and services

GS Value



Fair

We uphold fairness and contribute to society and the environment.



Friendly

We recognize diversity and respect one another.



Fresh

We encourage creativity and challenge, growing together as a company and as individuals.



Fun

We work joyfully in a flexible and autonomous environment.

GS Way

- 1 — Customer First

The customer is the basis of all thoughts and decisions.

2 — Leading Trends

We detect trends and create differences that customers feel.

3 — Aiming for the Best

We aim for exciting goals rather than settling for a compromise.

4 — Making Data-Driven Decisions

We always find evidence from data.
- 5 — Conducting Swift Judgments and Executions

We judge swiftly and execute immediately.

6 — Implementing Active Communication and Collaboration

We start with communication and complete with collaboration.

7 — Improving Inefficiencies

We immediately improve familiar inefficiencies.

8 — Staying True to Basics

We focus on the essence to approach the core.

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Business Overview and Major Achievements

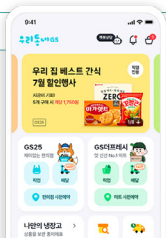
GS25

Since opening our first store in 1990, we have pioneered Korea's convenience store industry for over three decades. By introducing specialized fresh-product stores, experiential stores, and flagship stores, we deliver differentiated customer experiences and sets new industry standards with our unique products and services.



Key Achievements

- The first convenience store in Korea to exceed KRW 11 trillion in annual transaction volume
- Opened the 18,000th domestic store and 600th global store (in Vietnam and Mongolia)
- Opened the experiential smart store 'Ground Blue 49'
- Opened specialized pro baseball team stores which are Timeworld Branch (Hanwha Eagles) and Jamsil Tower Branch (LG Twins)
- Opened the first 'Happy Store' operated by youth preparing for independent living
- Collaborated with GOPIZZA, launched a fresh food-oriented convenience store, and introduced 'MUSINSA' apparel as the first in the convenience industry
- Achieved 'Excellent' grade in win-win index (2024)
- Won first place in the 'Korean Customer Satisfaction Index (KCSI)' for 22 consecutive years, in the 'Korean Standard-Service Quality Index (KS-SQI)' for 12 consecutive years, and in the Korea's Most Admired Company (KMAC) for 21 consecutive years
- Continuously launched industry-leading PB products and brands such as YOUUS, CAFE25, and Hye-janess
- Expanded O4O (Online for Offline) services, including delivery, WINE25+, and Half-price Delivery



We create O4O synergy by utilizing local delivery platforms with affiliates such as Our GS. We provide a delivery platform service that allows customers to quickly and conveniently order and pick up products from GS25 and GS THE FRESH.

GS THE FRESH

We strive to be Korea's leader in freshness, taste, and service, always close to our customers' lives. We aim to offer a fast, convenient, and enjoyable shopping experience with friendly service.



Key Achievements

- Sales : KRW 1,608 billion
- Operated 531 supermarkets
- Enhanced customer accessibility by increasing the number of GS The Fresh franchise stores and offering order delivery and pickup services through Our GS
- Continued to launch customized products such as agricultural, livestock and fisheries products, dairy products, instant convenience foods, and 'Real Price' products
- Ranked first in the large supermarket category of the Korean Standard-Service Quality Index (KS-SQI) for nine consecutive years
- Signed an MOU with the Ministry of Oceans and Fisheries to carry out a pilot project for seafood traceability as a private-sector partner^W

Key Achievements

- Expanded third-party logistics (3PL) delivery for GS orders, beauty stores, franchise food, and flower delivery
 - Enhanced O4O synergy through delivery/pick-up operations for 16,240¹⁾ offline stores nationwide
- 1) 15,721 convenience stores, 519 supermarkets

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Business Overview and Major Achievements

GS SHOP

We operate an e-commerce platform that based on a mobile commerce channel offering a variety of contents and products. We deliver product value through live TV home shopping (SHOP Live), curate data home shopping combining recorded broadcasts with VOD (GS MYSHOP), and engage with customers through real-time interactive two-way shopping, such as Shoppy Live. We provide differentiated, high-quality products ranging from exclusive fashion brands to premium home appliances and miscellaneous goods. We achieve high customer satisfaction by conducting activities tailored to customer needs based on data.



Key Achievements

- Transaction volume : KRW 4,051,400 million
- Market share: 35.85%¹⁾
- Continued to develop unique brands and PBs, enhance direct purchasing, and nurture partners
- Operated differentiated customer experience platforms such as live commerce
- Implemented customer lock-in and engagement activities
- Improved data-based sales activities and mobile shopping usability
- Continuously developed new content, such as short picks, and enhanced the mobile shopping experience through detailed content descriptions

1) Mobile Index (categorized into general shopping and home shopping), as of March 2025

Real Estate Development Business

We operate across various areas of real estate development and commercial facilities, handling development planning, project management/licensing, MD planning, asset management, and sales. Our differentiated competitiveness is secured through our strategic partner network, experience in operating a retail distribution platform, and our expertise in managing diverse commercial facilities.



Key Achievements

- Sales : KRW 35,985 million
- Generated maximum investor profits through optimal asset sales strategies leveraging extensive experience across real estate development
- Executed comprehensive developments across logistics, hotels, residential, and data centers
- Ensured stable operational services by applying expertise in managing diverse commercial facilities including shopping malls, hospital commercial spaces, and subway retail areas

SUSTAINABILITY STRATEGY

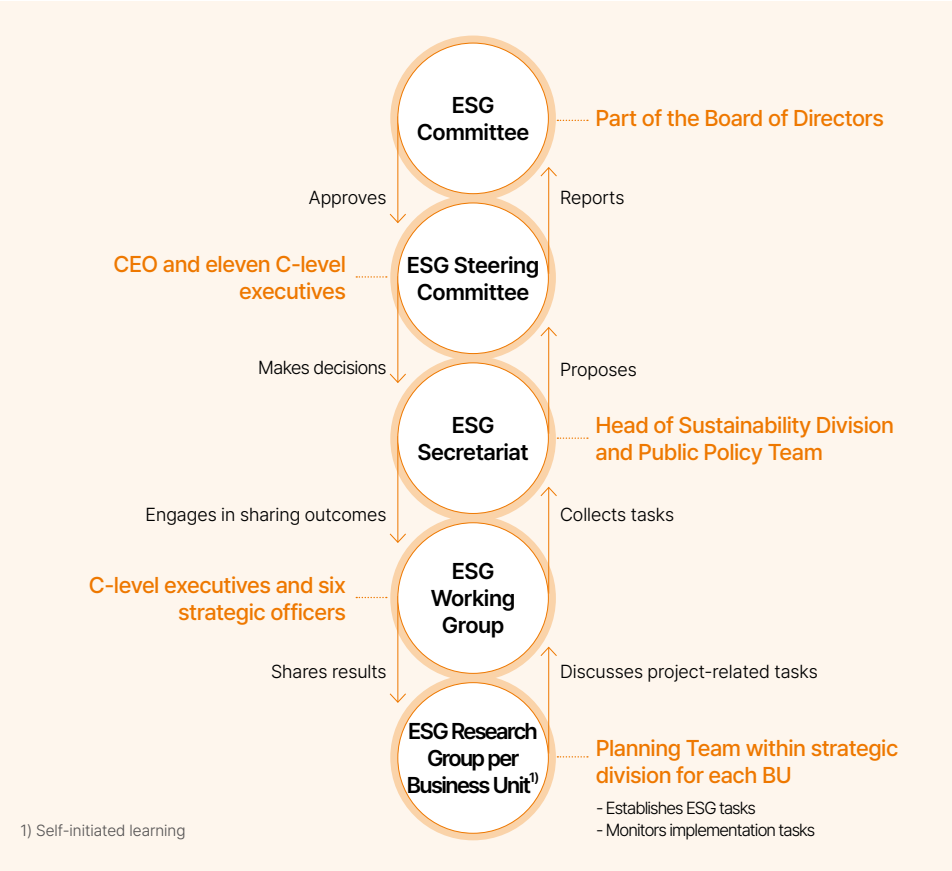
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Our ESG Strategy

ESG Management System

ESG Organizational Structure

We promote a systematical approach to ESG management through various organizational structures, including the ESG Committee, ESG Steering Committee, ESG Working Group, and ESG Research Group. The ESG Committee reviews and approves company-wide ESG risks and overall sustainability management, focusing on aspects including the environmental, social, and governance (ESG) aspects. The ESG Steering Committee, chaired by the CEO, discusses major ESG issues. To ensure implementation of ESG management, we operate the ESG Research Group, comprised of practitioners who evaluate ESG initiatives and address issues within the ESG Working Group.



Mid-to-Long Term ESG Strategy

To promote sustainable management, we have established the ESG strategic framework titled “Green Life Together.” This framework is integrated into the overall management process by focusing on two main pillars: Green Together and Life Together. Within these pillars, we have identified seven strategic initiatives. Each year, we review and refine these detailed action plans to ensure an effective implementation.

Green Life Together

Green Together

Green Product



- Expanding Green Products
- Sourcing raw materials responsibly

Green Store



- Expanding Eco-friendly Stores
- Recreating Resource Value

Green Value-chain



- Reinforcing Environmental Management
- Addressing Climate Change

Life Together

Together with Employees



- Creating a culture that grows together
- Broadening the base for human rights management
- Advancing the Safety and Health Management System

Together with Partners



- Operating a Sustainable Supply Chain
- Strengthening the Fair Trade Management System

Together with Customers



- Maximizing Customer Satisfaction
- Practicing Authentic Marketing

Together with Communities



- Promoting Mutual Development in Local Communities
- Creating a framework for managing social contribution efforts

2024 GS Retail Sustainability Report

Our ESG Strategy

ESG Management

ESG Performance and Goals

In 2024, we received an A+ rating in the ESG evaluation from the KCGS (Korea Institute of Corporate Governance and Sustainability), leading evaluation agency in South Korea. This achievement stemmed from ESG initiatives executed through our company-wide ESG Research Group. This achievement stemmed from ESG initiatives executed through our company-wide ESG Research Group. Additionally, we have strengthened leadership by integrating ESG performance assessments into the KPIs of all executives, from C-level to division heads, linking these assessments to incentives.

Strategy	Strategic Tasks	Goal-setting in 2024	Key Achievements in 2024	Mid-to-Long Term Plan
Green Value-chain	Reinforcing Environmental Management	• Planning and executing internal and external eco-friendly campaigns	• Conducted environmental campaigns such as Carbon Neutral Action Week and Earth Hour, involving franchisees, employees, and customers	• Promoting eco-friendly campaigns and improving awareness among internal and external stakeholders
	Addressing Climate Change	• Reducing Scope 1 & 2 GHG emissions intensity by 3% compared to 2023 • Enhancing eco-friendly stores and logistics operation strategies	• Achieved 6.6% reduction in Scope 1 & 2 GHG emissions intensity compared to 2023 • Expanded green logistics by enhancing Woodel services and installing solar power facilities • Improved green store operations through the transition to renewable energy and increased energy efficiency	• Reducing Scope 1 & 2 GHG emissions intensity by 25% by 2030 compared to the base year (2022)
Green Product	Expanding Green Products	• Achieving a 41.4% application rate of eco-friendly packaging • Participating in campaigns to promote eco-friendly consumption culture • Supporting partners in implementing eco-friendly activities	• Achieved a 40% application rate of eco-friendly packaging • Participated in the 'Green Consumption Week' campaign • Assisted partners in obtaining eco-label certifications • Achieved eco-friendly sales totaling KRW 638.9 billion • Managed 248 SKUs ¹⁾ of eco-friendly certified products	• Expanding product lines with eco-label and low-carbon certifications • Increasing eco-friendly product sales • Continuing packaging weight reduction and standardizing packaging
	Responsible Sourcing of Raw Materials	• Expanding sales of socially responsible products	• Achieved approximately KRW 45 billion in sales through sourcing certified raw materials such as Animal Welfare, GAP ²⁾ , Antibiotic-free, Seafood Traceability, and Vegan	• Expanding the range of socially responsible product lines based on responsibly sourced and certified raw materials
Green Store	Expanding Eco-friendly Stores	• Increasing Smart Energy Management Systems (SEMS) installation • Increasing renewable energy power generation • Continuously installing energy-saving facilities in stores • Reducing energy intensity by 3% compared to 2023	• Installed SEMS in 16,938 stores ³⁾ • Self-generated 132,505.7 kWh annually through solar power facilities • Installed showcases, walk-in cooler door heaters, and eco-covers in refrigeration equipment • Reduced energy intensity by 6.8% compared to 2023	• Introducing AUTO DR in all stores equipped with SEMS by 2028 (approx. 16,000 stores) • Reducing energy intensity by 25% by 2030 compared to the base year (2022)
	Recreating Resource Value	• Promoting circular economy • Reducing food waste and general waste • Achieving 3% reduction in waste intensity compared to 2023	• Received Minister of Environment Award through Carbon Neutral Points and Green Card programs • Operated after-hours discount services in a total of 12,041 stores • Recycled 541 tons of synthetic waste and 467 tons of used cooking oil in 2024 • Achieved a 12% reduction in waste intensity compared to 2023	• Continuing resource circulation activities • Reducing waste intensity by 25% by 2030 compared to the base year (2022)

1) SKU: Stock Keeping Unit
2) GAP: Good Agricultural Practices
3) SEMS: Smart Store Energy Management System

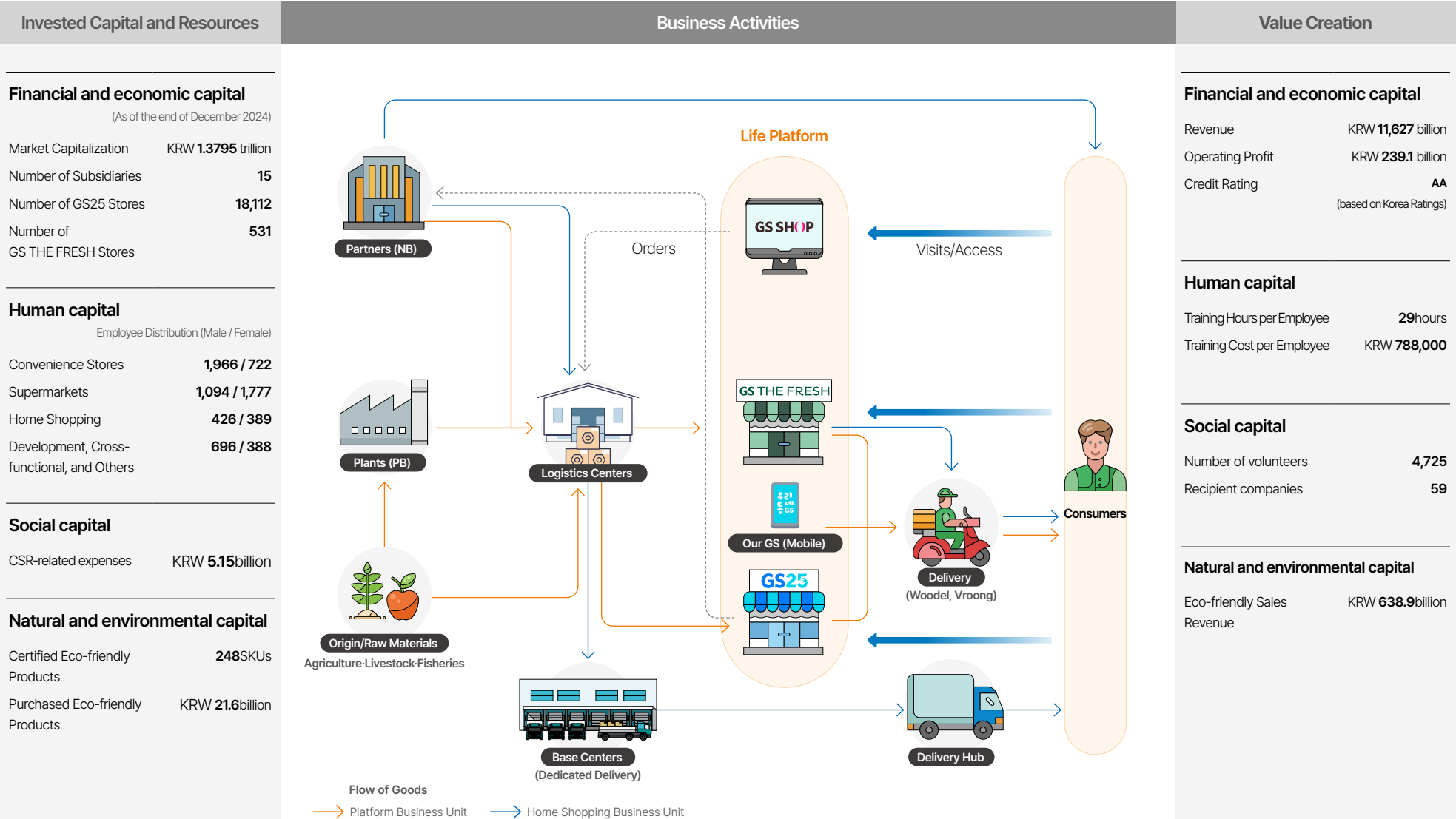
Our ESG Strategy

ESG Management

ESG Performance and Goals

Strategy	Strategic Tasks	Goal-setting in 2024	Key Achievements in 2024	Mid-to-Long Term Plan
Together with Employees	Expanding the Foundation for Human Rights Management	<ul style="list-style-type: none">Internalizing core values of GS Value & GS WayBuilding a corporate culture that respects work-life balance	<ul style="list-style-type: none">Conducted DEI (Diversity, Equity, and Inclusion) training for employees and committees (DEI seminars and ZX Link training included)Planned and rewarded participation in the Organizational Culture Hero Team program to encourage voluntary involvementRecognized as an exemplary company for work-life balance	<ul style="list-style-type: none">Enhancing the integration of GS Value & GS WayPromoting a diversity and inclusion workplace culture through Culture Committee InitiativeExpanding participation in human rights impact assessments by 10% by 2027
	Advancing the Safety and Health Management System	<ul style="list-style-type: none">Compiling with the Severe Accident Punishment ActEnhancing the safety and health management system	<ul style="list-style-type: none">Held four Industrial Safety and Health Committee meetings per BUFocused management on safety vulnerabilities and conducted accident prevention activitiesConducted regular risk assessments and safety inspections for each division and workplaceProvided safety and health training for employees, including first aid and VR equipment training	<ul style="list-style-type: none">Reducing workplace accident rates by 20% from 2024 (by 2025)Ensuring 100% execution of risk assessments and hazard mitigationPromoting safety culture through safety and health campaigns
Together with Partners	Operating a Sustainable Supply Chain	<ul style="list-style-type: none">Achieving over 90% survey responses rates from new partners regarding implementation of ESG practicesEnhancing the ESG evaluation system for partnersIdentifying outstanding partners and providing incentivesProviding support in obtaining eco-label certification on products	<ul style="list-style-type: none">Assessed ESG compliance status for approximately 96% of new parnters (HBU standard)Supported domestic market access for 42 parntersAssisted 3 partners in obtaining eco-label certificationsAchieved top and excellent grades in the win-win index	<ul style="list-style-type: none">Enhancing the ESG audit system for partnersContinuing promotion of mutual growth with partners
	Strengthening the Fair Trade Management System	<ul style="list-style-type: none">Enhancing the management system for fair tradeStrengthening sustainable value chains	<ul style="list-style-type: none">Upgraded the compliance system and revised the fair trade compliance manual for distributionContinued to provide job-specific fair trade trainingAchieved top and excellent ratings in the win-win index	<ul style="list-style-type: none">Enhancing employee awareness via institutionalized fair trade training and performance evaluationAdvancing compliance response mechanisms
Together with Customers	Maximizing Customer Satisfaction	<ul style="list-style-type: none">Improving Voice of Customer (VOC) handling rateEnhancing the consultation system and customer chatbotsInnovating food development addressing both health trends and inflation	<ul style="list-style-type: none">Operated the 'Real VOC committee' and established VOC insight frameworkImproved VOC handling process through effectiveness evaluationAchieved No.1 in the KS-SQI for convenience stores, supermarkets, and home shopping divisions	<ul style="list-style-type: none">Achieving over 92% response rate at GS SHOP customer centersUpgrading consultation systems and customer chatbotsImproving customer satisfaction and reducing VOC complaints by 10%Continuously launching products tailored to customer needs and high-price sensitivity
	Practicing Authentic Marketing	<ul style="list-style-type: none">Expanding marketing policies and trainings	<ul style="list-style-type: none">Conducted compliance checks and provide cross-functional training on marketing practices	<ul style="list-style-type: none">Strengthening responsible marketing and risk training
	Enhancing Information Protection	<ul style="list-style-type: none">Improving security systems for both headquarters and subcontractors	<ul style="list-style-type: none">Implemented proactive risk identification, management, and effectiveness evaluationEstablished governance and systems for incident response processesInvested in information security based on mid- to long-term goals	<ul style="list-style-type: none">Reestablishing personal data protection and information security frameworksEnhancing execution capabilities of the information security taskforceMinimizing information security risks by expanding risk management coverage to over 90%
Together with Communities	Promoting Mutual Development in Local Communities	<ul style="list-style-type: none">Supporting self-reliance and expanded opportunities for the socially vulnerable groupsIncreasing purchases of regional specialties by 7.5% YoYExpanding product development using regional specialties	<ul style="list-style-type: none">Operated 109 Tomorrow Stores and 66 Senior StoresOpened Happy Stores to support the youth independenceGenerated KRW 83 billion in economic impact over 10 years through the Jeonnam Creative Economy Innovation CenterAchieved KRW 141.3 billion in regional specialty product purchases, a 32.1% YoY increase	<ul style="list-style-type: none">Expanding number of beneficiaries of local community outreach programsExpanding the Co-prosperity Sharing PlatformContinuing community-based initiatives and support for regional economic development

Sustainable Value Chain



2024-2025 ESG Highlights

Achieved the Top Rating in win-win index

In 2024, we received notable ratings in the win-win index, as announced by the Committee for Corporate Partnership. GS25 achieved the 'Excellent' grade, recognized for our efforts in expanding incentive programs and providing operational support funds to stores. Meanwhile, GS SHOP received a 'Superior' grade due to our strong support for expanding market access for small and medium-sized enterprises.



Titled as a "Leading Company for Work-Family Balance"

In September 2024, we were recognized by the Committee on Low Fertility and Aging Society as a "Leading Company for Work-Family Balance." We offer a variety of support programs to encourage childbirth and assist with children's life-cycle needs, including benefits for childbirth celebrations, education expenses, and childcare support. Additionally, we promote paternity leave through the "Childcare Leave Program" to encourage male employees to take parental leave.



Opening of the First Happy Store

In December 2024, we launched the first 'Happy Store' (GS25 Hwagok Town store) in Gangseo-gu, Seoul. This store serves as a cooperative platform aimed at supporting the societal integration of young individuals preparing for self-reliance.



Energy Innovation Through Auto Demand Response

We have introduced an Automatic Demand Response (Auto DR) system to manage the electricity usage of over 12,400 GS25 Store nationwide. This automated system enhances efficiency during demand control, with an expected annual reduction of approximately 336 MWh in electricity consumption.



Recipient of the Minister of Environment Award

In 2024, we were honored with the Minister of Environment Award for the second consecutive year in recognition of our contribution to the operation of the Carbon Neutrality Point Program and the Green Card initiative. Through proactive program management and enhancements to the point accumulation system, we achieved a 133% year-over-year increase in points accrued. These efforts have played a significant role in raising public awareness of sustainable consumption.



Expansion of Responsible Sourcing of Raw Materials

We are actively expanding the sourcing and sale of responsibly sourced raw materials based on official certifications, such as the Good Agricultural Practices (GAP) certification. In August 2024, we held a promotional event featuring discounts on GAP-certified agricultural products, effectively marketing and selling these responsibly sourced materials. As a result, sales of certified responsible raw material products in 2024 increased by 50.5% compared to the previous year, reaching KRW 45 billion.



Support for Eco-cover installation

In 2024, we invested KRW 5 billion to install transparent screens called "Eco-cover" at 4,634 convenience stores across the nation that operate 24 hours. These eco-covers help conserve cold air in refrigerated display racks and reduce electricity usage. We plan to install additional eco-covers at around 1,200 stores in 2025, aiming to save up to 2,500 kWh of energy per store annually.



Achieved Global Exports of \$ 9 Million and Reached 500 Store Milestones

In 2024, we surpassed cumulative export earnings of 9 million USD and now we focus on expanding the lineup of export destinations and products. Additionally, we achieved the milestone of opening the 500th global GS25 store.

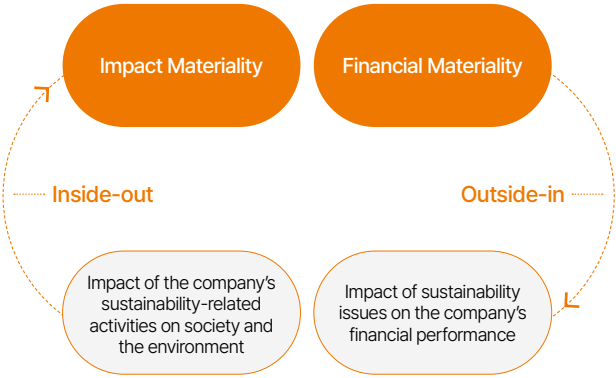


Double Materiality Assessment

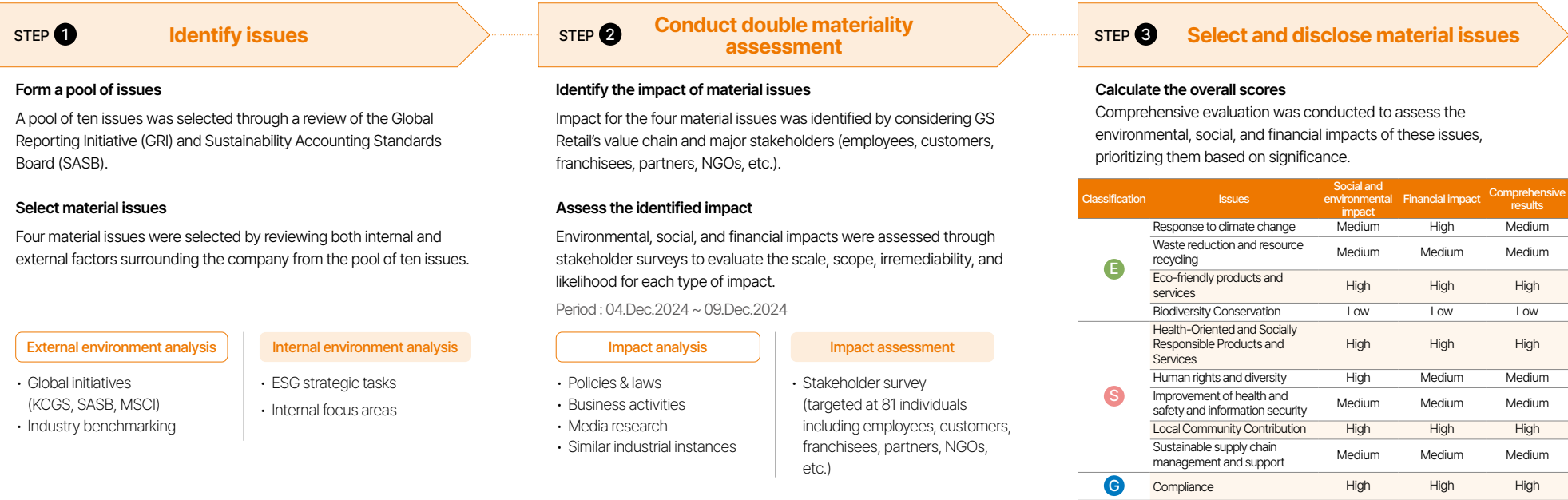
We conduct a materiality assessment to identify sustainable business models that are highly relevant to the company and our stakeholders. From 10 ESG issues, we have selected four that are significant for our sustainable business operations. We use the double materiality methodology to assess environmental, social, and financial impacts related to these selected ESG issues.

Environmental and social impacts, defined as the positive or negative effects a company has on the environment and society for each ESG issue, were evaluated based on their scale, scope, likelihood and irremediability. Financial impact was defined as the positive or negative effect that each ESG issue has on the company's profits and costs, focusing on identifying potential impacts.

We intend to conduct an in-depth analysis of the material issues and impacts identified through the double materiality assessment, actively incorporating the results into our corporate management activities.

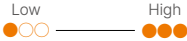


Process



Double Materiality Assessment

Impact Table



Classification	Material Issues	Social and Environmental Impact	Financial Impact	Impact			Risk & Opportunity				Relevant Strategy
				Description	Attribute	Severity	Description	Type	Period	Severity	
E	Eco-friendly Products and Services	High	High	Promotion of consumer green consumption and awareness through sales of high-quality eco-friendly certified products	Positive	●●●○	Increase in sales of eco-friendly products and services due to increased consumer demand for eco-friendly products	Opportunity	Mid-term	●●●○	Green Product
				Environmental pollution caused by waste generation due to the failure or lack of adoption of sustainable packaging solutions	Negative	●●●○	Increase in costs for converting packaging materials and establishing a recycling system caused by regulations on plastic use	Risk	Short-term	●●●●	
S	Health-Oriented and Socially Responsible Products and Services	High	High	Deterioration of public trust and potential threats to national health stemming from product safety or quality control issues	Negative	●●●○	Potential revenue loss resulting from decreased product credibility and brand value in the event of quality issues	Risk	Mid-term	●●●○	Green Product, Together with Customer
				Contribution to reducing social inequality by launching accessible products and services for underprivileged groups	Positive	●●●○	Revenue growth through the acquisition of a broader consumer base across various demographics	Opportunity	Short-term	●●●●	
	Local Community Contribution	High	High	Contribution to reducing social inequality and stabilizing vulnerable groups' lives through supporting vulnerable groups and job creation	Positive	●●●○	Enhance corporate brand image and expanded sales driven by community engagement and regional contribution efforts	Opportunity	Mid-term	●●●○	Together with Community
				Contribution to balanced regional development and expansion of sales channels for SMEs by linking local product sales with free home shopping broadcasts without subscriptions	Positive	●●●●	Improve raw material procurement stability and sales growth through diversified supply chains	Opportunity	Mid-term	●●●○	
G	Compliance	High	High	Noncompliance with legal requirements leading to spread of social inequality	Negative	●●●○	Increase in legal costs and impose penalties	Risk	Short-term	●●●●	Together with Partners
				Intensification of market imbalance due to occurrence of unfair trade practices	Negative	●●●○	Sales decline due to Fair Trade Commission sanctions and reputational damage	Risk	Short-term	●●●○	

Double Materiality Assessment

Management Approach

Material Issue	Definition	Reason for Selection	Management Plan	Page
Eco-friendly Products and Services	Applying more eco-friendly products and packaging materials and promoting green consumption	The growing consumer demand for eco-friendly products and raw materials, coupled with the government's strengthened regulations on packaging and raw materials, highlights the urgent need for the implementation of sustainable systems	<ul style="list-style-type: none">• Develop/Introduce eco-friendly products and packaging• Operate a systematic eco-friendly private brand product management system• Monitoring eco-friendly certification goals and achievements• Conduct risk identification, inspection, and mitigation activities for the introduction of eco-friendly raw materials, products, and packaging materials• Set and manage indicators and targets related to eco-friendly products	33-36
Health-Oriented and Socially Responsible Products and Services	Providing products and services considering customer health and satisfaction, and offering differentiated customer satisfaction	Risk to brand reputation and trust due to product and service quality control issues, Opportunity to secure a consumer base and increase sales through differentiated product offerings	<ul style="list-style-type: none">• Establish quality management direction and detailed response plans by division• Conduct quality and safety inspections throughout the value chain• Sell differentiated products such as Private Brand products and sodium-reduced products• Sell GAP-certified products and responsible raw materials• Identify, inspect, and mitigate risks across GS Retail and suppliers' production processes• Set and manage indicators and targets for overall quality management	37-41
Local Community Contribution	Expanding the corporate social responsibility and contribution activities to local community	As public attention to corporate social responsibility intensifies, companies are increasingly expected to expand their contributions to local communities. In this context, leveraging community-based supply chains not only enhances sourcing stability but also helps improve market access for SMEs and small merchants	<ul style="list-style-type: none">• Implement social contribution activities for various stakeholders• Operate a win-win cooperation model based on the Win-Win Sharing Platform system• Procure local specialties and develop products• Identify, inspect, and mitigate risks for local community engagement and revitalization projects• Manage indicators and performance related to community impact	42-49
Compliance	Ensuring fair trade in the supply chain and compliance with global laws related to overall business areas	Necessity of proactive mitigation for risks and legal costs arising from non-compliance with laws and regulations, and prevention of reputational damage due to sanctions	<ul style="list-style-type: none">• Strengthen compliance management systems through ISO 37301 certification• Operate Compliance Management Council and subcommittee working groups• Update fair trade compliance manual• Fair trade training and report results to the Board of Directors• Operate the process of risk identification, evaluation, improvement, internalization, and monitoring• Manage detailed compliance-related indicators	50-54

Stakeholder Engagement

Stakeholder Communication

We manage communication issues for our stakeholders, including employees, customers, franchisees, partners, local communities, shareholders, and government agencies. We collect opinions from stakeholders and actively share our major plans and activities through various communication channels. We plan to further incorporate stakeholders' opinions into our mid to long-term strategy.

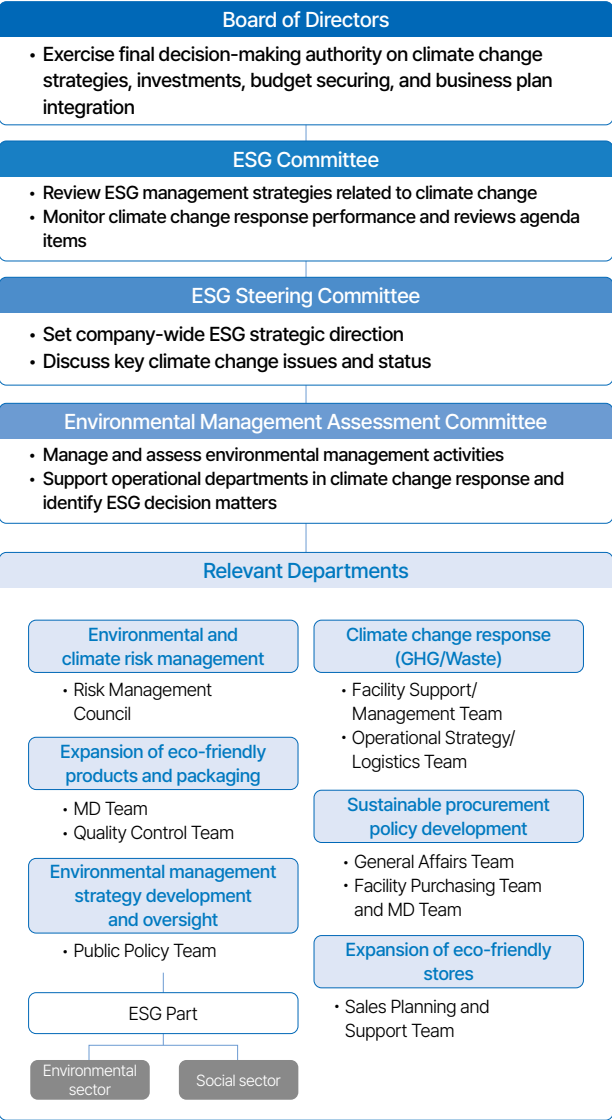
						
	Employees	Customers	Franchisees	Partners	Community, Government & NGO	Shareholders
Channels	<ul style="list-style-type: none">• In-person channels Town hall meetings, Labor Council, Mokkoji events, vision meetings, etc.• Untact anonymous channels Talk to the CEO, Red Whistle, etc.	<ul style="list-style-type: none">• In-person channels Customer advisory group• Untact anonymous channels Customer satisfaction surveys and participatory events, website and social media channels (YouTube, Instagram), VOC insights and Talk to the CEO, customer chatbot and mobile/PC one-on-one help center, customer meetings (online interviews), customer opinion research	<ul style="list-style-type: none">• In-person channels Franchisees' Open Academy, Store Management Council, Development Committee, Dispute Mediation Committee• Untact anonymous channels Kakao Talk Plus Friend - GS25 Chatbot Genie (communication platform with franchisees and store managers), franchisee magazine	<ul style="list-style-type: none">• In-person channels Advisory committee, meeting, listening tour, partner award ceremony• Untact anonymous channels Talk to the CEO, Red Whistle, Hot line, Integrity Management / Voice of suppliers	<ul style="list-style-type: none">• Collect community complaints• Local government and regional government office council• Mutual growth meeting, ESG meeting, etc.	<ul style="list-style-type: none">• Director of Shareholder Communication• General Shareholders' Meeting• IR disclosure (corporate website, DART)
Contents	<ul style="list-style-type: none">• Enhance mutual understanding through active communication• Establish a horizontal organizational culture through the free expression of opinions• Protect employee rights• Implement fair evaluation and compensation• Ensure work-life balance• Create a happy and safe workplace	<ul style="list-style-type: none">• Listen to customer opinions and promptly handle complains• Deliver customer suggestions/inquiries to relevant departments and confirm responses• Identify issues related to major submissions and provide insights• Provide responsible products and services• Understand customers' needs and implement relatable marketing• Investigate and report results for internal and external reporting on violations of organizational values and unfairness cases, workplace bullying, and sexual harassment	<ul style="list-style-type: none">• Promote continuous shared growth• Offer competitive products and services• Implement practical store support• Improve grievances through communication• Contribute to improving self-esteem through the selection of excellent franchisees	<ul style="list-style-type: none">• Generate shared growth value• Foster a culture of fair trade• Promote sustainable technologies, strengthen and support capabilities such as market development	<ul style="list-style-type: none">• Develop sales channels and broadcasting business activities to revitalize the local economy• Reduce local environmental impact and engage in social responsibility activities (shared growth and win-win, etc.)• Conduct social responsibility activities in collaboration with government departments (such as improving environmental awareness, etc.)	<ul style="list-style-type: none">• Maximize management performance and shareholder value• Operate an ethical and sustainable governance structure• Implement ethical management and integrated risk management

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Governance

Climate Action Organization



Role of the Board of Directors

As the highest decision-making body overseeing overall company management issues, the Board of Directors supervises climate activities based on related goals and performance, including climate strategies, investments, and detailed tasks. To strengthen our governance capacity to respond to climate change, we have established an ESG Committee within the board, comprised of three independent directors and one non-executive director, to discuss major ESG-related decisions, including climate change.

ESG Committee

In 2024, the ESG Committee met four times to review ESG strategies and action plans on issues such as climate change, and to monitor performance. We report the risk management status, performance, and future plans to the Board of Directors to ensure that climate issues are reflected in the Board's decision-making and risk management system.

ESG Committee and the Board Status

We held the 2024 ESG Committee meeting to discuss the execution plan for climate change and overall ESG strategies, during which we resolved key agenda items and discussed report issues.

Date	Description
03.05	• Approval of 2024 ESG strategic implementation plan
	• Approval of 2023 Environmental Management Assessment Committee performance and 2024 plan
	• Approval of CSR projects
	• Approval of changes to the 2024 risk management council operating standards
	• Report on 2023 H2 compliance inspection results and 2024 plan
03.21	• Report on 2023 H2 compliance program performance
	• Report on 2023 CSR project outcomes and 2024 plan
	• Report on 2024 risk management work plan
	• Approval of the appointment of ESG Committee Chair
08.08	• Approval of 2024 H1 Environmental Management Assessment Committee performance and H2 plan
	• Report on 2024 H1 ESG performance and H2 plan
	• Report on 2024 H1 risk management status
	• Report on 2024 H1 compliance inspection results
	• Report on 2024 H1 compliance program performance
12.19	• Approval of 2024 ESG operation results and materiality assessment
	• Approval of CSR projects
	• Report on 2024 risk management key achievements and 2025 work plan

Role of the Management

Responsible for making final decisions for all corporate activities, including those addressing climate change, the CEO discusses the status and issues of environmental management activities through the quarterly ESG Steering Committee and makes strategic policies and decisions related to climate change. We further strengthen environmental management activities by incorporating environmental evaluation grades and greenhouse gas reduction achievements into the KPIs of C-level executives.

ESG Steering Committee

We established an ESG Steering Committee led by the CEO to present ESG directions linked to key executives and management strategies, and discuss issues through regular semi-annually meetings.

Dedicated Organization

We established the ESG part within the Public Policy Team as the dedicated organization for addressing climate change, collaborating with related operational departments to establish and manage environmental management strategic tasks. Additionally, we operate a risk management council that holds quarterly Business division meetings to review and analyze climate change risks.

The Environmental Management Assessment Committee

The Environmental Management Assessment Committee examines the status of environmental management activities and reports the progress to the ESG Steering Committee and ESG Committee.

Strategy

Risk and Opportunity Assessment

Identifying Risk and Opportunity Pool

We reviewed the climate information disclosure status of companies in the industry according to the risk and opportunity classification of the TCFD recommendations and formed a pool of climate factors expected to significantly impact the retailing business. The pool comprises a total of 21 factors, including 2 physical risks (chronic, acute), 9 transition risks (policy and law, technology, market, reputation), and 10 opportunities (resource efficiency, energy sources, products and services).

Analyzing Financial Impact

We conducted a qualitative analysis of the potential impact of all climate-related risks and opportunities on our business. Additionally, quantitative analysis was performed on three specific factors: PR1. Acute natural disasters and extreme weather events, PR2. Changes in precipitation and weather patterns, and TR1. Increases in greenhouse gas emissions prices. We plan to gradually expand the scope of our quantitative analysis to ultimately cover all relevant factors.

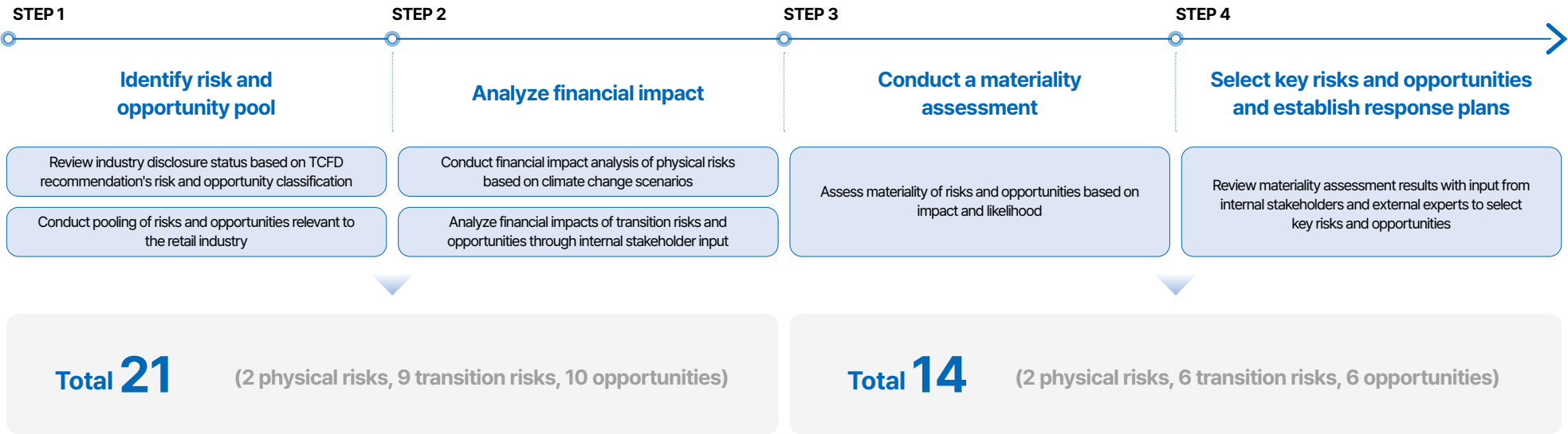
Conducting a Materiality Assessment

We conducted a materiality assessment based on the impact and likelihood of climate-related risks and opportunities. Impact refers to each factor's effect on our value chain and business divisions. For likelihood, in the case of physical risks, we comprehensively considered the probability of each factor's occurrence as identified through climate modeling tools, along with the disclosure status within our industry. For transition risks and opportunity factors, we reviewed the prospects for the introduction of relevant legislation and the industry's disclosure status.

Selecting Key Risks and Opportunities and Establishing Response Plans

After reviewing and ranking the results of our materiality assessment, we identified a total of 14 factors (2 physical risks, 6 transition risks, 6 opportunities) that are expected to have a significant impact on our business. To proactively address to key risks and opportunities, we have developed a response strategy linked to our ESG strategies-Green Product, Green Store, and Green Value Chain-aimed at enhancing the organization's resilience to climate change.

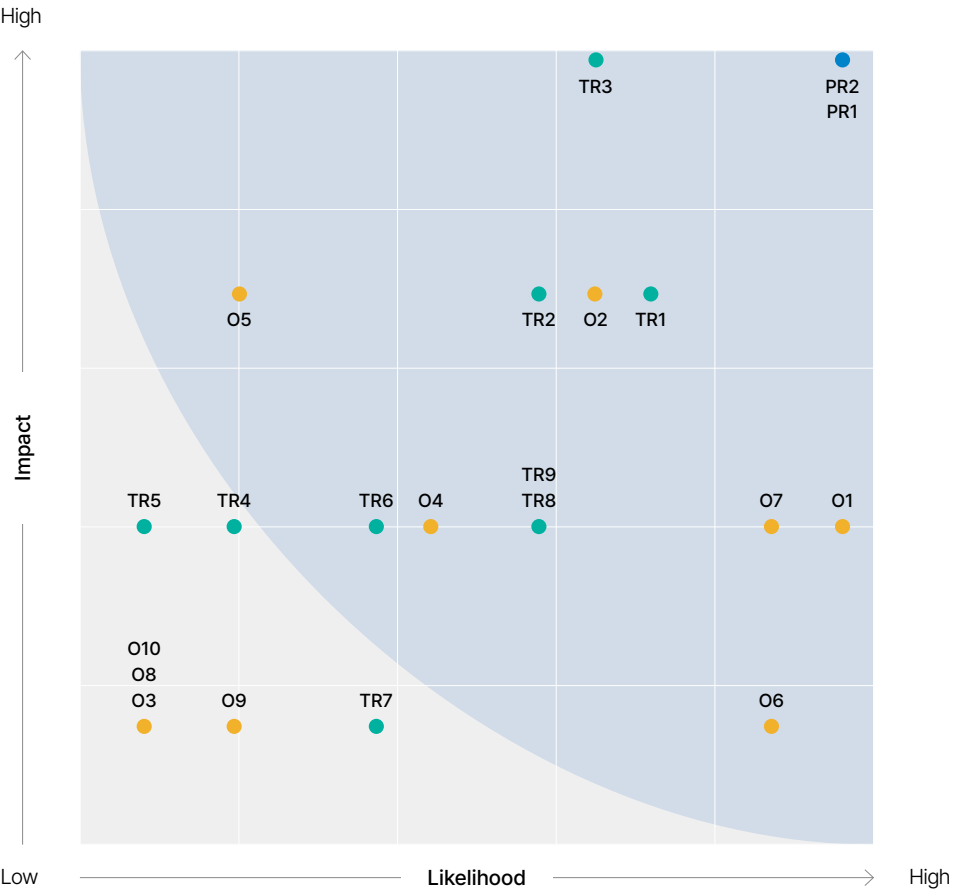
Identification and Assessment Process for Climate-related Risks and Opportunities



Strategy

Risk and Opportunity Assessment

We conduct a materiality assessment by comprehensively considering the impact and likelihood of each factor and categorize them into groups in order of importance: High (1st-7th), Medium (8th-14th), and Low (15th-21st). A total of 14 factors (including 2 physical risks, 6 transition risks, and 6 opportunities) of high and medium importance have been identified as our key climate-related risks and opportunities, with the potential financial impact of each factor disclosed.



Classification		Factor
Physical Risk	Acute	PR1 Acute natural disasters and extreme weather events (flooding, tropical cyclone, wildfires, heavy rain, snowfall, drought, etc.)
	Chronic	PR2 Changes in precipitation and weather patterns, such as abnormally high temperatures
Transition Risk	Policy & Legal	TR1 Increase in cost associated with GHG emissions
		TR2 Strengthened obligations for greenhouse gas emissions reporting
		TR3 Introduction of obligations and regulations for waste management and eco-friendly refrigerants
		TR4 Exposure to risk of greenwashing lawsuits
	Technology	TR5 Failure to invest in new technology
	Market	TR6 Changes in customer behavior
	Reputation	TR7 Market uncertainty
		TR8 Increase in consumer concerns amid weakening corporate green reputation
		TR9 Stakeholder concerns
Opportunity	Resource Efficiency	O1 Utilization of high-efficiency delivery, production, and logistics systems
		O2 Electronic waste recycling and eco-friendly packaging utilization
		O3 Energy-efficient buildings
	Energy Source	O4 Utilization of national renewable energy policy incentives
		O5 Utilization of national renewable energy policy incentives
	Products and Services	O6 Expansion of introducing eco-friendly certified products
		O7 Increase in consumer preference for eco-friendly products
	Market	O8 Increase in access to new markets
	Resilience	O9 Participation in renewable energy programs
		O10 Acquisition and diversification of resources

: Key climate-related risks and opportunities (14 total)

Strategy

Risk and Opportunity Assessment

Selecting Key Risks and Opportunities

	Physical Risk	Period			Financial Impact Pathway	Expected Financial Impact
		Short-term	Mid-term	Long-term		
Acute	PR1 Acute natural disasters and extreme weather events	●	●	●	<ul style="list-style-type: none">• Damage to infrastructure and facilities, including offline stores, logistics centers, and home shopping computer networks, due to natural disasters such as tropical cyclones and flooding• Disruption in product transportation, including raw materials and industrial products, due to damage to agricultural, livestock, and fisheries source areas• Customer service disruptions, such as delivery delays due to natural disasters and restrictions on customer movement• Increased employee safety risks and reduced labor productivity due to natural disasters	<ul style="list-style-type: none">• Increase in costs for infrastructure and facility restoration• Higher procurement expenses for raw materials and industrial products• Decrease in direct sales and profits due to reduced service utilization• Additional operational costs aimed at enhancing employee safety and productivity rates
Chronic	PR2 Changes in precipitation and weather patterns, such as abnormally high temperatures			●	<ul style="list-style-type: none">• Damage to infrastructure and facilities such as offline stores, logistics centers, and home shopping computer networks due to flooding caused by rising sea levels and changes in precipitation patterns• Increase in assets vulnerable to precipitation and temperature rise• Changes in fish and produce volumes due to shifts in agricultural and fishing areas	<ul style="list-style-type: none">• Escalation of costs for infrastructure and facility restoration• Increase in insurance premiums for high-risk assets and heightened heating and cooling expenses• Rise in raw material procurement costs and sales reduction

	Transition Risk	Period			Financial Impact Pathway	Expected Financial Impact
		Short-term	Mid-term	Long-term		
Policy & Legal	TR1 Increase in cost associated with GHG emissions		●	●	<ul style="list-style-type: none">• Expansion of industries subject to greenhouse gas regulations, including the Greenhouse Gas Target Management System• Rise in electricity rates due to stricter regulations on fossil fuel usage under expanded energy conversion policies	<ul style="list-style-type: none">• Increase in operational costs for compliance within regulated industries• Considering the anticipated rise in electricity prices, the electricity procurement cost in 2050 is projected to exceed KRW 18.6 billion
	TR2 Strengthening greenhouse gas emissions reporting obligations		●	●	<ul style="list-style-type: none">• Rise in possibility of new regulations requiring adherence to the Carbon Neutrality Act and mandatory greenhouse gas emissions disclosures	<ul style="list-style-type: none">• Costs incurred from measuring greenhouse gas emissions and implementing reduction measures
	TR3 Introducing obligations and regulations, such as waste disposal and the use of eco-friendly refrigerants		●		<ul style="list-style-type: none">• Strengthening of laws and policies on waste disposal and resource recycling• Strengthening of global regulations on refrigerant usage	<ul style="list-style-type: none">• Higher expenses for waste disposal and adopting new packaging materials• Costs associated with purchasing refrigerated equipment using eco-friendly refrigerants
Market	TR6 Changes in customer behavior	●	●	●	<ul style="list-style-type: none">• Increase in demand for eco-friendly products, such as low-carbon and alternative meat foods• Increase in demand for eco-friendly logistics services	<ul style="list-style-type: none">• Decrease in corporate competitiveness and sales due to unmet demands for eco-friendly products• Drop in sales due to a passive approach to growing demand for sustainable logistics services
Reputation	TR8 Increasing consumer concerns amid a weakening corporate green reputation		●	●	<ul style="list-style-type: none">• Increase in consumer expectations regarding corporate environmental initiatives	<ul style="list-style-type: none">• Deterioration of corporate image and decreased sales due to unmet consumer expectations
	TR9 Stakeholder concerns		●	●	<ul style="list-style-type: none">• Increase in stakeholder concerns about sustainable management and negative feedback	<ul style="list-style-type: none">• Capital constraints driven by impaired trust and lowered levels of investment

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Risk and Opportunity Assessment

Selecting Key Risks and Opportunities

Opportunity		Period			Financial Impact Pathway	Expected Financial Impact
		Short-term	Mid-term	Long-term		
Resource Efficiency	O1	Utilizing highly efficient delivery, production, and logistics systems			<ul style="list-style-type: none">• Introduction of highly energy and resource-efficient systems, such as logistics energy management system, replacement of water-saving faucets• Expansion of energy management systems across all convenience stores and supermarkets• Support for enhancing operational efficiency in logistics systems	<ul style="list-style-type: none">• Reduction in operating costs through improved energy and resource use efficiency• Decrease in operating costs via effective energy management• Cost efficiency improvement in logistics distribution
	O2	Recycling waste home appliances and utilizing eco-friendly packaging materials			<ul style="list-style-type: none">• Recycling refrigerated equipment from closed stores through expanded recycling center operations• Increase in the application rate of eco-friendly packaging materials	<ul style="list-style-type: none">• Savings of approximately KRW 8.5 billion in waste disposal and new investment costs through refrigeration equipment recycling (as of 2024)• Increase in sales of products utilizing eco-friendly packaging
Energy Source	O4	Using low-carbon energy sources			<ul style="list-style-type: none">• On-site sustainable energy production through the construction of solar power facilities• Enhancement of eco-friendly corporate image by reducing greenhouse gas emissions	<ul style="list-style-type: none">• Decline in energy procurement costs and carbon emissions expenses• Increase in capital availability
	O5	Utilizing national renewable energy policy incentives			<ul style="list-style-type: none">• Participation in solar panel installation support projects	<ul style="list-style-type: none">• Decrease in costs associated with renewable energy conversion and energy procurement
Products and Services	O6	Expanding the range of eco-friendly certified products			<ul style="list-style-type: none">• Expansion of sales of eco-friendly certified products and promoting our identity as an eco-friendly business	<ul style="list-style-type: none">• Increase in sales of eco-friendly products (Sales of eco-certified products in 2024: KRW 638.9 billion)
	O7	Increase in consumer preference for eco-friendly products			<ul style="list-style-type: none">• Development and introduction of eco-friendly products to meet the demand for sustainable consumption	

Strategy

Risk and Opportunity Assessment

Results of Scenario-based Financial Impact Analysis on Physical Risks

We evaluated the financial impact of climate-related physical risks on our business using three climate change scenarios from S&P Climonomics® Hazard Modeling. We focused on 215 business sites located in Korea and calculated the expected loss rate on asset value based on the occurrence of eight key natural disasters (coastal flood, fluvial flood, urban flood, typhoon, temperature extremes, drought, water stress, and wildfire) for each 10-year interval from 2020 to 2050.

Financial Impact Analysis of Physical Risks Overview

Natural disasters subject to analysis (4 acute, 4 chronic)

Acute	Coastal Flood	Chronic	Temperature Extremes
	Fluvial Flood		Drought
	Urban Flood		Water Stress
	Typhoon		Wildfire

Target

215 business sites located in all 17 administrative districts in Korea
(High-sales sites (105), high-risk sites (107), headquarters (2), logistics centers (1) by administrative districts)

Period

2020-2100

(risk analysis for each 10 year interval; risk analysis results for 2020 to 2050 are disclosed)

Target

Four SSP¹⁾ scenarios presented in the IPCC²⁾ Sixth Assessment Report applied

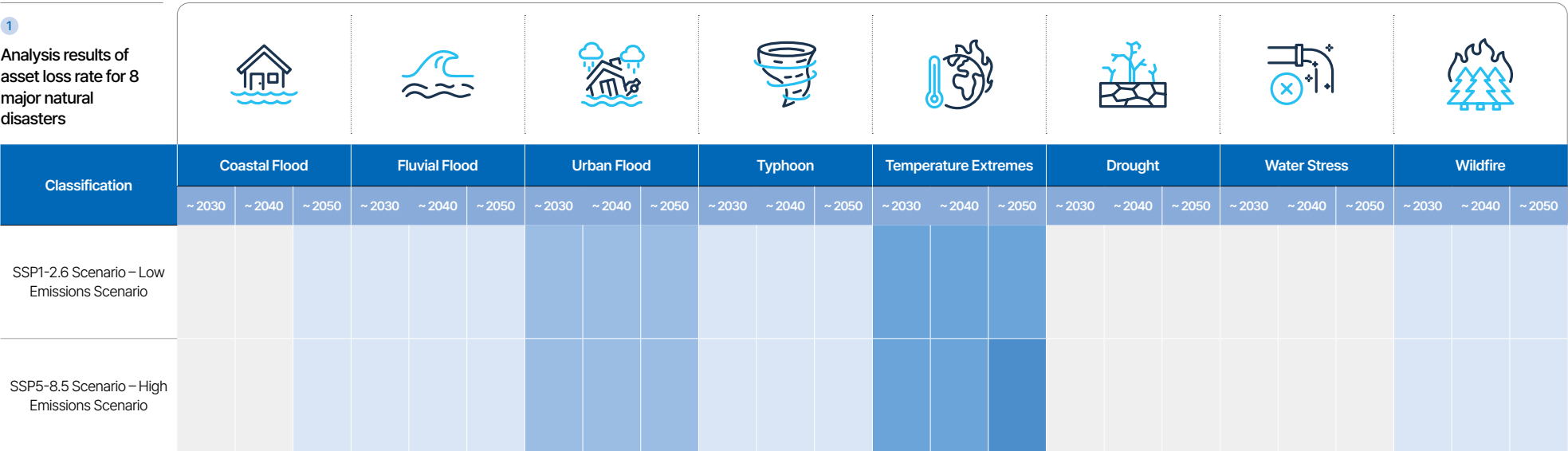
Scenario	Average global temperature increase by 2100 ³⁾	Details	Assumption
SSP1-2.6	1.8°C	<ul style="list-style-type: none">Low emissions scenarioAlign with the goal of reaching Net-zero greenhouse gas emissions by 2050 and the Paris Agreement to limit global average temperature increase by 2100	<ul style="list-style-type: none">Decrease in fossil fuel use through development of renewable energy technologyEco-friendly and sustainable economic growth
SSP2-4.5	2.7°C	<ul style="list-style-type: none">Medium emissions scenarioMaintain greenhouse gas emissions at the current level until 2050, then reduce emissions until 2100	<ul style="list-style-type: none">Moderate climate change mitigation and socioeconomic development
SSP3-7.0	3.6°C	<ul style="list-style-type: none">Scenario where emissions is higher than medium but lower than high emissions scenarioGreenhouse gas emissions doubled by 2100 compared to the current level	<ul style="list-style-type: none">Passive climate change mitigation policies and slow development of industrial technology
SSP5-8.5	4.4°C	<ul style="list-style-type: none">High emissions scenarioGreenhouse gas emissions increased three times by 2050 compared to the current level	<ul style="list-style-type: none">Heavy reliance on fossil fuels for rapid industrial growth and extensive urban development

1) SSP; Shared Socioeconomic Pathway
2) IPCC; Intergovernmental Panel on Climate Change
3) Increase since pre-industrial times (1850–1900)

Strategy

Risk and Opportunity Assessment

Results of Scenario-based Financial Impact Analysis on Physical Risks



We conducted the asset loss rates analysis at major business locations, segmented by eight natural disaster factors. Through the analysis, we identified urban flood as a primary acute risk and temperature extremes as a major chronic risk. Key factors contributing to financial losses from these disasters include increase in costs for recovery and cleaning of facilities, business operation disruptions, and decrease in employee productivity. Among these, temperature extremes were expected to cause the most significant financial losses due to decrease in employee productivity.

To address these issues, we plan to enhance operational efficiency by introducing SEMS (Smart Energy Management System), enabling easy control of HVAC systems and indoor lighting through smartphones. Additionally, by adopting weather management, we aim to minimize losses from acute natural disasters through a weather data-integrated ordering system. We also ensure diverse raw material sourcing from various domestic regions and continuously monitors high-risk areas, applying this approach to specialty product procurement. Furthermore, recognizing the importance of proactive measures to minimize flood and typhoon damages to our convenience stores, we engage in risk prevention activities by reviewing forecasts for potential storm and flood occurrences over the next three months and, when specific regions are predicted to face these conditions, we post energy-saving or safety precaution notices on POS systems in those areas.

SSP1-2.6 Scenario (Low Carbon Emission Scenario)

For acute risks, the asset loss rate from each natural disaster, excluding urban flood, is projected to remain below 0.1%, with minimal expected changes in the mid to long term. Chronic risks such as drought, water stress, and wildfires are anticipated to maintain a loss rate below 0.05% throughout the entire period, showing no significant variations. Temperature extremes are expected to cause the greatest losses over the entire period, with the asset loss rate projected to gradually increase to 2.9% in the short term, 3.5% in the medium term, and 4.5% in the long term.

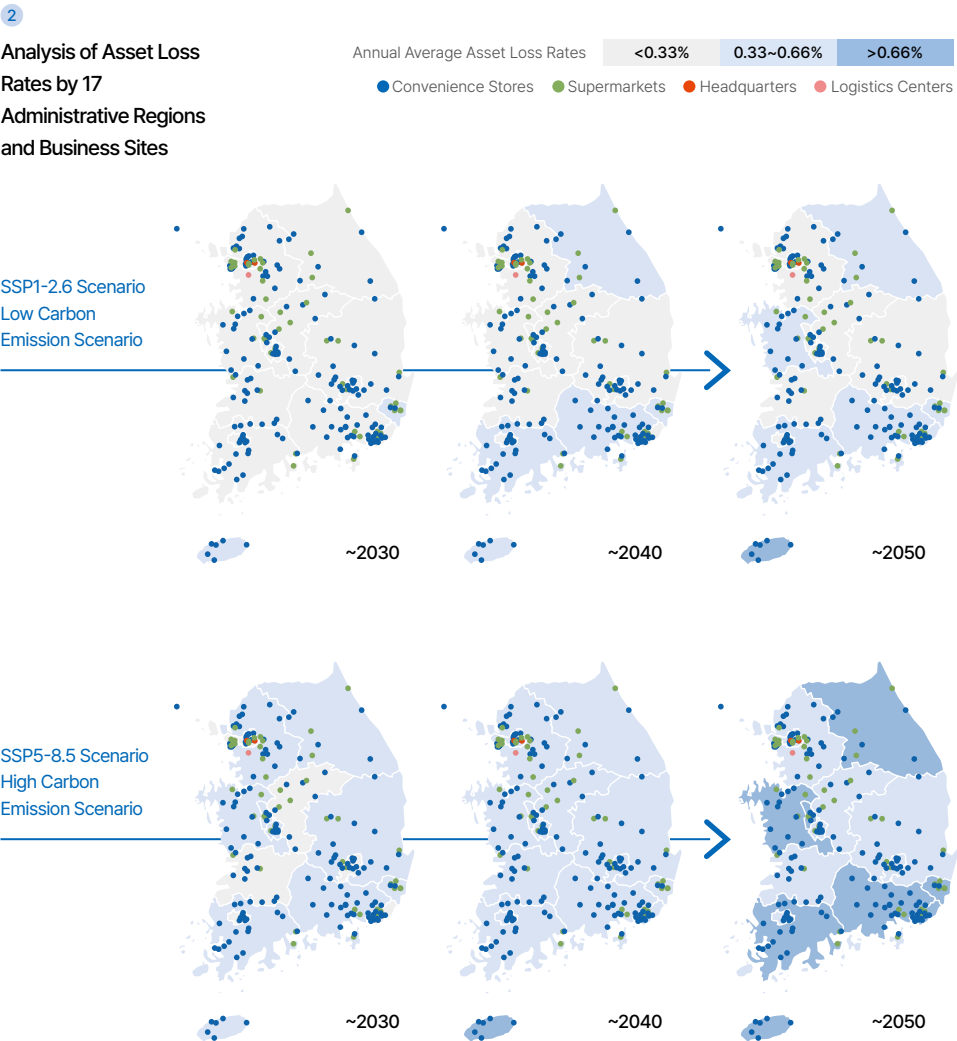
SSP5-8.5 Scenario (High Carbon Emission Scenario)

For acute risks, the asset loss rate for temperature extremes is projected to be the highest, mirroring the SSP1-26 scenario, with rates expected to exceed 2% throughout the entire period. Meanwhile, the loss rate due to disaster factors other than temperature extremes is expected to remain below 1%, similar to the low-emissions scenario, without significantly impacting our asset losses.

Strategy

Risk and Opportunity Assessment

Results of Scenario-based Financial Impact Analysis on Physical Risks



To support sustainable management, we calculated the asset loss rates across 17 administrative regions based on the vulnerability of major business sites to physical risks. This analysis considers seven natural disasters directly causing physical risk: coastal flood, urban flood, fluvial flood, typhoons, droughts, water stress, and wildfires. Temperature Extremes were classified as an indirect disaster because they amplify other natural disasters and were thus excluded from the primary analysis.

Nationwide, the SSP1-2.6 and SSP5-8.5 scenarios consistently identified urban flood, typhoons, and wildfires as significant contributors to loss rates. Notably, in the SSP5-8.5 scenario, urban flood is expected to lead to increased loss rates of over 0.33% in 14 out of the 17 administrative regions after 2031. By 2041, all regions are anticipated to exceed a 0.33% loss rate, with urban flood accounting for over 70% of total asset loss rates. This suggests a substantial impact on business sites located in urban areas.

To proactively address climate change, we plan to leverage a weather management information system. We plan to minimize losses from acute natural disasters through SEMS and other systems, while developing company-wide weather management strategies. Additionally, ongoing monitoring of high-risk areas will ensure the stability of raw material procurement and supply chain management.

[Key Business Sites] Analysis of High-Revenue and High-Risk Locations by Administrative Region

We conducted an analysis on 212 high-revenue and high-risk business sites across 17 administrative regions and found that financial loss rates due to physical risks are expected to continue rising until 2050 across all areas. This upward trend in loss rates is consistently observed in both SSP1-2.6 and SSP5-8.5 scenarios. Among the scenarios, business sites in Jeju are anticipated to have the highest loss rates, primarily influenced by urban flood and typhoons. In Ulsan, fluvial flood is identified as a leading cause of loss rates in high-risk areas compared to the other regions. Business sites in Gangwon will likely experience high loss rates from urban flood, fluvial flood, and wildfires, though typhoon-related losses are relatively lower compared to the other regions. In Jeonnam province, sites are expected to incur high loss rates in asset value due to coastal flood compared to other locations. Conversely, sites in Seoul, Incheon, and Gwangju are projected to maintain relatively low loss rates under both scenarios.

[Other Key Business Sites] Headquarters (GS Tower, Gangseo Tower) and Gunpo Logistics Center

For GS Tower, Gangseo Tower, and Gunpo Logistics Center, asset loss rates are projected to remain below 0.66% throughout the analysis period in both the SSP1-2.6 and SSP5-8.5 scenarios. Among these locations, the loss rates are highest for Gangseo Tower, followed by Gunpo Logistics Center and GS Tower, a trend that has consistently appeared in both scenarios over the entire analysis period. Gangseo Tower shows the most notable upward trend in loss rates over time, with an increase from 0.28% to 0.42% under the SSP1-2.6 scenario and from 0.29% to 0.54% under the SSP5-8.5 scenario.

Strategy

Risk and Opportunity Assessment

Response Plans

We strategically align our long-term business strategy with the climate change response initiatives to address the risks and opportunities arising from the climate change. To meet stakeholders' expectations for sustainable products, we are actively develop and expanding eco-friendly certified products. We proactively address climate-related government regulations and policies by expanding green stores and aim to reduce operational costs associated with energy and waste disposal. We implement reduction activities for greenhouse gas emissions across different scopes and support partners in obtaining eco-friendly certifications, demonstrating efforts throughout the value chain to reduce greenhouse gas emissions.

Risks and Opportunities		
Physical Risks	PR1	Acute natural disasters and extreme weather events
	PR2	Changes in precipitation and weather patterns
Transition Risks	TR1	Increase in cost associated with GHG emissions
	TR2	Strengthened obligations for greenhouse gas emissions reporting
	TR3	Introduction of obligations and regulations for waste management and eco-friendly refrigerants
	TR6	Changes in consumer behavior
	TR8	Increase in consumer concerns amid weakening corporate green reputation
	TR9	Concerns from stakeholders
Opportunities	O1	Utilization of high-efficiency delivery, production, and logistics systems
	O2	Electronic waste recycling and eco-friendly packaging utilization
	O4	Use of low-carbon energy sources
	O5	Utilization of national renewable energy policy incentives
	O6	Expansion of introducing eco-friendly certified products
	O7	Increase in consumer preference toward eco-friendly products

1) Compared to the base year (2022)
2) Compared to Business As Usual (BAU)

Response Strategies		
Green Product	Goal	• Expanding product lines with eco-label and low-carbon certifications
	Strategy	• Promoting eco-friendly products and conduct activities to encourage green consumption
Green Store	Goal	• Reducing energy usage per unit by 25% by 2030 ¹⁾ • Reducing waste emissions per unit by 25% by 2030 ¹⁾
	Strategy	• Implementing eco-friendly refrigerant equipment for all refrigeration units post-2027 • Ensuring participation of all stores with SEMS in AUTO DR by 2028 (over 16,000 store locations) • Converting all GS Supermarket refrigeration equipments to eco-friendly refrigerant systems by 2029 • Promoting circular economy and expand recycling of waste, including electronic waste, through partnerships
Green Value-Chain	Goal	• Reducing greenhouse gas emissions per unit by 25% by 2030 ¹⁾ • Reducing green logistics emissions by approximately 5% by 2025 ²⁾
	Strategy	• Enhancing greenhouse gas inventory • Improving perception of eco-friendly image and strengthen business activities • Participating in domestic and international environmental campaigns at least once a year • Supporting partners in obtaining eco-label certifications

Risk Management

Management Process

Risk Identification

We conduct an annual assessment to identify the risks and opportunities that impact overall management. In terms of company-wide risk management, big data is utilized to proactively identify the climate change-related risks. Additionally, the Risk Management Council convenes quarterly meetings to review and discuss risks analyzed by the respective business division. Meanwhile, the ESG Research Group and the ESG Working Group are continuously identify potential risks that may arise during activities related to climate change response, such as the production of eco-friendly products, expansion of eco-friendly stores, operation of eco-friendly logistics, and eco-friendly procurement.

Risk Assessment and Analysis

The Risk Management Council evaluates the severity of climate change-related risks reported during our quarterly meetings. These risks are categorized based on their level as Recognized, Caution, Severe, or Critical. Additionally, the Environmental Management Assessment Committee regularly reviews our management activities and the operational status of departments involved in climate change response. This helps assess we's resilience to climate change impacts.

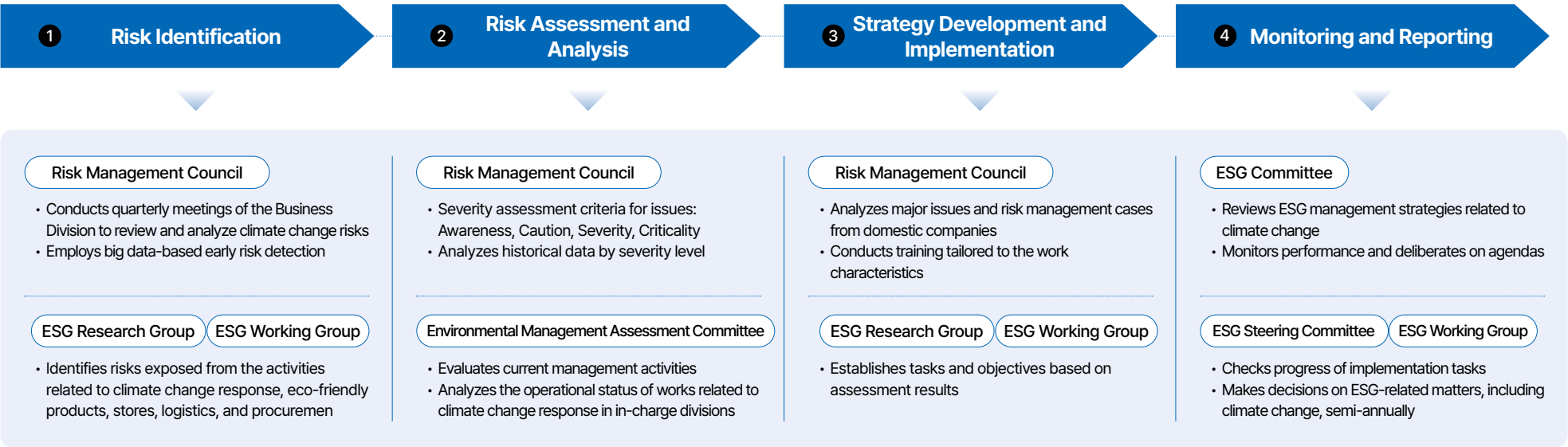
Strategy Development and Implementation

The Risk Management Council investigates leading climate change-related issues and risk management cases from domestic companies to identify benchmarking points. These insights are used to develop response strategies aimed at preventing or mitigating the climate risks identified in the earlier stages. Additionally, targeted training is provided to climate change-related departments, taking into account the specific nature of their work. Meanwhile, the ESG Research Group and the ESG Working Group are responsible for establishing implementation tasks and objectives based on the results of risk assessments.

Monitoring and Reporting

The Risk Management Council communicates identified key climate change risks and response strategies to the ESG Committee. The ESG Committee then reviews these risks in relation to our ESG management strategies. Other key entities that are responsible for monitoring climate change risks include the ESG Steering Committee, composed of C-level executives, and the ESG Working Group. The ESG Steering Committee makes decisions on ESG-related matters on a semi-annual basis, while the ESG Working Group regularly assesses the progress of ESG initiatives.

Climate-related Risk Management Process



Metrics and Targets

Metrics

Greenhouse Gas Emissions Status

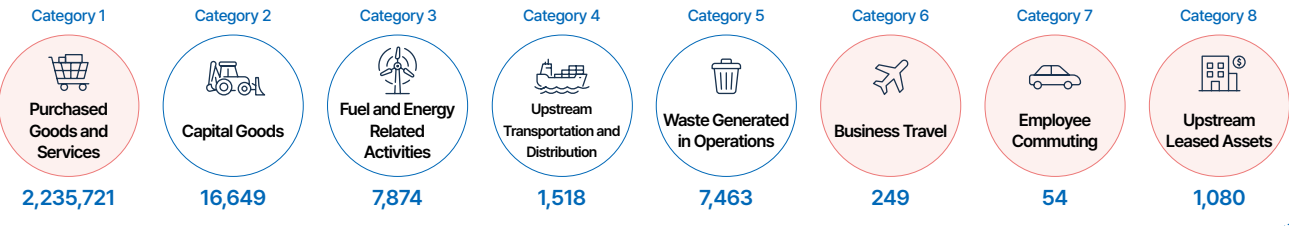
Under the comprehensive greenhouse gas reduction strategy, we set and manage measurable environmental indicators. In addition to monitoring greenhouse gas emissions, we periodically observe indicators that indirectly impact the climate change, such as energy usage, water consumption, wastewater, and waste. Through the regular analysis of climate-related environmental metrics, we assess potential environmental impacts across our business operations. ESG-based evaluations and execution performance are incorporated into 5% of KPIs for all executives to reinforce the implementation progress.

We calculate and disclose emissions not only from direct and indirect sources within our operations (Scope 1 and 2) but also from our entire supply chain, including upstream and downstream activities, in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. In 2024, we expanded our Scope 3 calculations coverage, allowing for a more precise analysis of supply chain emissions. The findings revealed that Scope 1 and Scope 2 emissions account for approximately 2% of total greenhouse gas emissions, while around 98% originate from the supply chain activities such as raw material procurement and store operations due to the nature of our business. Moving forward, we plan to enhance our efforts in calculating and managing Scope 3 emissions to bolster our capabilities to respond to the climate change and contribute to establishing a sustainable value chain.

2024 Scope 3 GHG Emissions (By Category, Unit: tCO₂eq)

Newly Assessed Categories in 2024

Upstream



Downstream



Targets

Greenhouse Gas Reduction Target

As of 2024, we are designated as a target company under the Greenhouse Gas Target Management System. We will set annual greenhouse gas reduction targets and prepare implementation plans accordingly. We aim to reduce our Scope 1 and 2 greenhouse gas emissions intensity by 3% compared to the previous year, with the goal of achieving a 25% reduction in emissions intensity by 2030 relative to the base year of 2022.



GHG Emission Reduction Activity

Classification	Activity	Page
Scope 1&2	Energy efficient LED replacement	58-59, 63
	Operation of solar power facilities	58-59, 63
	Installation of showcase doors	59
	Use of SEMS	57-60
	Smart lighting management based on Auto DR	15, 58-60
Scope 3	Use of eco-covers	15, 58-59
	Expansion of "Woodel" service	63
	Collection and treatment of waste electronics	61
	Expansion of "Half-Price Delivery" service	40

MATERIAL TOPICS

- 33 Eco-friendly Products and Services
- 37 Health-Oriented and Socially Responsible Products and Services
- 42 Local Community Contribution
- 50 Compliance

Eco-friendly Products and Services

Governance

We operate a cross-functional governance structure within each BU to ensure customer access to eco-friendly products. The ESG Committee, established under the Board of Directors, builds our environmental management framework. The Environmental Management Assessment Committee monitors strategic progress on eco-friendly products and services and conducts impact assessments. Annual results are reported to the ESG Committee, which oversees the overall progress on eco-friendly products and packaging.

Strategy

Social and Environmental Impact

Classification		Description	Likelihood	Severity
Eco-friendly Products	Positive	Promotion of green consumption and enhancement of consumer awareness through the sale of high-quality, eco-certified products	●●●	●●○
Eco-friendly Packaging	Negative	Environmental pollution resulting from waste generation due to the failure or lack of adoption of sustainable packaging solutions	●●○	●●●

Financial Impact

Classification		Description	Timing of Occurrence ¹⁾	Severity
Eco-friendly Products	Opportunity	Increase in sales of eco-friendly products and services due to growing consumer demand for sustainable options	Medium-term	●●○
Eco-friendly Packaging	Risk	Increase in costs for packaging transition and recycling system implementation due to strengthened regulations on plastic use	Short-term	●●●

1) Short-term: 3 years, Medium-term: 3 to 5 years, Long-term: 5+ years

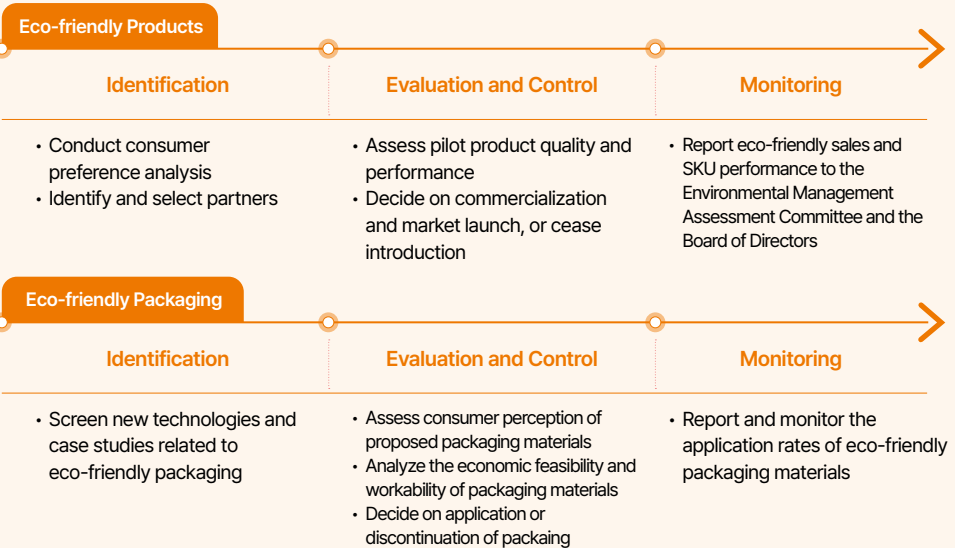
Eco-friendly Product Sales

We actively address issues related to eco-friendly products and are engaged in various initiatives to expand the range of sustainable products and are making efforts to transition to eco-friendly packaging.

Risk Management

Process

We develop and introduce eco-friendly products and packaging through our internal management systems to promote sustainable consumption culture.



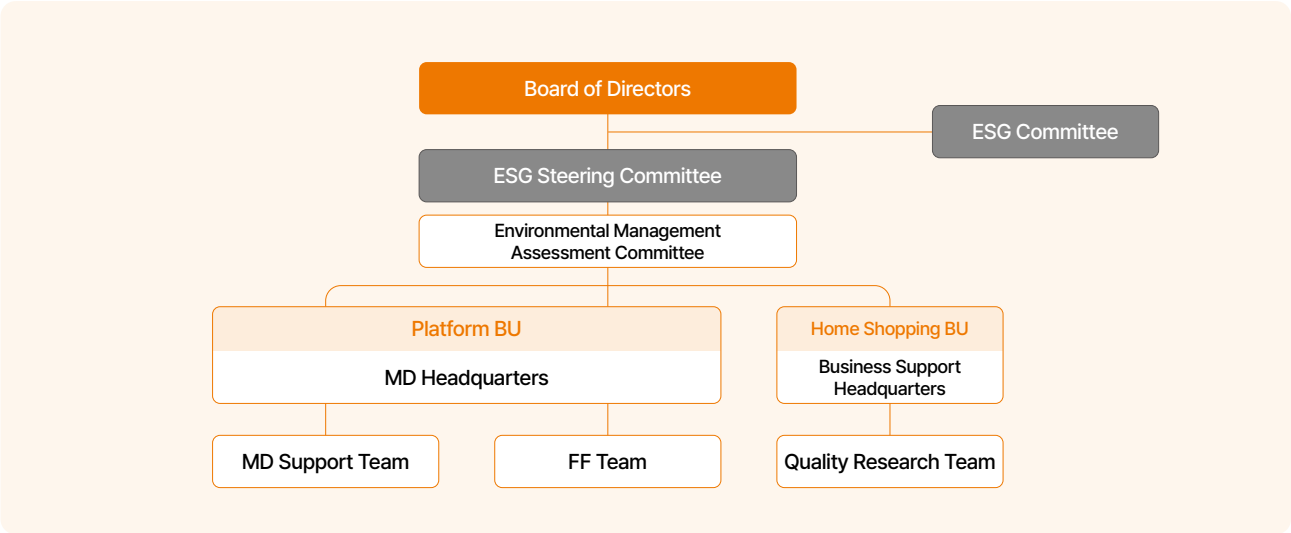
Metrics and Targets

We contribute to sustainable consumption by monitoring key indicators and targets for eco-friendly packaging and product SKUs.

- Application Rate in Eco-friendly Packaging
- Eco-friendly Product SKU such as Eco-label Certification
- Exclusive New Products with Eco-friendly Containers
- Sales Revenue

Eco-friendly Products and Services

Governance



Board of Directors

To strengthen our environmental management framework, we established an ESG Committee under the Board of Directors. In collaboration with the ESG Steering Committee, the committee monitors progress on key initiatives related to eco-friendly products and services through the Environmental Management Assessment Committee. This evaluation body conducts environmental impact assessments and regularly reviews performance indicators, including sales figures for eco-friendly products.

Management and Supervision

Date	Detail
2024.03.05	Report <ul style="list-style-type: none">Report on the 2024 ESG Strategy and Implementation PlanReport on the 2023 Environmental Management Assessment Committee's Performance and 2024 Plan
2024.08.08	Report <ul style="list-style-type: none">Report on the 2024 ESG Performance for the First Half and Plans for the Second Half

The Role of the Management

The CEO-led ESG Steering Committee plays a central role in driving the efficient expansion of eco-friendly certified products and packaging. By integrating environmental priorities into key management decisions, the committee ensures that sustainability is embedded in our long-term strategy. It also oversees the progress of core initiatives, tracking performance against strategic goals and future targets.

Dedicated Organization

Each business unit has established dedicated teams to define and execute strategic initiatives that drive the annual expansion of eco-friendly certified products and packaging. The MD Support Team overlooks the sales of eco-friendly private brand and certified products, while the FF Team and Quality Research Team lead efforts to apply and scale the use of sustainable packaging materials.

Strategy

Eco-friendly Product Sale

We define "eco-friendly products" as items that have obtained third-party eco-friendly certification for the products or their raw materials. We track eco-friendly products with combined sales of KRW 5 million or more. We evaluate whether consumer goods in convenience stores and supermarkets, fresh produce in supermarkets, and home shopping items meet eco-friendly certification standards, selecting compliant products for management. Through this process, we provide consumers with trustworthy eco-friendly products and promote sustainable consumption culture.

Standards for certifying eco-friendly products



Eco-friendly PB Product Management System

We operate a management system for private brand (PB) products to systematically oversee sustainable products. This system monitors information such as third-party certification status, certification type, and validity period for each product, ensuring reliability through continuous post-management. Additionally, the system includes a feature for entering sustainability-related information into the new product registration, further refining product management. Moving forward, we plan to enhance the system using accumulated data, boosting analytical capabilities, and strengthening quality management to expand our portfolio of sustainable products.

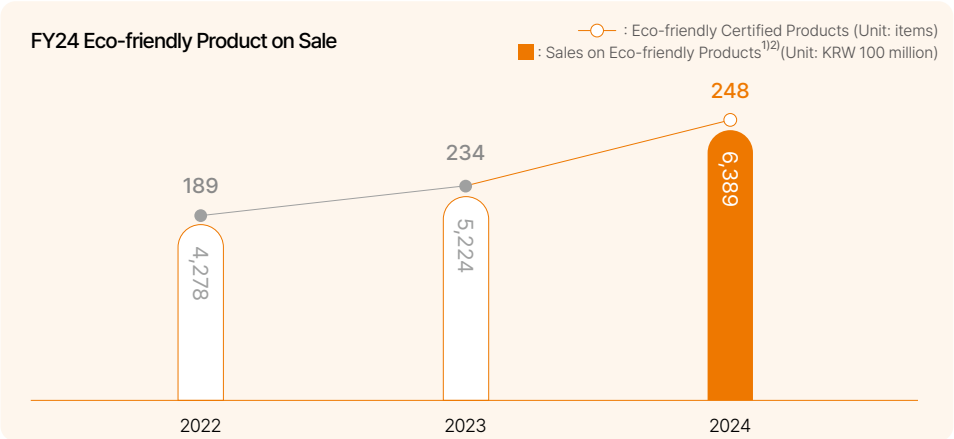
Eco-friendly Products and Services

Strategy

Key Achievements

Eco-friendly Certified Products

In line with our environmental management policy, we are committed to increase the sale of eco-friendly certified products and enhancing customer access to green products. In 2024, we sold 248 eco-friendly certified SKUs, a 6% increase from the previous year, contributing to approximately KRW 638.9 billion in eco-friendly sales. This represents a sales increase of about 22% compared to 2023. We plan to continue our efforts to develop and secure various eco-friendly SKUs to further expand our range of eco-friendly products and sales.



1) The eco-friendly sales amount for the Home Shopping division is calculated based on shipment value.
2) Data for 2022 and 2023 have been revised due to changes in the aggregation method.

Green Consumption Week Campaign

We participated in the 2024 Green Consumption Week campaign led by the Ministry of Environment, aligning with the national efforts to promote the consumption of green and carbon-neutral products and to accelerate the transition to a carbon-neutral society. During the campaign, GS25 offered 1+1 and 2+1 promotions on eco-certified products, while GS THE FRESH awarded points to customers who purchase eco-friendly and organic items to encourage green consumption. Additionally, GS SHOP actively promoted the campaign by broadcasting green consumption awareness videos, helping to raise public awareness and drive demand for eco-certified products.



Performance Against Targets

We track targets related to certification and the development of eco-friendly containers, monitoring progress to expand the supply of eco-friendly products.

Target for 2024	Results in 2024
<ul style="list-style-type: none">Support eco-label certification for non-food PB productsDevelop new eco-friendly container products in the convenience food sector	<ul style="list-style-type: none">Obtained eco-label certification for 8 SKUsLaunched 23 SKUs using FSC¹⁾-certified pulp and foamed polypropylene (PP)

1) FSC: Forest Stewardship Council

Sustainable Packaging

We carefully review and manage eco-friendly products that have obtained domestic and international eco-friendly certifications during the pre-approval stage. We are committed to reducing environmental impacts by implementing sustainable packaging. In 2024, the application rate of eco-friendly packaging was 40%, and we plan to further expand and continuously develop sustainable packaging solutions.

Foamed PP Containers

We integrate eco-friendly containers into a wide range of products, including lunch boxes utilizing bio-based PP containers and sandwiches with PLA containers. In 2024, we sold approximately 9.6 million units across 15 different products that feature eco-friendly containers, achieving sales of around KRW 46,420 million.

Eco-friendly Packaging Application Rate on Live Commerce Products

2023	2024
39.1%	40%
+0.9%	

Sales Revenue from Eco-friendly Container Products

Unit: KRW 100 million

2023	2024
98	464.2
+374%	

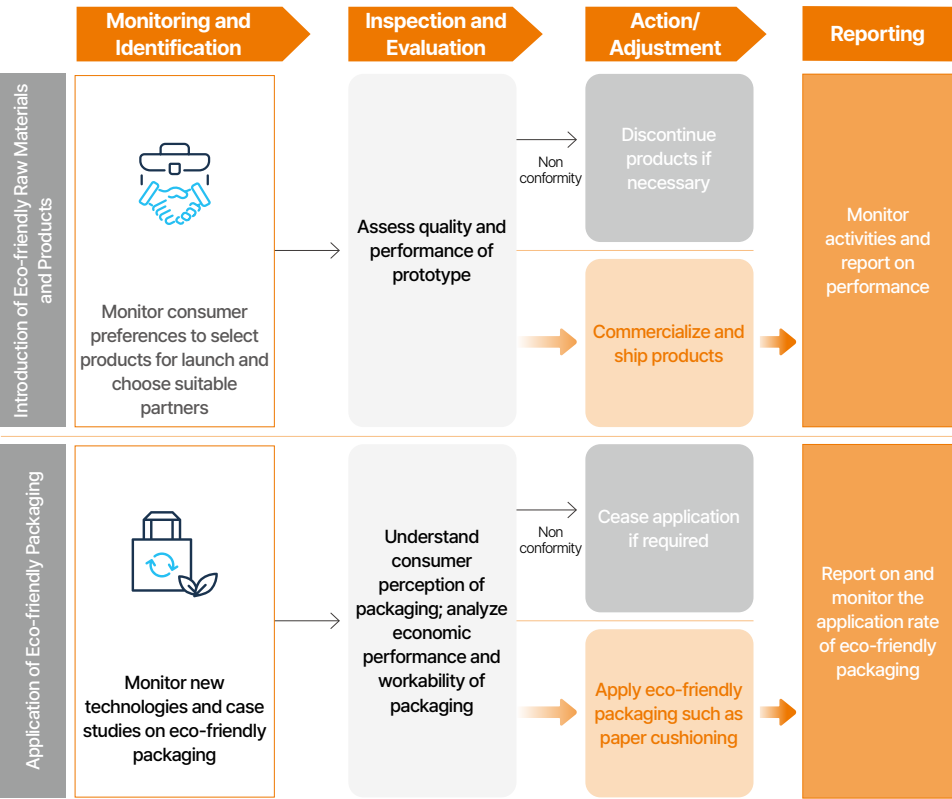
Eco-friendly Products and Services

Risk Management

Management Process

We strengthen our distribution process for sustainable products, while expanding the scope to improve customer access to these products. We identify customer needs based on market analysis to select development items, and collaborate with certified partners to manufacture sustainable products through rigorous quality inspection processes.

To strengthen sustainable management, we proactively promote the use of eco-friendly packaging. This includes continuously monitoring new technologies and innovations in sustainable packaging, and evaluating their economic feasibility and operational suitability to inform adoption decisions. In addition to environmental considerations, we assess packaging performance across the entire logistics, storage, and transportation process. Moving forward, we will actively explore further opportunities to expand the application of eco-friendly packaging.



Metrics and Targets

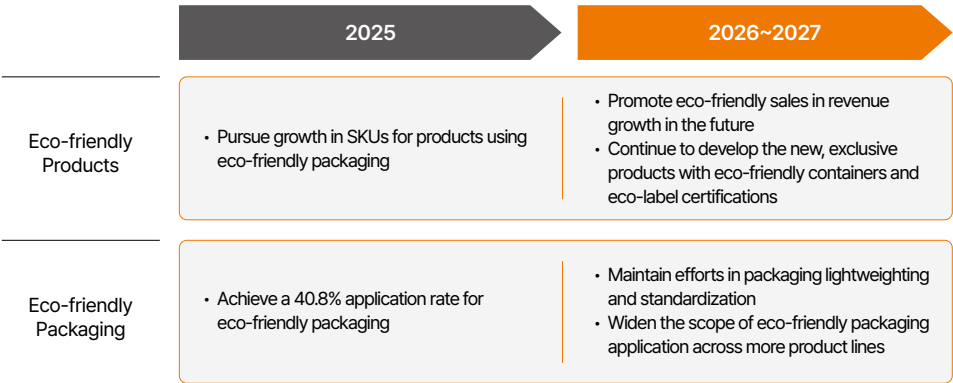
Metrics

We operate an eco-friendly private brand (PB) product management system to track both sales performance and the number of SKUs for sustainable products. We annually assess the usage rate and SKU count of eco-friendly packaging and containers, and carry out targeted management activities to foster a culture of sustainable consumption.



Targets

We are committed to promoting sustainable consumption by broadening our portfolio of eco-friendly products and setting clear sales targets. In parallel, we advance the use of sustainable packaging to reduce material usage in online distribution and minimize environmental impact.



Health-Oriented and Socially Responsible Products and Services

Governance

We maintain a comprehensive governance framework to consistently deliver responsible products and services to our customers. Critical quality matters are escalated to the Board of Directors for executive oversight. Quality management is led by C-level executives at each business unit. For the Platform BU, the Head of MD Headquarters oversees product development and market launches, while the Home Shopping BU, the Head of Business Support Headquarters manages raw material sourcing for bulk merchandise. We have also established specialized teams that provide ongoing quality assurance and rapid response to emerging quality issues.

Strategy

Social and Environmental Impact

Classification		Description	Likelihood	Severity
Quality	Negative	Consumer distrust and deterioration of public health resulting from product safety or quality issues	●●○	●●●
Accessibility	Positive	Reducing social inequality by launching products accessible to diverse demographic groups	●●○	●●○

Financial Impact

Classification		Description	Timing of Occurrence ¹⁾	Severity
Quality	Risk	Decline in product credibility and brand value leading to reduced sales in the event of quality issues	Mid-term	●●●
Accessibility	Opportunity	Increase in sales through the acquisition of a broader consumer base	Short-term	●●●

1) Short-term: 3 years, Medium-term: 3 to 5 years, Long-term: 5+years

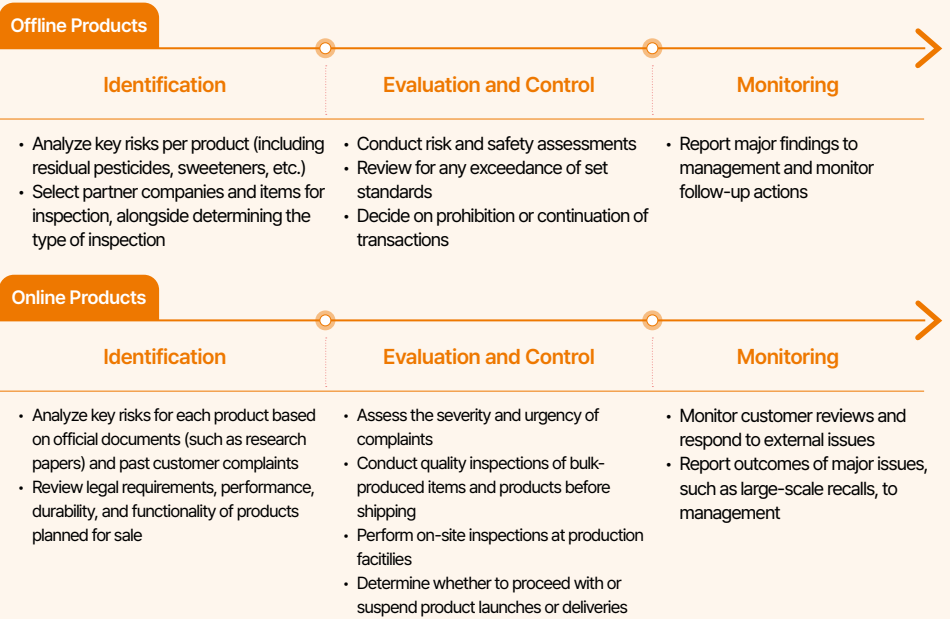
Responsible Product Sales

We are actively engaged in various initiatives to effectively address quality-related issues and ensure the management of product quality, while providing safe and high-quality products.

 System for Product and Service Safety

Risk Management

We conduct comprehensive safety inspections and operate a proactive risk management system to identify and address potential risk factors across all products and services. This ensures safety, hygiene, freshness, and quality throughout our production and distribution processes.



Metrics and Targets

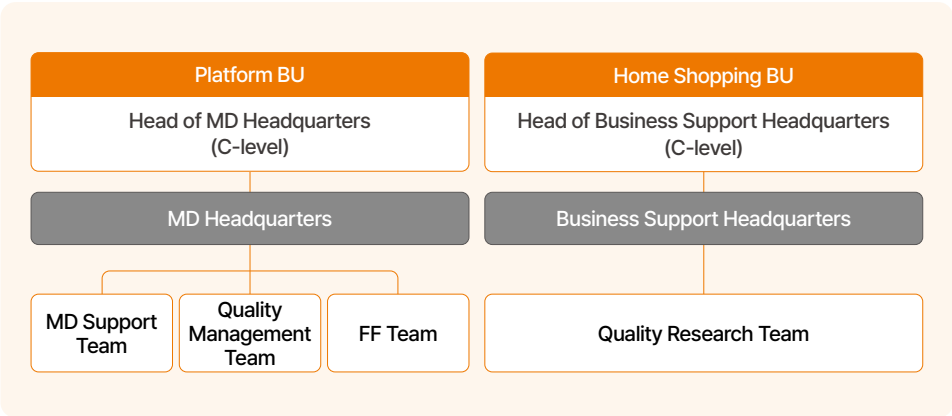
We continuously monitor key quality control indicators while prioritizing consumer benefit enhancement as our primary focus. Through medium to long-term strategic goals, we are establishing a comprehensive direction for quality management.

- Number of product categories undergoing safety inspections
 - Number of physicochemical tests (such as taste assessments) conducted on FF products
 - Number of inbound and quality inspections conducted at centers
- Return Rate¹⁾
 - Quality Defect Rate²⁾
 - Sales of responsible raw materials

1) Calculated as the ratio of returned items to total shipment
2) Calculated as the ratio of defective returns to total shipment

Health-Oriented and Socially Responsible Products and Services

Governance



Board of Directors

We operate dedicated quality management teams within each business unit to systematically oversee issues related to product quality and customer safety. In the event of a quality-related issue, we activate a rapid response system to promptly resolve the problem. For cases that may significantly impact customer safety, we implement comprehensive response measures, including reporting to the Board of Directors when necessary, to ensure rigorous oversight.

The Role of the Management

Each business unit's division head (C-level) oversees the quality management of products and services. In the Platform BU, the Head of MD Headquarters leads the quality management processes, while in the Home Shopping BU, the Business Support Head takes charge, closely examining major quality issues. Goods and raw materials, especially those in high-volume sales or new products, undergo precise monitoring system. Key related matters are reported to C-level executives to facilitate more efficient quality management.

Dedicated Organization

We established dedicated teams within each business unit to meticulously manage the quality of our products, ensuring they are safe and of high quality. The Quality Management team is responsible for overseeing food manufacturing quality and hygiene. The FF Team focuses on developing and managing a variety of fresh and convenience foods. Within the Home Shopping BU, the Quality Research Team handles QA (Quality Assurance) tasks, covering the entire process from product approval and production/manufacturing, to pre-shipment inspection and post-sale management

Strategy

Quality Management Strategy

We have developed strategies for each business unit to ensure the delivery of safe and high-quality products. The Platform BU focuses on innovation, hygiene, and quality management. Meanwhile, the Home Shopping BU emphasizes risk management, creating social value, digital transformation, fostering symbiotic relationships with partners, and driving quality innovation.

Mission	Direction	Role
Delivering Safe and High-Quality Products	Platform BU	
	Freshness Innovation	<div><div>Differentiating from other competitors in Fresh Foods</div><div><ul style="list-style-type: none">Establish freshness standards such as delivery criteria and expiration datesConduct and support inspections at supermarkets, convenience stores, and logistics sites</div><div><ul style="list-style-type: none">Perform freshness checks with partnersProvide training and guidelines on freshnessOperate third-party freshness monitoring for supermarkets and convenience stores</div></div>
	Environmental Hygiene	<div><div>Providing Safe Products</div><div><ul style="list-style-type: none">Verify and communicate legislative updatesRespond to government inspections</div><div><ul style="list-style-type: none">Conduct field visits at convenience stores and supermarketsImplement hygiene clinicsPerform hygiene audits with partners</div><div><ul style="list-style-type: none">Conduct product safety inspectionsProvide hygiene training and Q&A sessions</div></div>
	Quality Management	<div><div>Delivering Excellence in Quality and Taste</div><div><ul style="list-style-type: none">Manage quality and hygiene in FF manufacturing and subsidiariesConduct HACCP management and trainingOversee compliance with regulations and labeling requirements</div><div><ul style="list-style-type: none">Manage FF product development and quality in mass productionHandle raw materials and manage customer complaints</div></div>
	Home Shopping BU	
	Risk Management	<div><div>Prevention and Rapid Response</div><div><ul style="list-style-type: none">Conduct pre-risk assessments for innovative productsPerform regular risk assessments for bulk-produced products</div></div>
	Quality Management	<div><div>Enhancing Product Quality</div><div><ul style="list-style-type: none">Manage quality in areas prone to defects and complaintsUse data-driven approaches to maintain quality standards</div></div>
	Creating Social Value	<div><div>Supporting Core Business Operations</div><div><ul style="list-style-type: none">Provide collaborative training and technical support to partnersExpand the application of eco-friendly packaging</div></div>
	Transformation in Work Practices (DT)	<div><div>Increasing Operational Efficiency</div><div><ul style="list-style-type: none">Automate digital product quality assurance (QA)Implement RPA automation for quality metrics</div></div>

Health-Oriented and Socially Responsible Products and Services

Strategy

Quality Management

Key Achievements

Performance Against Targets

We set annual goals related to quality and safety to ensure the continuous delivery of safe and high-quality products. We actively manage the performance against these goals to maintain our standards.

Classification	Targets in 2024	Performance in 2024
Return Rate on Direct Purchase Clothing	15.7%	15.0%
Percentage of General Food Products with Customer Ratings Below 4.0	17.2%	11.3%

Quality and Safety Inspection

We obtained ISO 9001 certification for a comprehensive quality assurance system encompassing the entire production process of our products and services, aligning with international standards for systematic quality management activities. We manage offline and online products across the entire value chain - from the partners to the stores and ultimately to the customers - in accordance with the respective procedures. For offline products, three key areas—quality management, freshness checks, and hygiene and safety—are addressed at every stage. For online products, a step-by-step inspection process is implemented, from partner evaluations to the final response to Voice of Customer (VOC) feedback.

SMART HACCP

In February 2025, Fresh Serve, our subsidiary and a manufacturer of fresh food, successfully obtained SMART HACCP certification. This certification enhances the reliability of food safety and hygiene management through systematic data collection and real-time monitoring, aiming to proactively prevent potential hazards.



	Offline Products			Online Products	
Partner Relationship Management	Quality Control	• Conduct audits and manage ratings for raw material partners	Total of 185 audits conducted	• Manage legal documentation and samples digitally, ensure safety verification, conduct functionality and performance checks, inspect packaging, and approve products	Total of 102,571 approvals managed
	Freshness ¹⁾	• Communicate standards for the receipt of fresh foods and ensure compliance • Implement a "Three-Strikes-Out" policy for freshness and hold innovation meetings	Total of 61 meetings held		
	Hygiene/ Safety	• Evaluate manufacturers of Private Brand (PB) and National Brand (NB) products	Total of 159 evaluations conducted	• Assess manufacturing facilities of partners, oversee process guidance and inventory inspections, perform initial product checks, and conduct pre-shipment inspections	Total of 5,308 inspections performed
Manufacturing Plants and Logistics Centers	Quality Control	• Inspect and verify the safety of the FF manufacturing plant	Quality and hygiene inspections conducted 144 times		
	Freshness	• Communicate and verify standards to examine the incoming fresh foods • Implement a "Three-Strikes-Out" policy for freshness and hold meetings for innovation	Conducted 95 inbound logistics compliance assessments 716 cases identified as being blocked due to non-compliance	• Conduct inspection on incoming products and quality verification	Total of 200,756 quality checks conducted
	Hygiene/ Safety	• Evaluate manufacturers of Private Brand (PB) and National Brand (NB) products	Total of 477 evaluations conducted		
Stores and Customers	Quality Control	• Physicochemical assessment on the taste and quality with FF products	Taste quality evaluations: 1,051 executed physicochemical assessments: 3,861 conducted	• Post-sales quality performance tracking and VOC (Voice of Customer) management • Conduct routine monitoring inspections • Risk assessments for high-volume products	Total risk analyses: 239 performed
	Freshness	• Communicate and enforce standards for the inbound fresh foods • Implement a "Three-Strikes-Out" rule and run sessions for innovation	Freshness management coaching sessions and training programs: 815 completed Product Monitoring : 6,491 executed		
	Hygiene/ Safety	• Conduct hygiene audits including legal document validation, origin, and expiration checks	Total inspections: 891 completed		

1) As the focus of offline freshness inspections shifts from partners to stores, inspection performance may fluctuate, showing decreases or increases compared to 2023.
2) The process of verifying product quality before reclassifying items as inventory.

Health-Oriented and Socially Responsible Products and Services

Strategy

Product Development

Sales of responsible raw materials

We prioritize consumers' health and safety above all else, sourcing only verified raw materials through strict quality control system. In particular, in the fresh food sector, we focus on products that have obtained accredited third-party certifications both domestically and internationally, thereby ensuring food safety and upholding the values of ethical consumption simultaneously.

Certification Standards



Key Achievements

Performance Against Targets

We continuously monitor our performance against targets to develop products that meet customer needs and market trends.

2024 Plan

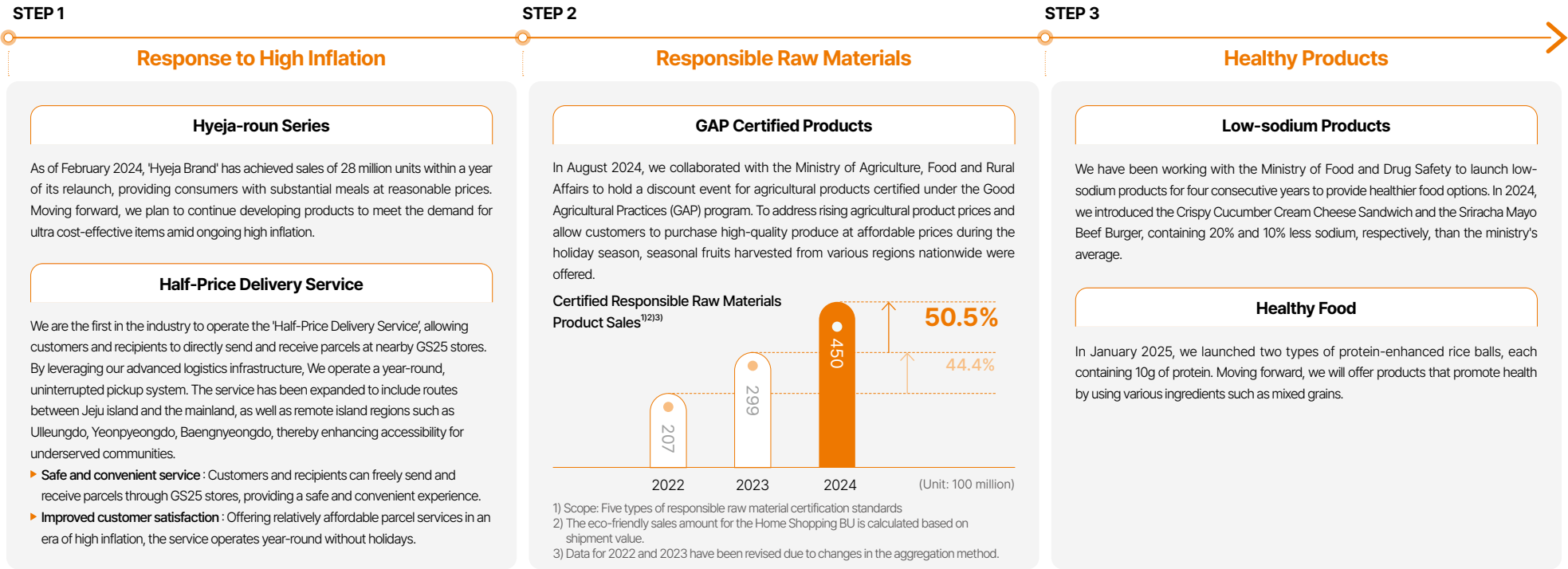
- Launch products in response to high inflation
- Increase in sales of third-party certified raw materials compared to FY23

2024 Performance

- Expanded private brand (PB) product lines, including the Hyeja-roun Series and Real Price
- 50.5% increase in sales of third-party certified raw materials compared to FY23

Customized products and services

We provide safe and healthy products and services tailored to social demands and market trends. Addressing to the era of high inflation, we operate a Half-Price Delivery Service and launch essential consumer goods at reasonable prices. Additionally, we offer responsible products based on raw material certification and supply a variety of items, including high-protein and low-sodium foods that consider health.

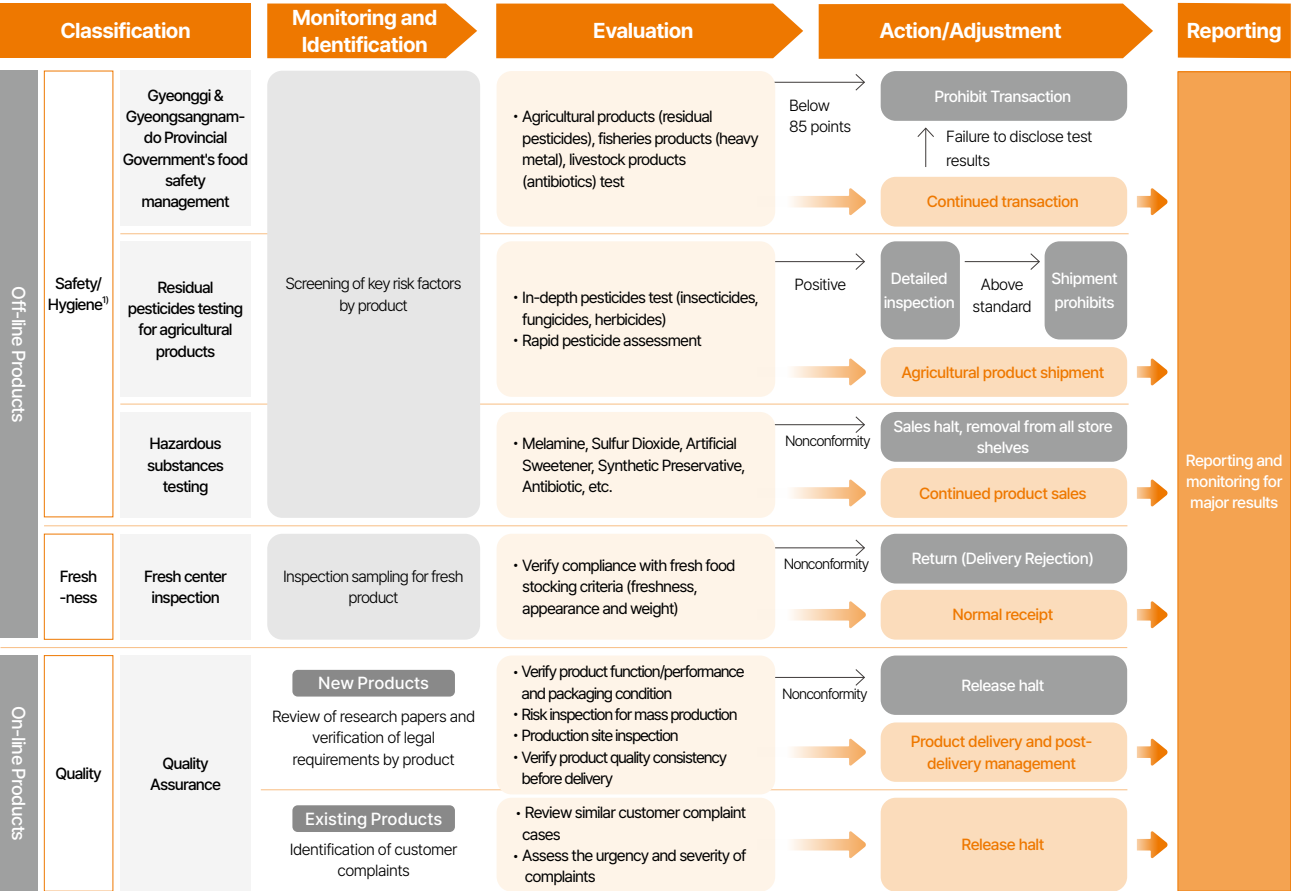


Health-Oriented and Socially Responsible Products and Services

Risk Management

Management Process

We provide safe, high-quality products through comprehensive quality inspection processes covering safety, hygiene, and freshness. We continuously monitor and evaluate partner production processes, assess regulatory compliance, and inspect on-site management standards. Through food safety management inspections, residual pesticide testing, and hazardous substance testing, we actively enhance hygiene and safety management standards. In the freshness sector, we operate incoming product management processes to ensure responsible product delivery.



1) For additional safety/hygiene measures implemented by GS Retail, please refer to [the Website](#)

Metrics and Targets

Metrics

We manage key metrics to ensure the provision of healthy and responsible products and services.

Sales of responsible raw materials

2024 Performance KRW 45 billion

Number of product groups audited for safety (Total)

2024 Performance 2,493 cases

FF products physicochemical (taste value) tests

2024 Performance 3,861 cases

Inspection on inbound products and quality verification

2024 Performance 200,756 cases

Return Rate

2024 Performance 18.9 %

Defect Rate

2024 Performance 1.00 %

Targets

We aim to plan and execute mid- to long-term goals related to the provision of products and services, and will continuously pursue innovation.

2025

Food QR Introduction

• Attach QR codes on products to provide information on raw materials, nutritional content, and other food-related details

• Share product safety information and expanding consumer rights protection

2026~2027

SMART HACCP

• Establish a trusted food brand image by expanding SMART HACCP at FF manufactures

• Prevent food accidents by improving product quality and reducing HUMAN ERROR

Local Community Contribution

Governance

We have established the CSR Review Committee under the Board of Directors to review the public interest aspects of our social contribution initiatives. This Committee discusses key decisions related to social contribution activities and reports them to the Board.

The Chair of the CSR Review Committee formulates the annual social contribution plan at the beginning of the year and reports the outcomes to the ESG Committee at year-end, overseeing the overall progress of the initiatives. In addition, the heads of each business unit within the Platform BU and Home Shopping BU are responsible for monitoring social contribution activities and the procurement status of regional specialty products. For key decisions, the CSR Review Committee, comprising the Head of Administrative Support, and the head of the Ethics Management, Communication, and Tax Teams, as well as external members provides oversight and ensures that all initiatives proceed with the approval of the ESG Committee.

Furthermore, dedicated organization such as the Food Team, MD Support Team, ESG Part, and Broadcasting Business Support Team are actively involved in executing social contribution activities.

Strategy

Social and Environmental Impact

Classification		Description	Likelihood	Severity
Corporate social responsibility	Positive	Contribute to the reduction of social inequality and the stabilization of the livelihoods of underserved populations through support vulnerable groups and job creation	●●○	●●●
Local economy	Positive	Contribute to balanced regional development and expanding sales channels for SMEs and small business owners through linking local product sales and free home shopping broadcasts	●●●	●●●

Financial Impact

Classification		Description	Timing of Occurrence ¹⁾	Severity
Corporate social responsibility	Opportunity	Enhance enterprise brand image and increasing sales through contribution to local community activities	Mid-term	●●●
Local economy	Opportunity	Secure raw material procurement safety and increasing sales through supply chain diversification	Mid-term	●●●

1) Short-term: 3 years, Medium-term: 3 to 5 years, Long-term: 5+years

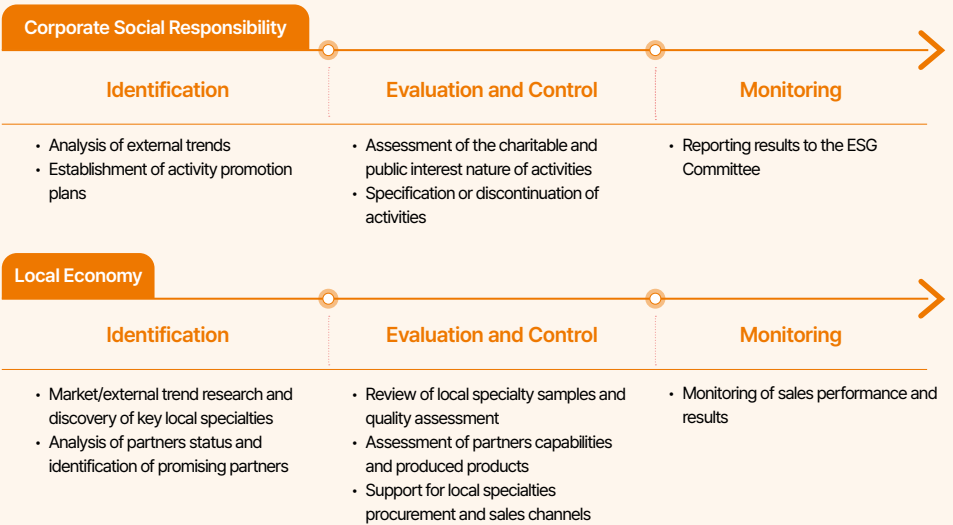
CSR Activity

We actively engage in various corporate social responsibility initiatives aimed at addressing major social issues and promoting sustainable community development.

[+ Sharing Activities](#)

Risk Management

We manage all global donations with transparency and rigor, adhering to clear standards and procedures. Our CSR Review Committee, operating under the ESG Committee within the Board of Directors, evaluates the social value and public interest of all social responsibility initiatives. Furthermore, in line with internal guidelines, it facilitates the procurement of local specialties and the expansion of sales channels for small and medium-sized suppliers, thereby supporting regional economic revitalization.



Metrics and Targets

We continuously monitor key indicators related to our contribution to local communities and set mid- to long-term goals to expand product development by leveraging shared growth initiatives and regional specialty products.

- Donation amount¹⁾
- Number of volunteers
- Local specialties purchase amount
- Number of Mutual Sharing Platform store

1) Public service and shared growth combined performance

ECO-FRIENDLY PRODUCTS AND SERVICES

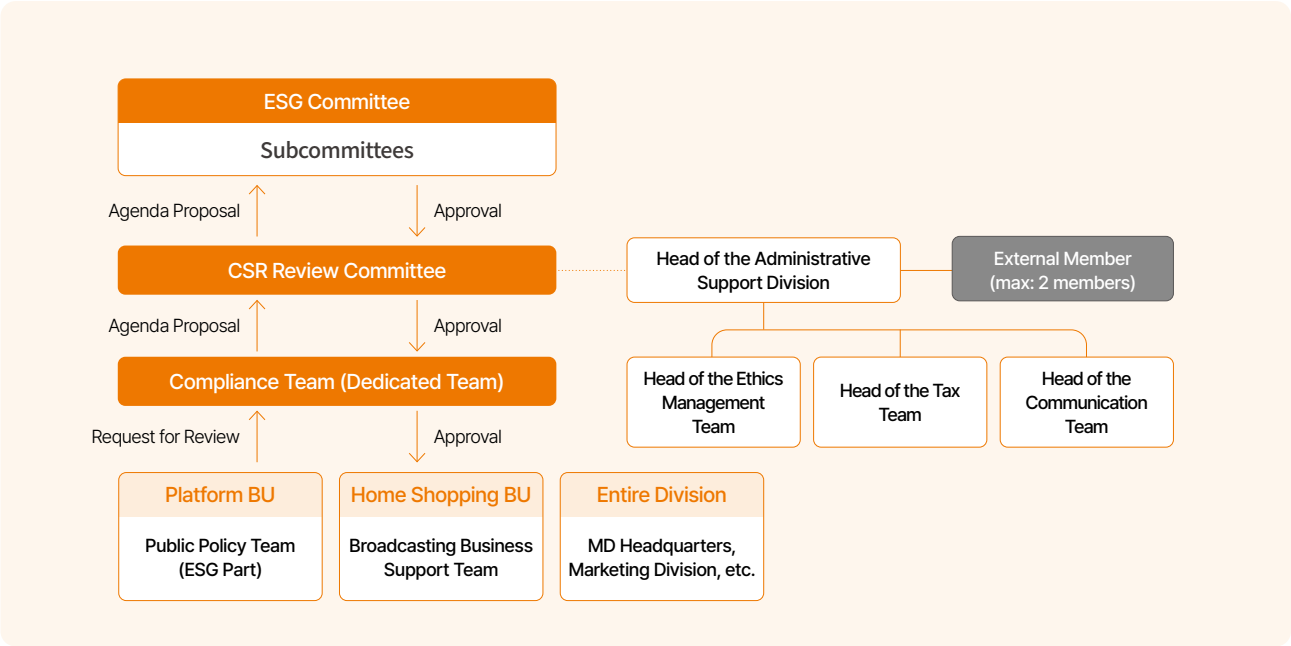
HEALTH-ORIENTED AND SOCIALLY RESPONSIBLE PRODUCTS AND SERVICES

LOCAL COMMUNITY CONTRIBUTION

COMPLIANCE

Local Community Contribution

Governance



Board of Directors

We have established an ESG Committee within our Board of Directors to oversee key decision-making and reporting processes related to our social contribution initiatives. The ESG Committee reviews and approves any social contribution or donation activities exceeding KRW 300 million, based on reports submitted by CSR Review Committee. In this process, the Committee evaluates the potential public benefit and long-term impact of the proposed activities. Additionally, when sourcing local specialties, we consider criteria such as regional economic revitalization and product quality. The Quality Research Team, under the Home Shopping BU, is responsible for end-to-end QA (Quality Assurance) operations, including product approval, production and manufacturing oversight, pre-deliver inspections, and post-sales quality management.

Management and Supervision

In 2024, ESG Committee addressed two CSR-related approval as well as one reporting agenda concerning the implementation plan for our social contribution programs.

Date	Detail
2024.03.05	Approval of CSR projects Report -Report on the revision of the 2025 CSR review and execution standards -Report on the 2024 CSR projects performance and 2025 plans
2024.12.19	Approval of CSR projects

The Role of the Management

We have established the Social Contribution Review Committee under the ESG Committee. This committee reviews the public interest of all CSR initiatives carried out by GS Retail, and obtain approval by the Board of Directors.

The committee chair develops annual CSR plans at the beginning of the year and reports on progress and outcomes to the ESG Committee at year-end. Throughout the year, we closely monitor the execution of activities and performance.

For strategic decisions such as the purchase of local specialty products, large-scale contracts, and major initiatives, we make decisions based on thorough reviews by the committee and relevant departments to ensure alignment with our corporate strategy.

Dedicated Organization

We have established a dedicated organizational structure to support community engagement. This structure aims to help local businesses enter the market and expand their distribution channels.

The dedicated organizations are composed of relevant departments across each business unit. Our ESG team oversees company-wide social contribution initiatives. The MD Support Team and the Food Team are responsible for selecting regional specialty products and supporting broadcast sales.

The Broadcast Business Support Team develops the GS SHOP broadcast license renewal plan and manages external cooperation related to broadcasting operations.

Local Community Contribution

Strategy

Contribution

Direction

We fulfill our corporate social responsibilities and promote shared growth with society and the environment through various activities that also consider environmental impacts. We are establishing a CSR strategy that aligns with the perspectives of various stakeholders surrounding our company, including the environment, future generations, local community, and employees.

Green Life Together

Green Life Together

Environmental

- Participate in green activities
- Enhance environmental awareness

Together with Communities

Social

- Empower vulnerable groups
- Establish a safe social infrastructure
- Support local community through donations and aid
- Foster and support social enterprises

Together with Partners

Social

- Foster co-prosperity with partners
- Support the broadcasting business and fulfill customers' needs
- Develop media industry

Key Achievements

Performance Against Targets

We provide community service, monetary and goods donations, support for social enterprises, while continuously monitoring performance against previous action plans.

2024 plan	<ul style="list-style-type: none">Provide community emergency relief support in case of fire, drought, etc.Continue GS Nanumi services for community, such as environmental purification, volunteer activities, etc.Implement active and preemptive development of social contribution projects in response to social changes (related to multicultural citizens, etc.)
2024 performance	<ul style="list-style-type: none">Support activities for flood victims in Iksan, JeonbukRelay briquette volunteer work and kimchi sharing conductedEducational and cultural support for multicultural families through the Dadeogim projectChildren's cultural and emotional support via the rainbow box project

Key Support Organizations

We contribute to sustainable local community development through cooperation with various local community organizations, and select key cooperative organizations based on amount of donation and the number of beneficiaries.

<div>Friends of Hope</div> <div>Provide culture and meal support for vulnerable groups</div>	<div>Cumulative Performance (2005~2024)</div> <div>Amount: Beneficiaries</div> <div>KRW 6.74 billion 17,791 people</div>
<div>Underdogs</div> <div>Discover and provide tailored growth support for prospective startup teams focused on environmental social ventures</div>	<div>Cumulative Performance (2018~2024)</div> <div>Amount: Beneficiaries</div> <div>KRW 1.77 billion 65 companies</div>
<div>Environmental Foundation</div> <div>Support the creation of media content for practical ESG initiatives</div>	<div>Cumulative Performance (2019~2024)</div> <div>Amount: Beneficiaries</div> <div>KRW 1.96 billion 460 people</div>
<div>Seoul Metropolitan Fire & Disaster Headquarters</div> <div>Sponsor the production and sales of the Firefighter Hope Calendar and donate all revenue</div>	<div>Cumulative Performance (2015~2024)</div> <div>Amount: Beneficiaries</div> <div>KRW 1.1 billion 271 people</div>
<div>Good Neighbors</div> <div>Operate GS25 daycare center, provide counseling and emotional support for low income and abused children</div>	<div>Cumulative Performance (2022~2024)</div> <div>Amount: Beneficiaries</div> <div>KRW 0.17 billion 3,682 people</div>

Major Activities

We have segmented our key CSR sectors through the participation of the environment, future generations, local community, and employees, implementing CSR activities each year that meaningfully contribute to the local community in each sector. Accordingly, it promotes various CSR activities that communicate and engage with key stakeholders.

Key Activities	Description
Environment	
Upcycling Friends Campaign	Donations of upcycled goods and environmental kit manufacturer production
Eco Creator	Support for environmental theme video media content production
Eco Social Impact	Discovery and growth support for social ventures in the eco-manufacturing
Future Generations	
Dadeogim	Support for multicultural children
Rainbow Box	Support for children through music
Real love Scholarship	Support for youth from low-income families in Yeongdeungpo District
GS Love Love Fund	Provide meals for children from vulnerable households by employees and the company
Dream Tree Child Protection	Emotional stability support for abused children
Sharing KIT	Supply kits for single-parent and grandparent-headed families
Local Community	
Donation-based charity Bazaar	Support underprivileged groups in the local community through item donation and bazaar
Emergency Support	Emergency support activities for residents affected by natural disasters
Disability Awareness Program	Product and provide of educational content for vocational rehabilitation of the visually impaired
Employee Participation	
GS Nanume Volunteer Group	Employee volunteer activities
Blood Donation	Donate blood and/or certificates
Hidden Sharing Angel	Promote and boost morale through employees and franchisees

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Key Achievements



Upcycling Friends Campaign

We are conducting the 'Saving the Earth with Eco-Friendly Actions' campaign, where employees and customers donate goods that are upcycled into environmental education kits for vulnerable children.

In 2024, we collected 46,789 items from 1,704 donors and delivered environmental education materials to 331 children. This effort is equivalent to planting 967 pine trees.

Donations **46,789** items

Reduced carbon emissions **33,328** kgCO₂e



Eco Creator

Collaborating with the Green Foundation, we are actively engaged in ESG initiatives in the field of video media content. We provide various opportunities such as mentoring and expert lectures to support environmental film production by youth and general citizens.

Since 2020, we have invested KRW 1.8 billion, nurtured 460 eco-creators, and conducted eco-friendly campaigns involving over 100,000 local citizens, earning recognition as an outstanding environmental program by the Ministry of Environment.

We also conducted environmental education programs in collaboration with the Seoul Metropolitan Office of Education across 17 regional education offices nationwide. Additionally, we contributed to local environmental activities, including those at the Seodaemun Natural History Museum.

Cumulative Performance (2020~2024)

Number of eco creation **460** people

Production of eco-freindly films **180** films



Eco Social Impact

We identify and nurture startup teams to foster social ventures in sustainable eco-manufacturing by providing tailored growth support for their commercialization.

Since 2018, we have contributed KRW 2.05 billion to support 65 startups within their first five years. We provide these startups with customized entrepreneurship training, prototype development funding, and mentoring from GS Retail employees and industry experts.

This initiative has helped these small eco-manufacturing enterprises establish strong brand identities, expand distribution channels, and diversify their product portfolios. Furthermore, we promote collaboration, networking, mentoring, and product evaluations among participating companies. Through these efforts, we support GS Retail's unique incubation model and facilitate access to new distribution opportunities.

Cumulative Performance (2018~2024)

Beneficiaries **65** companies

New product launch **284** items



Local Community Contribution

Strategy

Key Achievements



Dadogim

The Dadogim initiative, launched in 2024, supports educational and cultural activities for multicultural families in the era of cultural diversity. To enhance understanding of Korean culture and improve language development and literacy in Korean, audiobooks of fairy tales and "Dambukie" were distributed to 12 regional childcare centers and 12 families. Meaningful activities that respect diversity, including nature and animal experiences, cooking sessions, and museum visits, were carried out in five regions such as Seoul, Busan, and Daegu, involving over 100 children and employees. In addition, the program offers a variety of cultural experiences, such as FC Seoul Skybox game viewings, theater performances, and sports activities.



Emergency Disaster Relief

We actively participate in emergency disaster relief activities aimed at supporting community members affected by natural disasters. Each year, we organize the distribution of essential goods to those impacted. In 2024, we provided aid to flood victims in Iksan, Jeollabuk-do.



Rainbow Box

The Rainbow Box program, celebrating its 20th anniversary this year, provides emotional and cultural support for children. It offers emotional support through music, discovers talents, and creates opportunities for cultural and artistic experiences. By 2024, the program has reached a total of 744 centers and approximately 13,000 vulnerable children. It supports educational and cultural gap reduction as well as career development opportunities for music majors, contributing to diverse growth opportunities.



GS Love Love Fund

The Love Love Fund is a program designed to provide "nutritious meals" to children from vulnerable populations who struggle to access adequate nutrition, offering them fresh foods and fruits. Through a matching grant system, we collaboratively foster a culture of giving within the organization. The program also partners with local children's centers to support children from low-income households and those in evening care, ensuring they have nourishing meals that contribute to their healthy growth and development.



Our Neighborhood Fire Station

Based on the 24-hour operation nature of convenience stores, we signed an MOU with the National Fire Agency and equipped all stores nationwide with fire extinguishers and other firefighting supplies. This allows for early fire suppression using shared extinguishers in case of fire outbreaks.

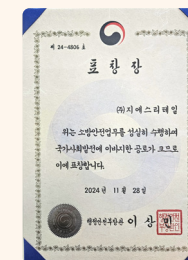
GS25 stores across the country function as an early fire response platform, serving as a hub in the social safety net.

During the Lunar New Year and Chuseok holidays—periods of increased residential fire risk—we promoted the mandatory installation of residential fire safety equipment through checkout screen messages and in-store promotional monitors to help prevent fire accidents.

We also included an image of the "Mandatory Vehicle Fire Extinguisher" on GS25's best-selling private brand product packaging to raise public awareness nationwide.

In recognition of these efforts, we received a commendation from the Minister of the Interior and Safety in November 2024.

Additionally, we installed automated external defibrillators (AEDs) in 188 stores nationwide. The 'Our Neighborhood GS' app provides a feature to locate these stores. Employees trained in cardiopulmonary resuscitation (CPR) are appointed as GS Safety Guardians, ensuring prompt response to emergencies such as cardiac arrest.



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We aim to fulfill our corporate social responsibility by presenting a "sustainable co-prosperity cooperation model" through our "Mutual Sharing Platform" system to assist the self-reliance of socially vulnerable groups. Based on collaboration with local governments and public institutions, we will continue to expand Co-prosperity Platform stores to achieve both stable revenue generation and social value creation.

109 Stores

"**Tomorrow Store**" is a convenience store (inspired by corporate social responsibility) that operates by employing members of vulnerable groups in the community. It selects individuals who wish to work from those participating in self-sufficiency programs, providing opportunities for self-reliance activities such as store entrepreneurship.

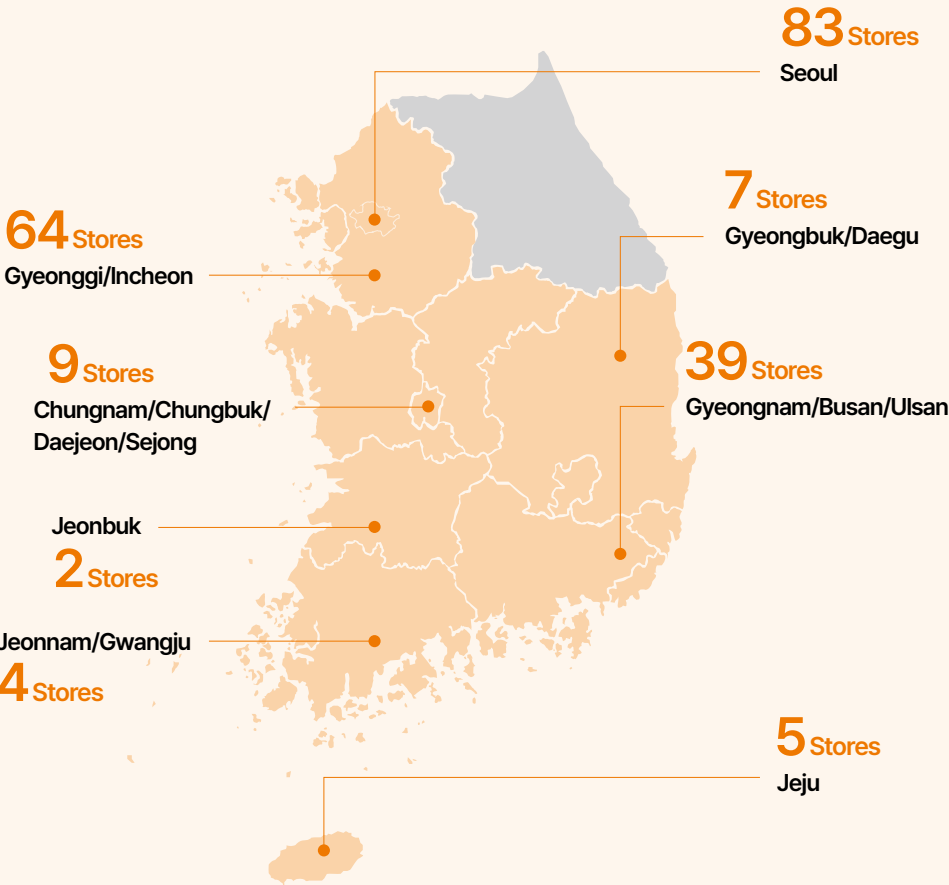
28 Stores

"**Self-reliance Convenience Store**" refers to a store established by employees who have successfully gained self-reliance after participating in "Tomorrow Store." These individuals have transitioned from their experience at Tomorrow Store to independently start their own businesses.

6 Stores

"**Community-focused Store**" is a vocational training convenience store that offers comprehensive store management education to individuals with disabilities(in need of vocational rehabilitation), supporting their employment opportunities and independence.

The "**Neulbom Entrepreneurship Support Program**" is an initiative by we in collaboration with the Korea Paralympic Committee, aimed at lowering barriers for athletes with disabilities and supporting retired athletes in pursuing second careers.



66 Stores

"**Senior Store**" is a private-sector senior employment initiative aimed at creating job opportunities for seniors. It uses the revenue generated from the operation of convenience store locations to cover the wages and operating costs associated with employing seniors.

3 Stores

"**Youth Dream Store**" is a collaborative initiative between we and the Korea Self-Sufficiency Welfare Development Institute. It aims to support job creation and economic independence for young people aged 39 and under by offering opportunities to start convenience stores and supermarkets.

1 Store

"**Happy Store**" is a store designed to assist young people in achieving stable independence. It supports their entry into society by offering opportunities and various activities, including career coaching, economic education, and vision lectures.

Local Community Contribution

Strategy

Local Economy

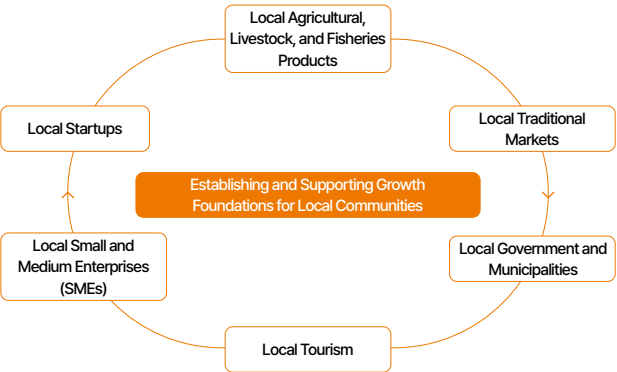
Policies about Local Communities

We have established community engagement policies and are building a culture of mutual prosperity through various market access support activities that leverage the unique characteristics of the retail industry.

Local Communities Policies

Direction

We are developing and establishing strategies in collaboration with various stakeholders, aimed at invigorating local economies and creating a foundation for growth.



Key Achievements

Performance Against Targets

We leverage the impact of TV advertising to support product launches by local small and medium-sized enterprises, providing them with various benefits and opportunities. Additionally, we systematically monitor performance against targets and plans to ensure effective management.

Targets in 2024	<ul style="list-style-type: none">Launch over 50 products in collaboration with local and outstanding SMEs and small business ownersIncrease the purchase of local specialties by 7.5% compared to FY23
Performance in 2024	<ul style="list-style-type: none">Launched a total of 57 collaborative productsIncreased the purchase of local specialties by 32.1% compared to FY23(FY23) KRW 107 billion → (FY24) KRW 141.3 billion

Local Startups

In 2024, we have strategically selected six innovative startups to foster collaborative partnerships aimed at accelerating transformation within the retail sector. These startups specialize in cutting-edge domains including logistics optimization, advanced data analytics, sustainable solutions, and artificial intelligence technologies. Through these synergistic alliances, we intend to enhance our competitive advantage and proactively explore the development and deployment of next-generation services.



Local Tourism

In 2024, we developed domestic travel packages for regions including Jeju Island, Ulleungdo, Suncheon/Yeosu, Hwasun, Damyang, Jecheon, Hwacheon, and Taebaek, which were marketed through home shopping broadcasts. TV home shopping not only drives sales but also serves as an indirect promotional channel, raising consumer awareness of regional tourist destinations. Furthermore, by collaborating with local agricultural cooperatives and traditional markets, we design diverse tourism courses encompassing festivals, local cuisine, experiential programs, and market visits, thereby contributing to regional economic revitalization.

A Decade of Partnership with the Jeonnam Creative Economy Innovation Center

Through a decade-long collaboration from 2015 to 2024 between GS SHOP and the Jeonnam Creative Economy Innovation Center, we have generated approximately KRW 83 billion in economic impact. This includes KRW 13 billion from travel product sales and KRW 70 billion from the sale of outstanding Jeonnam enterprises' products. We have developed over 70 travel packages in partnership with 13 local governments in Jeollanam-do, discovered more than 2,000 companies, and introduced 100 excellent Jeonnam products through home shopping broadcasts.

Local Agricultural, Livestock, and Fisheries Products

We contribute to regional economic revitalization by procuring local specialty products such as vegetables, fruits, livestock, and seafood. We continuously strive to enhance product accessibility for a diverse range of consumers.

In 2024, we expanded direct transactions with production areas for agricultural, livestock, and seafood products across regions including Chungcheongnam-do, Jeollanam-do, Gyeongsangnam-do, and Jeju Island. This resulted in an approximately 9% increase in purchases of GS THE FRESH specialty products compared to the previous period. Additionally, to support stable logistics operations for apple production in Cheongsong, Gyeongbuk Province, we conducted an advance purchase of KRW 4 billion.

Classification	Key Procurement Items
Vegetables	Lettuce, perilla leaves, chives, sweet potatoes, green onions, etc.
Fruits	Watermelon, apples, pears, plums, figs, citrus, etc.
Livestock	Korean beef (Hanwoo), pork, eggs, duck, etc.
Seafood	Abalone, blue crabs, croaker, seaweed, hairtail, etc.
Processed Foods	Including private brand (PB) products

Local Government and Municipalities

We implemented the Hometown Love Donation Program to foster a culture of healthy giving and stimulate local economies. Through the dedicated mobile application Our GS, users can donate to their hometowns. Each municipality can use these donations to support community welfare, thereby contributing to the revitalization of local economies.

Local Small and Medium Enterprises (SMEs)

We engage in various support activities to help small and medium-sized enterprises (SMEs) expand their sales channels. These activities include broadcast support and assistance with international exports.

Local Community Contribution

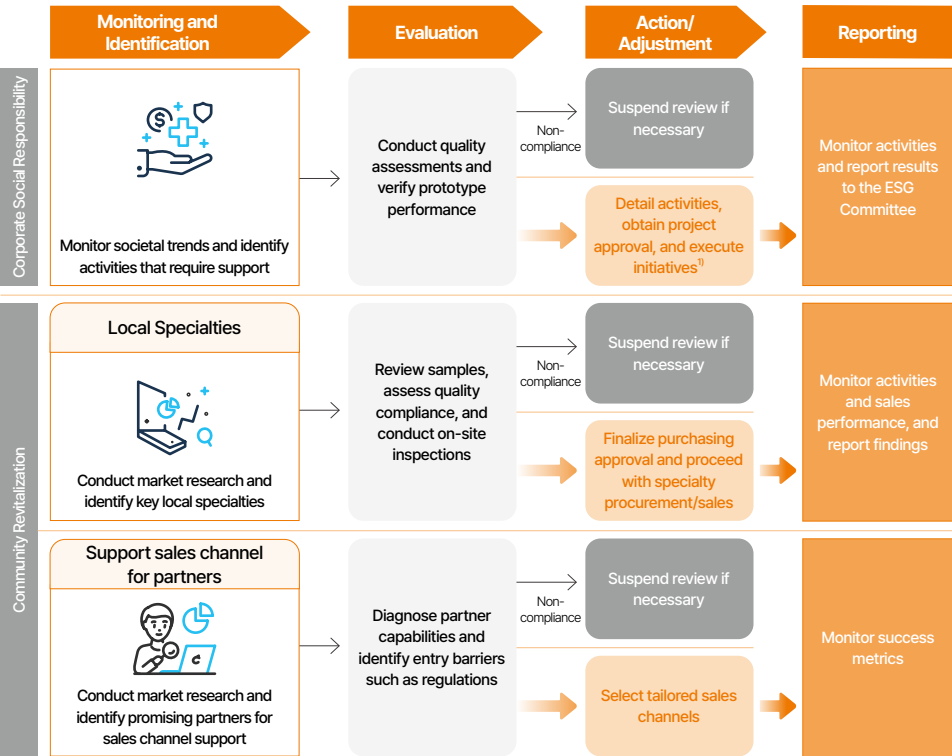
Risk Management

Management Process

We carry out both domestic and overseas initiatives that contribute to local communities and revitalize regional economies based on transparent and reasonable standards and procedures. Through these efforts, we aim to enhance customer satisfaction while fostering mutual growth with local communities.

We determine whether to proceed with donations and social contribution activities by reviewing their charitable and public interest value. For donations exceeding KRW 300 million, we obtain prior approval from the ESG Committee.

To stimulate regional economies, we procure local specialty products following thorough quality inspections and, when necessary, conduct on-site assessments to ensure product safety. In addition, we support sales channel expansion for small and medium-sized local partners-key drivers of regional economic vitality-through our internal management processes.



1) For projects with annual expenditures exceeding KRW 300 million, approval from the ESG Committee is required, whereas projects below KRW 300 million are approved and executed by the Social Contribution Review Committee.

Metrics and Targets

Metrics

We manage and monitor tangible indicators and outcomes related to our contributions to the community annually. These metrics help us assess the impact and effectiveness of our community engagement efforts.



Targets

We have developed and systematically manage a medium- to long-term strategy to achieve sustainable mutual growth with local communities. We are actively exploring various initiatives to make a tangible contribution to community development and diligently fulfills our corporate social responsibility.

	2025 (Short-term)	2026 (Mid-term)	2027 (Long-term)
Key Objective	<ul style="list-style-type: none">Continue collaborative efforts to address community issues	<ul style="list-style-type: none">Expand community-based engagement activities	<ul style="list-style-type: none">Promote the spread of social value in collaboration with local communities
Community Support	<ul style="list-style-type: none">Proactive implementation of social contribution initiatives targeting local community concernsProvide emergency relief to communitiesOperate over 220 Mutual Sharing Platform stores	<ul style="list-style-type: none">Discover and promote localized social contribution programsIncrease the number of social contribution beneficiaries in local communities by over 10%	<ul style="list-style-type: none">Continue GS Nanumi volunteer activities linked to community efforts (e.g., environmental cleanup, welfare institution support)Identify and create local value through partnerships with government agenciesIncrease the number of social contribution beneficiaries in local communities by more than 15% compared to 2025
Local Economic Revitalization	<ul style="list-style-type: none">Discover and develop at least six travel packages annually in connection with local communitiesSource and operate at least 20 raw or processed agricultural and marine products annually	<ul style="list-style-type: none">Indirectly support regional tourism and specialty product marketing through TV-linked sales	<ul style="list-style-type: none">Continue supporting six areas for regional economic development: traditional markets, SMEs, tourism & experiences, agricultural and livestock products, startups, and local governments

Compliance

Governance

We have established a robust compliance governance framework led by the CEO. At the top, the Board of Directors and the ESG Committee oversee compliance, supported by a dedicated compliance officer. The Compliance Team and the Compliance Program Department form the backbone of this system, ensuring effective internal controls and compliance oversight.

The Compliance Management Council, comprising senior leadership, plays a vital role in reviewing key policies and regulatory adherence, fostering a company-wide culture of compliance. Additionally, the Compliance Team coordinates with specific business units, such as Platform BU and Home Shopping BU, through subcommittee working groups where department heads collaborate on legal compliance strategies. This ensures that the compliance and internal control processes are well-suited to the unique aspects of each business area.

Strategy

We analyze the potential impacts of regulatory compliance or violations and fair trade practices on both the environment and society, as well as their possible effects on our financial performance.

Social and Environmental Impact

Classification			Description	Likelihood	Severity
Regulatory Compliance/ Violation	Negative		Failure to meet legal requirements may lead to increased social inequality	●●○	●●●
Fair Trade Practices	Negative		Occurrence of unfair trade practices may exacerbate market imbalance	●●○	●●●

Financial Impact

Classification			Description	Timing of Occurrence ¹⁾	Severity
Regulatory Compliance/ Violation	Risk		Increased legal costs and fines	Short-term	●●●
Fair Trade Practices	Risk		Reduction in sales due to sanctions from Fair Trade Commissions and reputational damage	Short-term	●●○

1) Short-term: 3 years, Medium-term: 3 to 5 years, Long-term: 5+years

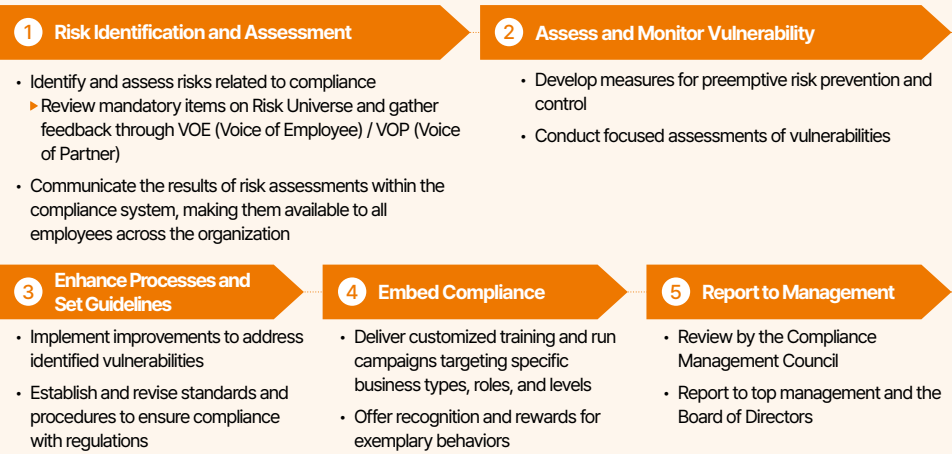
Compliance Measures

We engage in various management activities to effectively respond to the diverse compliance issues that may arise during business operations and to uphold a culture of legal compliance.

 Integrity Management Policy

Risk Management

We have a comprehensive risk management process in place, focusing on identifying, mitigating, and monitoring potential risks. We proactively analyze potential risks across our operations and formulate strategic responses. By strengthening internal controls and updating policies, we work to minimize these risks. Continuous monitoring allows us to regularly assess and refine our strategies, ensuring that we remain agile and responsive to any changes in the business environment.



Metrics and Targets

We strive to enhance our compliance management by establishing and overseeing specific compliance metrics and objectives.

- Instances of Identifying Risks, Assessing Vulnerabilities, and Improving Systems/Standards
- Employee Training on Compliance
- Legal Cases Stemming from Corruption and Anti-competitive Behaviors

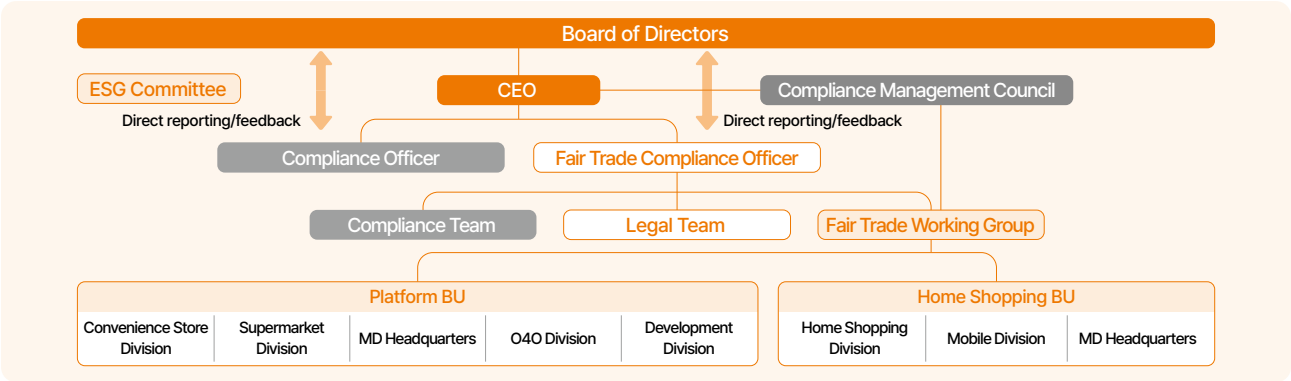
MATERIAL TOPICS

- ECO-FRIENDLY PRODUCTS AND SERVICES
- HEALTH-ORIENTED AND SOCIALLY RESPONSIBLE PRODUCTS AND SERVICES
- LOCAL COMMUNITY CONTRIBUTION

COMPLIANCE

Compliance

Governance



Board of Directors

The Board of Directors is the highest decision-making body, tasked with reviewing major decisions and supervising the management's actions. The Compliance Management Council, chaired by the CEO, consists of both executive and non-executive members. It manages subcommittee working groups which are comprised of working department heads and the in-charge Secretariat, to oversee compliance activities and ensure effective implementation.

Management and Supervision

During the 2024 ESG Committee meetings, GS Retail discussed two reporting agenda items aimed at presenting the results and plans of compliance audits and reviewing the performance of the Compliance Program.

Date	Detail
2024.03.05	Report -Presentation of compliance inspection results for the second half of 2023 and plans for 2024 -Reporting on the operational performance of the Compliance Program for the second half of 2023
2024.08.08	Report -Presentation of compliance inspection results for the first half of 2024 and plans for the second half of the year -Reporting on the operational performance of the Compliance Program for the first half of 2024

The Role of the Management

The top management and the Board of Directors convene quarterly through the Compliance Management Council to assess identified compliance weaknesses and review plans and outcomes for systems improvements. The board agendas also include reports on the Compliance Program's performance and audit findings, aiming to monitor compliance risks and foster a culture of legal adherence throughout the organization. To ensure leaders commit to ethical management and uphold integrity standards, criteria for integrity are incorporated into leadership evaluations. Furthermore, we plan to regularly evaluate the effectiveness of the compliance system to maintain robust compliance practices.

Reward on Performance

We integrates a 5% weighting for ethical management into the Key Performance Indicators (KPIs) for leaders, linking this criterion to their compensation. This approach aims to strengthen the internalization of compliance across the organization.

Dedicated Organization

Compliance Management Council and Subcommittee Working Groups
In 2024, we launched the Compliance Management Council to ensure effective execution and management of compliance practices. This council serves as a key executive forum where the Compliance Team regularly updates senior leadership on compliance matters, underscoring the company's commitment to legal adherence. Beneath the council, we have established seven specialized working groups focused on areas like fair trade and regulatory response, data privacy, food safety, ethical management, HR, industrial safety, and finance/accounting. These groups convene at least monthly to address pressing compliance issues.

In 2024, key discussions included strategies for addressing fair trade topics such as promotional guidelines from the Fair Trade Commission, unit pricing errors, misleading discount practices, and compliance with alcohol advertising requirements. Moreover, we keep open channels with related departments to identify on-the-ground issues and share information on legislative updates and regulatory trends.



MATERIAL TOPICS

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Direction

Compliance Program

We actively engages in fair trade practices on our own initiative to build mutual trust and collaboration for collective advancement. We run Compliance Program to ensure transparent business operations and to cultivate a culture of fairness.

Establishment and Implementation of CP Standards and Procedures	<ul style="list-style-type: none">Provide all company members with standards and procedures for complying with fair trade-related laws and regulations.
Commitment and Support for Compliance Program by CEO	<ul style="list-style-type: none">The CEO publicly declares our commitment to compliance, ensuring that all employees, customers, and stakeholders have access to this statement, while actively supporting the Compliance Program.
Appointment of Compliance Officer	<ul style="list-style-type: none">The Board of Directors or other highest decision-making body appoints a Compliance Officer within the organization, granting them the responsibility and authority to manage the operation of the Compliance Program.
Development and Utilization of the Fair Trade Compliance Manual	<ul style="list-style-type: none">Create the fair trade compliance manual that outlines fair trade laws and compliance program standards and procedures in a manner that's easy for employees to understand and follow.Distribute the handbook (including in e-book format) and encourage active use by employees.
Continuous and Systematic Compliance Training	<ul style="list-style-type: none">Provide periodic training on fair trade regulatory compliance to all personnel, including senior executives
Establishment of Internal Monitoring System	<ul style="list-style-type: none">Identify vulnerabilities through the internal monitoring systemDevelop a transparent fair trade environment through systematic improvements
Sanctions for Employees Violating Fair Trade Regulations	<ul style="list-style-type: none">Implement internal regulations that stipulate disciplinary measures proportionate to the severity of fair trade law violationsActively respond to and promote preventive measures upon detection of fair trade law violation
Effectiveness Evaluation and Improvement Measures	<ul style="list-style-type: none">Review and evaluate CP standards, procedures, and operational practicesImplement improvement measures to enhance the system

Major Achievements

Performance Against Targets

We are committed to setting and managing objectives and performance to systematically address risks in all areas of business management. In the area of compliance, we establish clear objectives for legal risk management, monitoring, system improvements, and compliance training. By regularly evaluating our progress in these areas, we aim to continuously elevate our compliance management standards.

	Targets in 2024	Performance in 2024
Identification and Assessment of Legal Risks	<ul style="list-style-type: none">Risk Universe (Mandatory Identification Items)Gather Risk Feedback (VOE/VOP)	<ul style="list-style-type: none">Established a new compliance systemIdentified and assessed 1,016 risks across 64 regulations whose results are shared with employeesConducted self-compliance checks for company-wide MD roles (155 in PBU, 226 in HBU)
Vulnerability Assessment and Monitoring	<ul style="list-style-type: none">Conduct self-assessments and risk evaluationsMonitor high-risk departmentsReview transactions within affiliated companies	<ul style="list-style-type: none">Established and operated the Compliance Management Council and subcommittee working groupsExpanded risk assessment activities for HBU MD staffInspected and monitored compliance with requirements for online alcohol advertisements
System Improvement and Establishment of Standards	<ul style="list-style-type: none">Improve systems to address vulnerabilitiesFormulate compliance guidelinesManage compliance activitiesManage councils and committees	<ul style="list-style-type: none">Implemented improvement of 9 unfair practices and revised 11 types of standard contractsDeveloped situational response guides for PBU OFCImproved systems for broadcast support personnel in HBU
Compliance Training and Integration	<ul style="list-style-type: none">Deliver compliance training initiativesImplement compliance promotion campaignsOrganize and structure internal policies regulations	<ul style="list-style-type: none">Delivered compliance training by business type, job function, and position levelRegularized CEO letters, launched a compliance newsletter, and introduced compliance fair trade value messages to spread a compliance cultureCompletely revised the fair trade compliance manualDeveloped and distributed CP guidebooks: Two types for Fair Trade Act (MD/contract managers) and three types for Large-scale Retail Business Act (convenience stores/supermarkets/home shopping)

MATERIAL TOPICS

ECO-FRIENDLY PRODUCTS AND SERVICES

HEALTH-ORIENTED AND SOCIALLY RESPONSIBLE PRODUCTS AND SERVICES

LOCAL COMMUNITY CONTRIBUTION

COMPLIANCE

Compliance

Strategy

Major Achievements

Fair Trade Training

To enhance employees' understanding of fair trade, we implements regular compliance training aligned with annual plans and compliance control standards, as well as pre-assignment compliance training and special compliance trainingvideos and card news, to conduct a total of 7 online sessions and 20 offline fair trade training sessions. Additionally, the plans and outcomes of these training sessions are reported to the Board of Directors at least semi-annually to foster a culture of fair trade.

2024 Fair Trade Training Status

Classification	Content	Participant
Regular Training	General Compliance and Fair Trade Law training	All employees
	Advertising and Labeling Law	All MDs, Marketing, Quick Commerce, etc.
	Subcontracting Act	Company-wide MDs, etc.
	Fair Transactions Act in Large Business	Company-wide MDs
	Electronic Commerce Act	HBU MDs, Quick Commerce, etc.
Executive Training	Store Business Act	OFC, RFC
	Fair Trade Training for All Executives	All executives
Pre-assignment Training	Compliance Training for New Employees in PBU, HBU, and Company-wide	New hires
Job Training	Basic and Advanced Course for PBU MDs	MDs with less than 1-year tenure
	Common Course for PBU MDs	PBU MDs and support
	New Leader Training for PBU MDs	New PBU MD leaders
	Common Leader Course for PBU MDs	PBU MD leaders
	First Half Compliance Training for HBU	HBU MDs

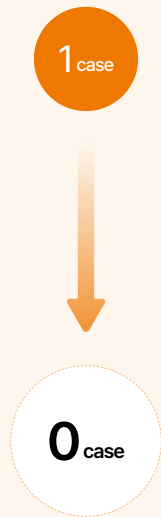
Establishment and Distribution of CP Guidebook

We developed and distributed a customized Fair Trade CP guidebook to ensure employees rigorously adhere to fair trade laws in their job functions. The CP guidebook includes essential information on the Fair Trade Law, the Fair Transactions Act in Large Business, and the Store Business Act—all of which employees in each business unit, including convenience stores, supermarkets, and home shopping, must be familiar with. The guidebook, particularly through regular training and transaction stage-specific Do & Don't content, aims to heighten awareness of potential regulatory compliance risks that may arise during business operations.

Effectiveness Evaluation

We identify fair trade-related compliance risks as significant, given the industry's characteristics, and employ an advanced management system to mitigate these risks. In 2024, we established the Compliance Management Council and conducted monthly meetings of subcommittee working groups to diligently address and improve issues with high compliance risks. The CP guidebook was distributed, and the fair trade compliance manual was revised and disseminated to nationwide worksites to ensure proper implementation. As a result of these initiatives, while there was one fine imposed by the Korea Fair Trade Commission in 2023, there were no fines or sanctions by the Korea Fair Trade Commission in 2024.

Fair Trade Commission fines reduced



Vulnerability Inspection and Monitoring

- Compliance check of Large-scale Distribution Act for MD
- Review of transaction activities with affiliates
- Dark pattern related inspection
- MD-targeted risk self-assessment
- Surveys on fair trade status among partner companies
- Compliance with online alcohol advertising guidelines

System Improvements

- Improvement on the process for home shopping rewards
- Improvement on the contractual agreements for dispatched employees
- Improvement on the contractual process for guests on home shopping broadcasts
- Improvement on convenience store subscription
- service terms
- Situational response guides for OFC staff
- Improvement of the unremitted funds process in convenience stores
- Enhancement of unit pricing and discount labeling in supermarkets

Standard Establishment

- Establishment and revision of various standard contracts
- Formulation of compliance operating standards
- Development of compliance management policies
- Update of operating guidelines for the Fair Trade Compliance Program
- Establishment of compliance training guidelines
- Creation of guidelines for compliance risk evaluation
- Revision of the fair trade compliance manual
- Amendment of standards for fair trade practices

MATERIAL TOPICS

ECO-FRIENDLY PRODUCTS AND SERVICES

HEALTH-ORIENTED AND SOCIALLY RESPONSIBLE PRODUCTS AND SERVICES

LOCAL COMMUNITY CONTRIBUTION

COMPLIANCE

Compliance

Risk Management

Fair Trade System

Led by our CEO, we are fostering sustainable growth by establishing a fair trade system involving all employees and partners. The CEO expresses a strong commitment to fair trade practices and policies, supported by clear regulations and dedicated teams. Looking forward, we continue adhering to the four major fair trade guidelines and fair trade operating standards, while also revising the fair trade compliance manual and conducting regular compliance training.

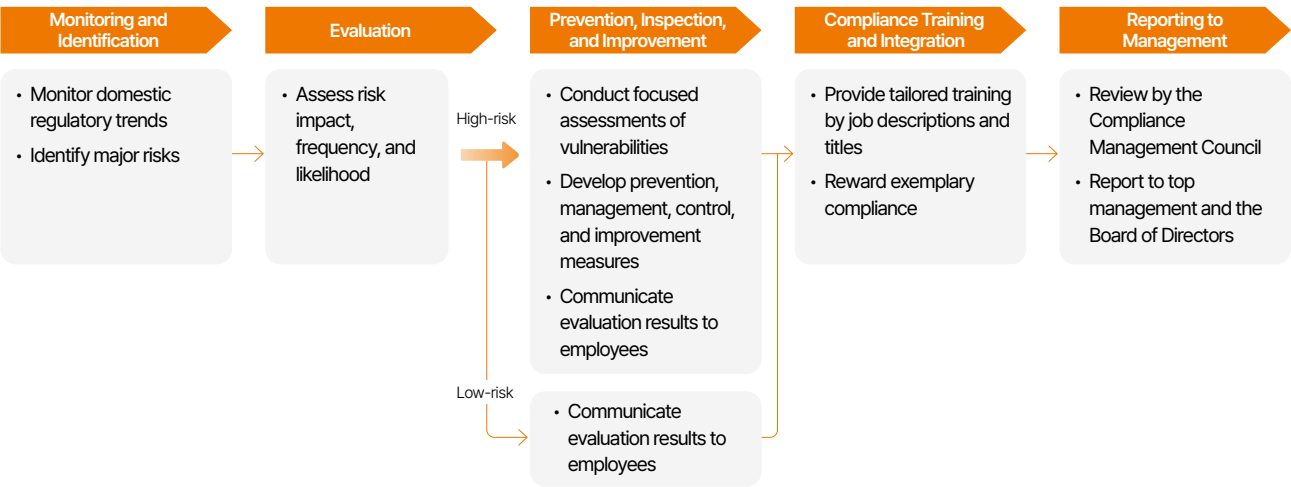
[+ Fair Trade Compliance Manual](#)

Internal Control System

We operate Albutus, a real-time monitoring system, to detect anomalies in key financial accounts or major management activities, thus preventing compliance risks. To encourage organizational leaders to practice integrity management and focus on ethical standards, we include the performance of integrity management in the evaluation criteria for all leadership assessments. We aim to maintain integrity management as a top priority in our major decisions and actions, fostering an ethical environment moving forward.

Management Process

We bolster our compliance management system to enhance customer trust and secure sustainable competitiveness. We implement a five-step process that includes legal risk monitoring and identification, evaluation, proactive prevention and vulnerability assessments, system improvement and standards establishment, compliance integration, and risk monitoring. Specifically, during the identification phase, the impact, frequency, and likelihood of risks are reviewed. High-risk categories undergo focused inspection and management activities, while even low-risk categories are communicated to all employees to emphasize the importance of compliance management.



Metrics and Targets

Metrics

We are committed to advancing our compliance management system by actively managing key compliance-related indicators.

Compliance System/Standards Improvement

2024 Performance 13 improvements



Employee Compliance Training

2024 Performance 27 sessions



Legal Actions from Corruption and Anti-competitive Cases

2024 Performance 0 cases



Targets

To implement compliance management, we established specific objectives and plans for each area, driving related activities accordingly.

Classification	Description
Identification and Assessment of Legal Risks	<ul style="list-style-type: none">• Routinely carry out self-assessment activities for compliance• Implement Compliance Program (CP) grading evaluation in 2025
Vulnerability Assessment	<ul style="list-style-type: none">• Review operational standards for convenience store OFC¹⁾/RFC²⁾• Select and conduct regular assessments focused on identified vulnerabilities
System Improvement and Establishment of Standards	<ul style="list-style-type: none">• Revise operational standards for convenience store OFC/RFC• Conduct fair trade audits and enhancements for GS SHOP (online marketplace)• Release and distribute the Dos & Don'ts compliance guidebook
Compliance Training and Integration	<ul style="list-style-type: none">• Expand specialized compliance training for top management (twice annually)• Enhance measurement of the effectiveness of compliance awareness efforts• Diversify compliance campaigns to increase participation from all employees

1) OFC: Operation Field Counselor, Sales Management
2) RFC: Recruiting Field Counselor, Store Development

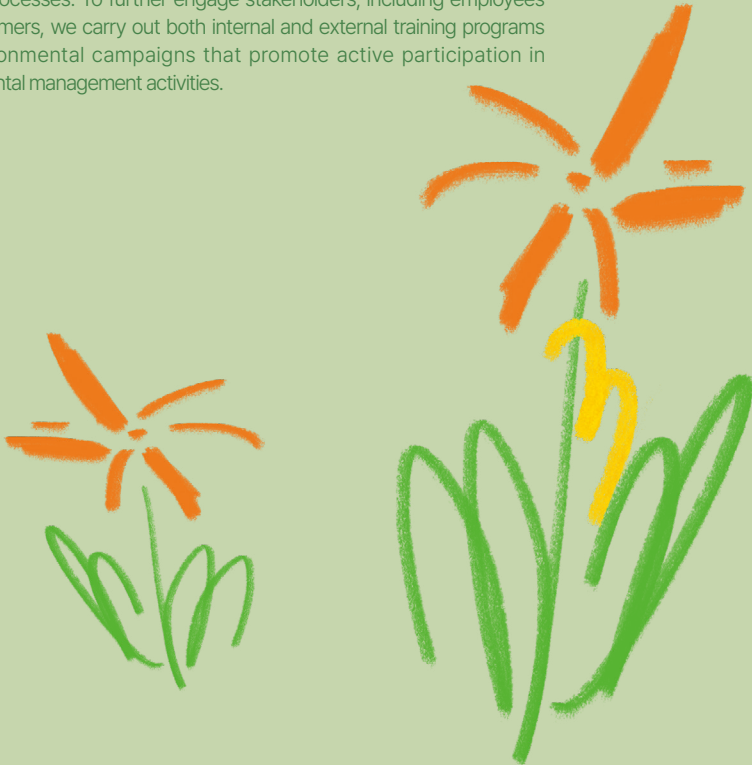
GENERAL TOPICS

- 56 Environmental
- 65 Social
- 89 Governance

As a comprehensive retail platform, we are committed to providing sustainable solutions for both our business and the environment by mitigating potential environmental impacts throughout our entire value chain. To this end, we strive to minimize the adverse effects that external environmental changes, like the climate crisis, might have on our operations and stakeholders. Additionally, we aim to contribute to carbon neutrality by implementing a circular resource system.

Approach

We expand our green stores by simultaneously advancing renewable energy transition and energy efficiency improvements through initiatives like SEMS and eco-friendly refrigerant-equipped cooling systems. Additionally, the integration of solar power facilities and enhancements to shipment systems have been implemented to minimize greenhouse gas emissions across logistics processes. To further engage stakeholders, including employees and consumers, we carry out both internal and external training programs and environmental campaigns that promote active participation in environmental management activities.



Scope 1 & 2 greenhouse
gas emissions per unit

6.6% reduction

By Carbon Neutrality Point
Program and the Green Card
initiative

Awarded the
Minister of
Environment
Award

Attained eco-friendly
sales revenue

KRW 638.9 billion

Application rate for
eco-friendly packaging

40.0% achieved

Eco-friendly certified
products

Operated 248 SKUs

ENVIRONMENTAL

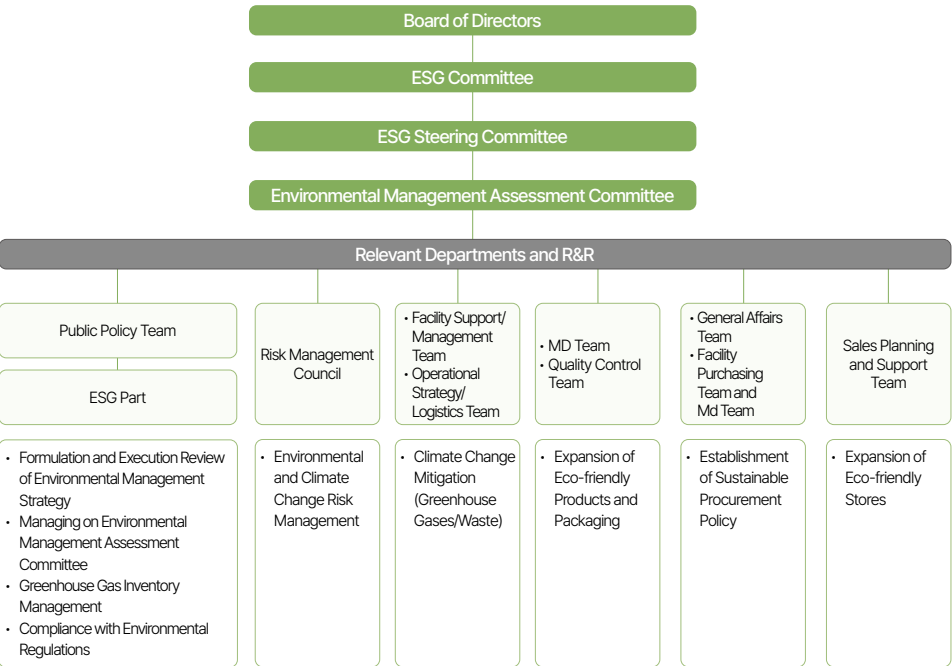
Environmental Management System

Management System

Governance

We build and operate a company-wide environmental management system to systematically manage environmental performance. This initiative is overseen by the Environmental Management Assessment Committee, composed of related departments, which regularly shares the progress of key activities. Identified major issues are discussed and reviewed with a strategic focus at the 'ESG Steering Committee' chaired by the CEO, and subsequently receive final approval from the Board of Directors, including the ESG Committee.

Under this system, we expand activities for resource circulation and waste reduction and strive to reduce environmental impact through eco-friendly store operations. The Platform BU, centered on the Mutual Partnership Team and Facility Support Team supports voluntary participation in eco-friendly activities by customers and franchisees, while the Facility Purchasing Supporting Team and Store Standardization Supporting Team implement various efforts to reduce Energy usage by introducing highly energy-efficient refrigeration equipment in convenience stores and super stores for Resource circulation. Additionally, the Home Shopping General Affairs Team eco-friendly infrastructure such as solar power generation and has introduced a digital studio composed of LED walls to reduce waste generation caused by set changes.



Environmental Management Policy

As a comprehensive retail platform, We strive to identify and minimize environmental impacts across the entire value chain and in all business activities encountered by stakeholders. Additionally, we are committed to preserving the future global environment by establishing and implementing an environmental policy that expresses our dedication to environmental management practices.

[+ Environmental Management Policy](#)

Sustainable Procurement Policy

As a lifestyle platform that integrates online and offline channels, we focus on reducing environmental impacts associated with the purchase of consumables and the distribution and procurement of raw materials. To achieve this, we have established and adhered to sustainable purchasing policies. We have been running a green purchasing process to encourage stakeholders such as customers, partners, and suppliers to align with our procurement policy. We prioritize sourcing eco-friendly raw materials in all purchasing activities and take the lead in promoting environmentally friendly purchasing and consumption.

[+ Sustainable Procurement Policy](#)

Environmental Management System (ISO 14001)

We have obtained ISO 14001, the international standard for environmental management. Additionally, we train internal auditors who annually review environmental initiatives and action plans to ensure effective implementation and compliance.

Environmental Performance Assessment

Since 2022, we have integrated ESG evaluations into the performance indicators of C-level executives. Starting in 2023, 5% of the KPIs for all executives at the department head level and above have been linked to ESG performance results. This initiative aims to maximize management participation in ESG-based decision-making processes. We plan to continually enhance our evaluation framework to strengthen ESG execution across the entire value chain and business operations.

Response on Environmental Regulation

We have established a response system to address regulatory trends through the ESG Steering Committee and Environmental Impact Assessment Committee, resulting in no violations on environmental regulation in 2024. Moreover, we manage non-financial risks by incorporating environmental and climate change risks into our risk management framework.

Furthermore, starting in 2024, we are designated as a target company under the Greenhouse Gas Target Management System and will set targets on annual greenhouse gas reduction and implementation plans. Moving forward, we intend to actively pursue strategies based on our company-wide initiative to reduce greenhouse gas emissions.

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Environmental Management Performance

Implementation

Direction

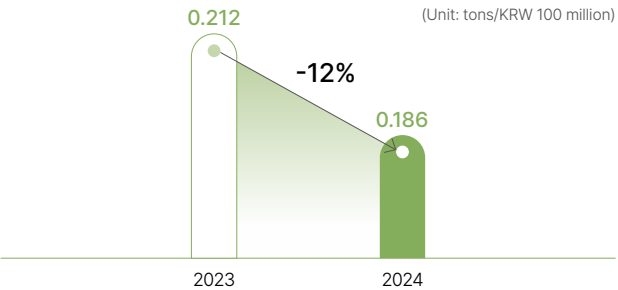
We are committed to minimizing the environmental impact of our business operations by running eco-friendly stores and establishing a circular economy system. We emphasize eco-friendliness in the facilities of our offline stores, home shopping buildings, and studios. Additionally, we actively work to reduce our environmental impact by establishing systems for waste management and resource recycling.

Green Stores	
Convenience Stores/Supermarkets	Home Shopping
<ul style="list-style-type: none">• Solar power installations• Smart Energy Management Systems (SEMS)• Refrigerators using eco-friendly refrigerants• Swing doors for refrigeration units• Smart lighting solutions• Controlled heaters for walk-in coolers• Eco-covers for open showcases	<ul style="list-style-type: none">• Solar power installations• LED lighting systems• HVAC systems• Electric vehicle charging stations• Digital studio facilities
Resource Management	
Resource Recycling	Waste Reduction
<ul style="list-style-type: none">• Recycle Center• Recycling of electronic waste from stores• Recycling of synthetic resin waste• Automated bottle return machines	<ul style="list-style-type: none">• Discounts for products close to expiration• In-house food waste processors• Installation of LED screen walls

Waste Reduction Goals

To lower waste emissions, we aim for an annual reduction of 3% in per-unit waste emissions and have established a medium- to long-term objective of a 25% reduction by 2030, compared to 2022 levels. In 2024, we successfully reduced waste emissions per unit by approximately 12% compared to the previous year. We will continue to seek strategies and carry out efficient waste management activities to achieve our 2030 goals.

Waste Intensity Emission



Green Store Certification Program

We voluntarily participate in the Ministry of Environment's Green Store Certification Program to reduce environmental impact and promote eco-friendly consumption. As of May 2025, 16 stores nationwide have achieved green store certification by meeting various criteria established by the Ministry, including environmental management, energy efficiency management, and the sale of eco-friendly products to encourage sustainable consumer behavior. Moving forward, we plan to continuously expand the number of certified green stores, leveraging eco-friendly infrastructure to contribute to greenhouse gas reduction and environmental protection.



Participation in Domestic and International Environmental Initiatives

We participate in the BNPB Initiative and seek practical and sustainable measures to protect biodiversity through policy meetings with government agencies such as the Ministry of Environment and the Ministry of Oceans and Fisheries, as well as various companies. Additionally, we have joined the UNGC and regularly publish TCFD reports, practicing Corporate Social Responsibility and transparent information disclosure.

In particular, in 2024, we participated in CDP to systematically disclose our strategies on addressing climate change and GHG emissions reduction achievements, resulting in receiving a B for Climate Change and the CDP Carbon Management Special Award.

Environmental Management History



Environmental Management Performance

Management on Efficient Energy Consumption

Expansion of Renewable Energy

We continue to expand the installation of solar power systems across our business sites, including supermarkets, convenience stores, and home shopping facilities, to build efficient energy infrastructure. Through these efforts, we are continuously increasing our capacity for self-generated renewable energy.

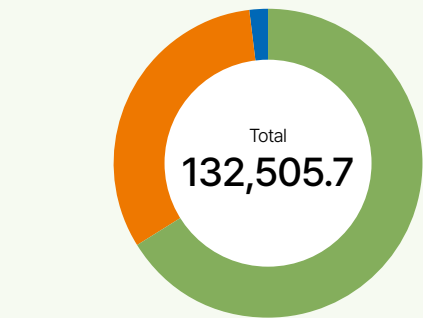
Solar Power Installations

Solar Power Facilities

Convenience Stores Supermarkets Home Shopping

We have newly installed solar power systems at our Cheongju and Jincheon locations, bringing the total to four sites equipped with solar facilities as of 2024, including one convenience store and three supermarkets. Additionally, two solar energy systems have been installed and are operational at the N Tower in Mullae-dong, allowing for the self-production and use of electricity.

2024 Self-Generated Solar Power (Unit: kWh)



2,541.7 Convenience Stores
87,661 Supermarkets
42,303 Home Shopping



Energy Savings

We are actively working to reduce energy usage and minimize environmental impact by introducing refrigeration equipment that uses R290, an eco-friendly refrigerant with a low Global Warming Potential (GWP), in our convenience stores and supermarkets. Additionally, we are making efforts to replace traditional lighting with LED and convert to media walls in our home shopping broadcast studios.

Energy Usage Reduction and Efficiency Enhancement

Smart Energy Management System (SEMS) Convenience Stores

We have utilized IoT-based smart energy management systems to monitor and control electricity consumption.

Number of Stores Installed 16,938

Showcase Doors Convenience Stores Supermarkets

By replacing open-type displays with door-type showcases, the stores have completed test installations at 10 locations to reduce electricity usage.

Energy (electricity) Savings 30%

Walk-in Cooler Door Heater Convenience Stores

By adding control switches and improving operational standards, stores have achieved reduction in electricity consumption.

Annual Energy (Electricity) Savings 4,336kWh

Lighting Home Shopping

Through the replacement of emergency stairwell/accessory room lights in Gangseo Tower and vehicle ramp lights in N Tower with eco-friendly LED lighting, we have reduced our energy consumption.

Number of LED Lights Replaced 292¹⁾

1) Gangseo Tower: 256, N Tower: 36

Lighting Convenience Stores

An agreement was signed for a pilot project linking Auto Demand Response (Auto DR) systems to energy conservation efforts, which includes managing smart lighting levels.

Number of Participating Stores Over 12,400

Eco-friendly Refrigerants Convenience Stores

Switching to eco-friendly vertical refrigerators and freezers with R290 refrigerant in stores has helped reduce energy consumption.

The effect of using R290 refrigerant 3GWP

Eco-cover Convenience Stores

By applying night covers to open showcases during nighttime hours, we have reduced electricity consumption.

Annual Reduction in Electricity Usage 2,447kWh

HVAC Systems Home Shopping

By installing individual air conditioning units in the men's and women's lounges at N Tower, annual savings of KRW 12 million have been achieved in costs and energy compared to using the existing HVAC system.

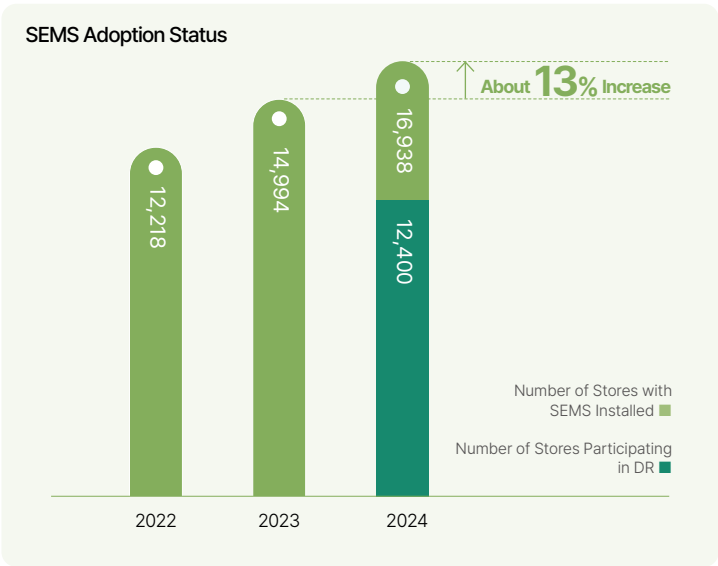
Energy Savings
Electricity 13,939kWh / Gas 8,712m³

Environmental Management Performance

Management on Efficient Energy Consumption

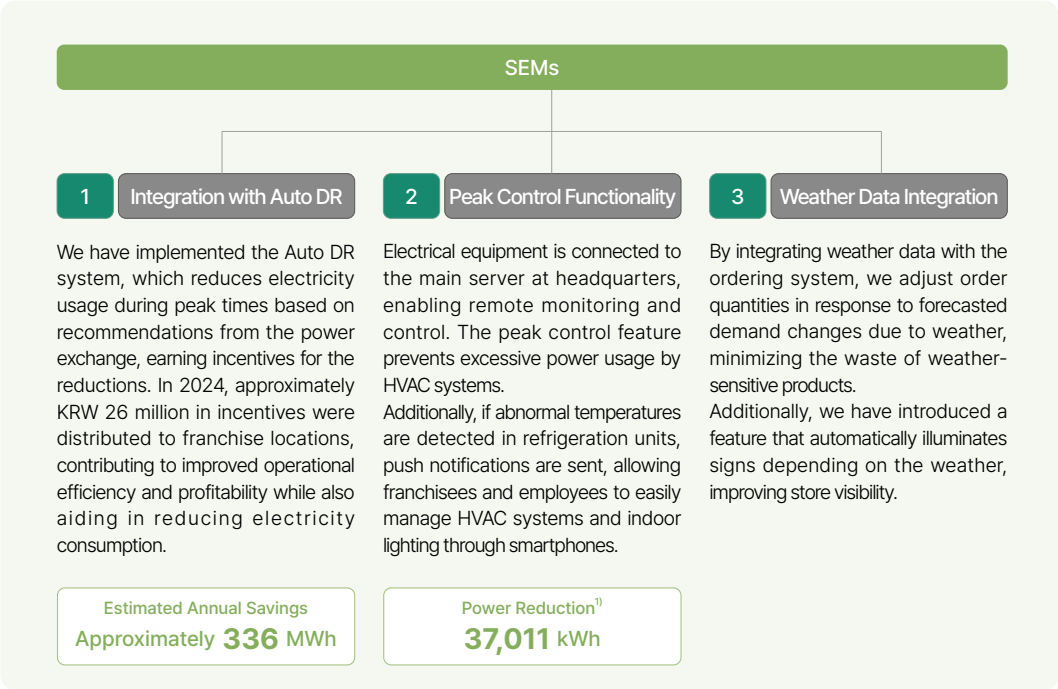
Case 01 | Smart Energy Management System (SEMS)

We are efficiently managing in-store energy consumption through our IoT-based Smart Energy Management System (SEMS). As of 2024, SEMS has been implemented in a total of 16,938 stores, marking an approximately 13% increase from the previous year. Additionally, 12,400 of these stores have participated in the Auto DR system, which automatically controls HVAC and lighting systems. Going forward, we will continue our efforts to reduce energy usage and enhance the operational efficiency of our stores.



Energy Savings through SEMS

SEMS provides a range of services that effectively reduce energy consumption, allowing franchisees to experience tangible cost savings and improved operational efficiency. We plan to continue leveraging SEMS actively to realize sustainable management practices across our operations.



1) Based on a 3-month period (June to August 2024), consisting of 6,663 kWh saved through peak control and 30,348 kWh saved through temperature control.

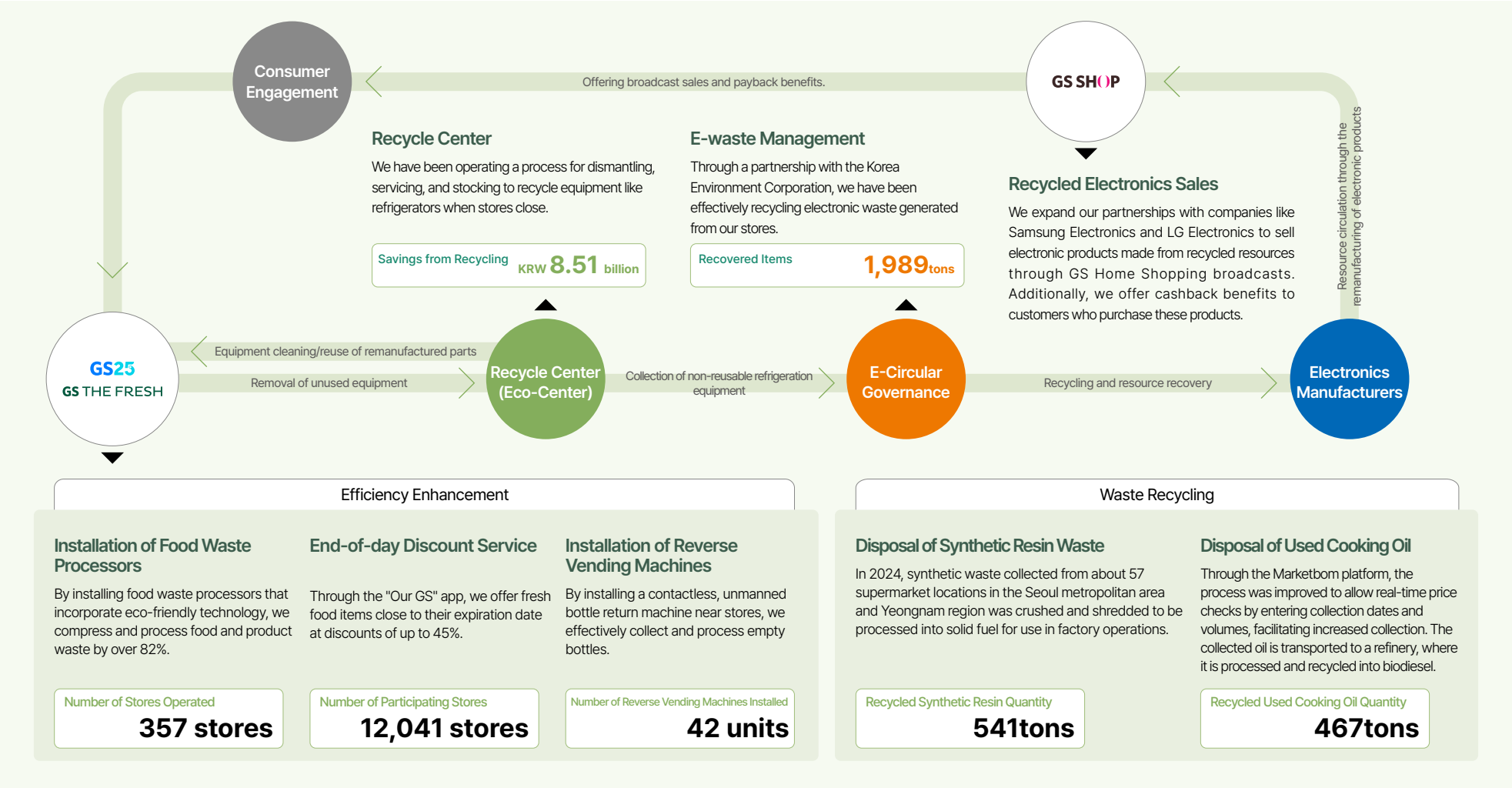
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Environmental Management Performance

Enhancement on Resource Circulation

Circular Economy

We operate a circular resource system to reduce waste generated during the operation of convenience stores, supermarkets, and GS SHOP sales processes. By leveraging new technologies and partnerships, we enhance recycling rates, contributing to the achievement of carbon neutrality.



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Green Logistics

Management System

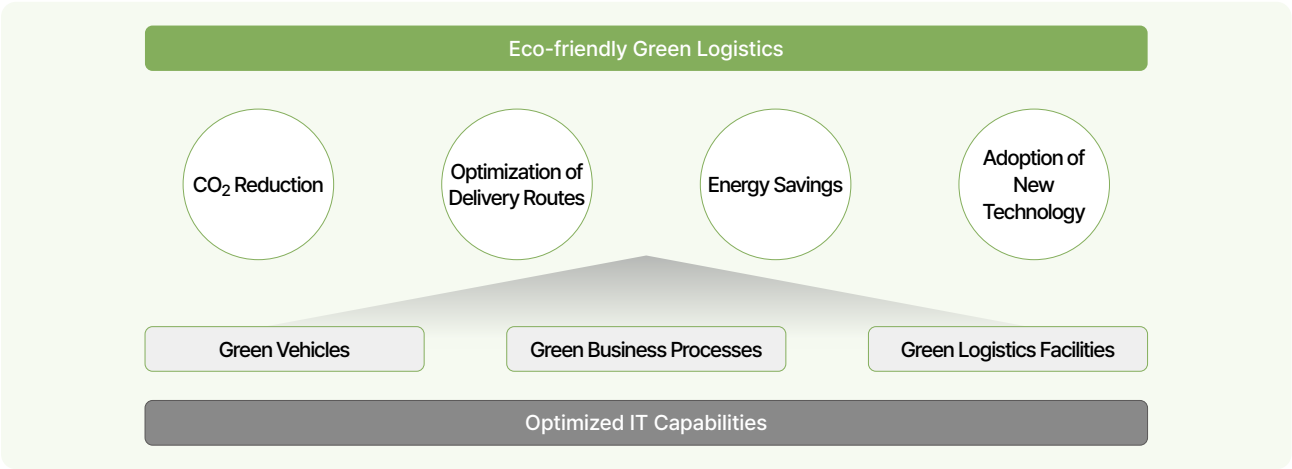
Governance

We have established an ESG Steering Committee to operate and guide eco-friendly logistics operations and reduce environmental impacts. Progress and activities within each business segment are reported to the ESG Steering Committee and ESG Committee. Moving forward, we plan to continue close discussions between the relevant departments under the Platform and Home Shopping BUs to design and implement environmentally friendly logistics initiatives.



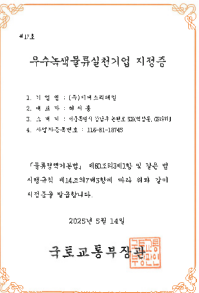
Direction

We, in partnership with our subsidiary and logistics platform partner GS Networks, are committed to practicing green logistics. Leveraging advanced IT system capabilities, we consistently advance initiatives such as the operation of green vehicles, the development of eco-friendly business processes, and the introduction of green logistics facilities. Additionally, we proactively seek to expand our environmentally friendly logistics initiatives.



Designation as an Excellent Green Logistics Company

We have participated in the logistics energy target management system and have been recognized for our achievements in greenhouse gas reduction and designated by the Ministry of Land, Infrastructure, and Transport as an Excellent Green Logistics Company. We have successfully renewed our certification in 2025 and plan to continue our efforts to reducing greenhouse gas emissions and fostering environmental protection through green logistics initiatives.



Participation in Logistics Center Energy Efficiency Project

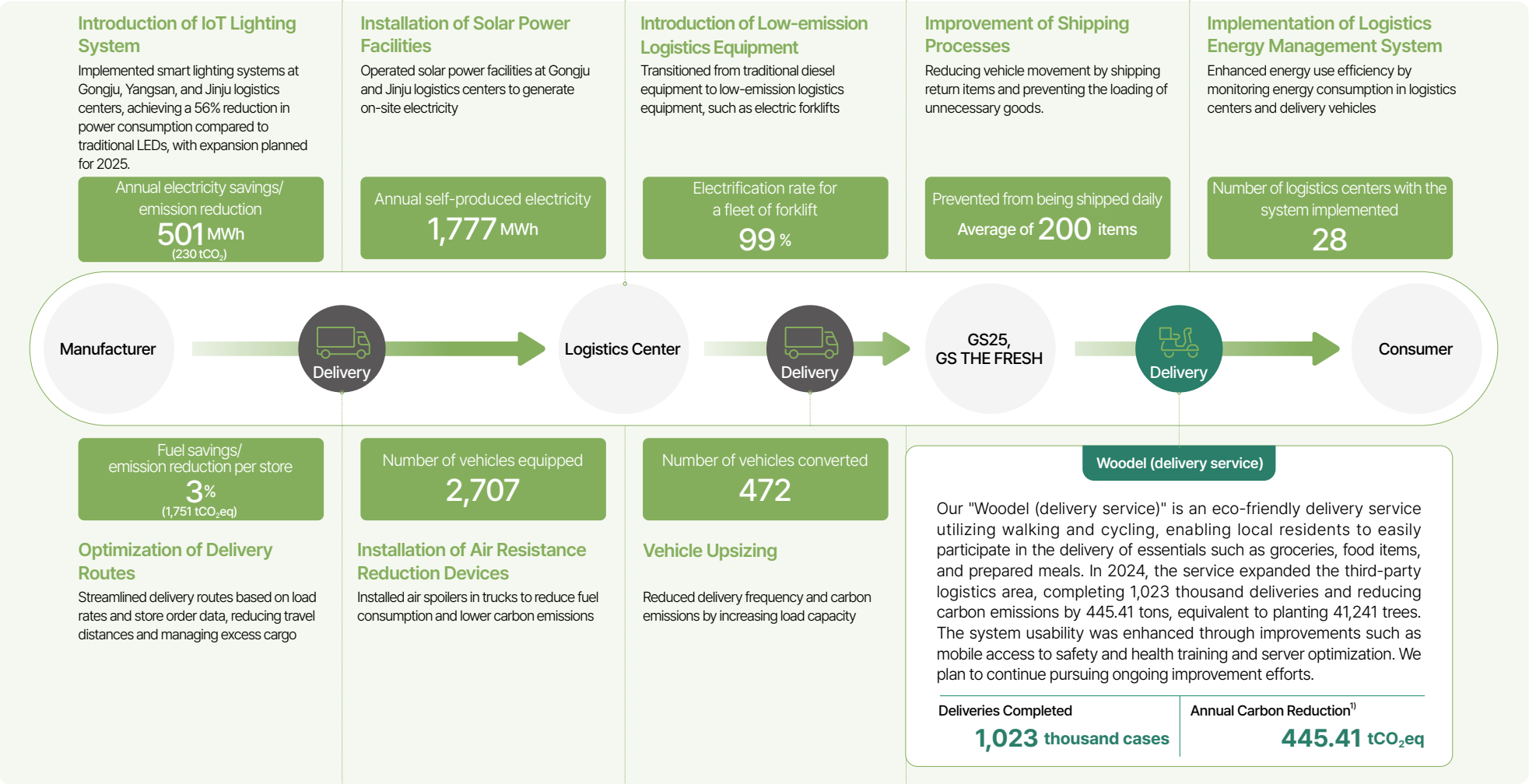
In January 2025, GS Networks, a subsidiary of GS Retail partnered with Korea East-West Power to hold a completion ceremony for the "Logistics Center Energy Efficiency Project" at the Yongin Namsa Center. This initiative aims to reduce electricity consumption and costs by expanding smart lighting solutions to industrial buildings, featuring high-efficiency smart LEDs and custom control solutions. Going forward, GS Networks plans to install 2,600 high-efficiency smart LEDs and monitoring control systems at Incheon and Yongin Namsa Centers, with projected savings expected to be used for improving workplace environments.

Green Logistics

Eco-friendly Logistics Business

Performance

We continuously improve the facilities and systems within our logistics centers to expand eco-friendly green logistics. Additionally, we operate an efficient delivery process to minimize environmental impact during the shipping phase.



1) Calculation Basis: Assuming a delivery distance of 3 km per trip, with motorcycle emissions at 145 g/km.

Environmental Training & Campaign

Raising Environmental Awareness

Training for Employee

We offer regular environmental and ESG trainings to ensure all employees can actively participate in environmental management. By offering both in-person and virtual classes, we improve training accessibility for those who have yet to complete training and for new hires. In 2024, climate crisis was selected as a key lecture theme. Programs included "Environmental Change and a Sustainable Future", which addressed anomalies in the global environment due to climate change, and experiential "Polar Bear Soap Making" sessions.

2024 Environmental and ESG Training (Unit: person)

Theme	Subtopic	Number of Participants
Climate Crisis	Environmental Change and a Sustainable Future	71
ESG	Understanding ESG Management	80
	Company-wide ESG Training (Online)	2,466

Campaign for Stakeholders

Carbon Neutral Action Week

Employees

In collaboration with the Korea Green Foundation, we held a Carbon Neutral Action Week for employees from August 26 to September 11, 2024. During this two-week period, a range of engaging activities were organized, including an environmental initial consonant quiz, carbon neutral missions, and a talk concert, all designed to promote sustainable practices within us. Participating employees were able to discuss and take action on environmental issues through experiences like trying vegan lunch boxes and creating card wallets by upcycling old banners.

Earth Hour Campaign

Franchisees

On March 22, 2025, as part of our efforts to address the climate crisis, we participated in the "Earth Hour" campaign organized by the World Wildlife Fund (WWF), marking our third consecutive year of involvement. As part of the campaign, signboards at 3,122 stores nationwide, along with GS Gangseo Tower and Gangseo N Tower, were remotely controlled and temporarily turned off.



Sea Turtle Paper Bag

Customers

In 2024, we signed an MOU with the Ministry of Oceans and Fisheries to engage in biodiversity conservation activities. Starting January 2025, we launched paper bags featuring conservation messages for sea turtles and marine protected species across GS25 and GS THE FRESH stores nationwide. Additionally, we supported underwater clean-up efforts to protect sea turtles and sponsored the observation and research of sea turtles in the Jeju coastal area, which serves as an indicator species for climate change.



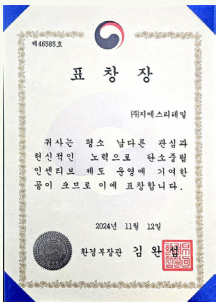
Our Sea Blue X Sseu-dam Sseu-dam campaign

Customers

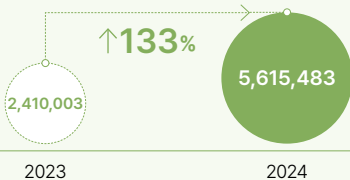
In 2024, we launched the "Our Sea Blue X Sseu-dam Sseu-dam" campaign as part of our environmental protection efforts to address marine waste issues. The campaign involved placing trash bins at beaches along the East and South coasts, as well as at tourist locations in Jeju, Damyang County in Jeollanam-do, and other major areas, encouraging proper waste disposal and raising awareness about coastal litter. Through these efforts, we went beyond one-time waste collection and successfully raised awareness of environmental issues among local residents and tourists.

Carbon Neutral Points System

Customers



We run the "Carbon Neutral Points (Green Lifestyle Practice)" system. Through our "Our Neighborhood GS" app, we issue mobile receipts for in-store purchases and link them to our points system. By actively encouraging customer participation, we recorded more than double the carbon neutral points issued in 2024 compared to the previous year.

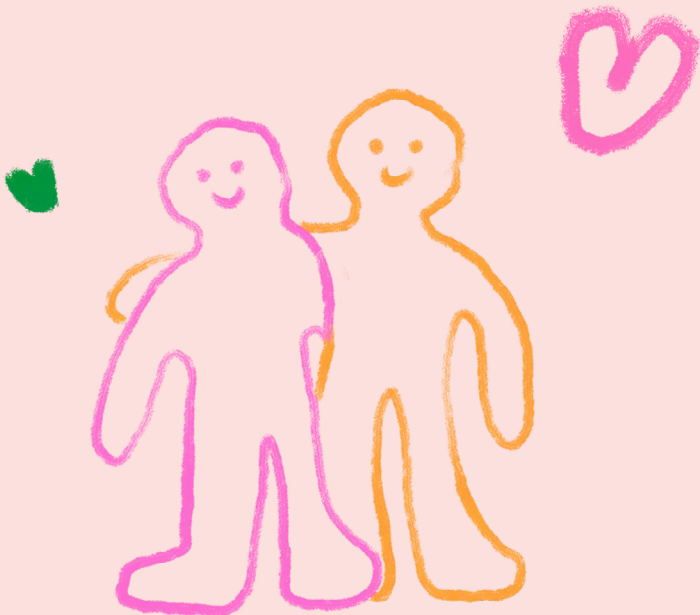


- TALENT MANAGEMENT
- THE ORGANIZATION THAT GROWS TOGETHER
- HUMAN RIGHTS
- SAFE WORKPLACE
- SUSTAINABLE SUPPLY CHAIN
- CUSTOMER SATISFACTION MANAGEMENT
- CUSTOMER PRIVACY

We are committed to fostering growth alongside the community by considering the impact of our business activities on diverse stakeholders such as customers, employees, partners, and the broader society. We strive to build a healthy and safe organization while exploring strategies to grow collaboratively with local communities.

Approach

We proactively offer training programs and benefits to promote the growth and development of employees, fostering a healthy organizational culture. We are dedicated to creating a safe workplace by establishing a comprehensive safety and health system across the organization. Additionally, we build a sustainable supply chain through various support initiatives and programs aimed at joint growth with partners. Adhering to the principle of prioritizing customers, we are committed to implementing customer satisfaction strategies.



Free broadcast sales support

42partner companies

Regional Specialty Purchase Amount

Achieved
KRW 141.3 billion

Korean Service Quality Index (KS-SQI)

Ranked No. 1
across CVS, Supermarket, and Home Shopping

Certification

Achieved
Family-Friendly
Company
certification
(first awarded in 2020)

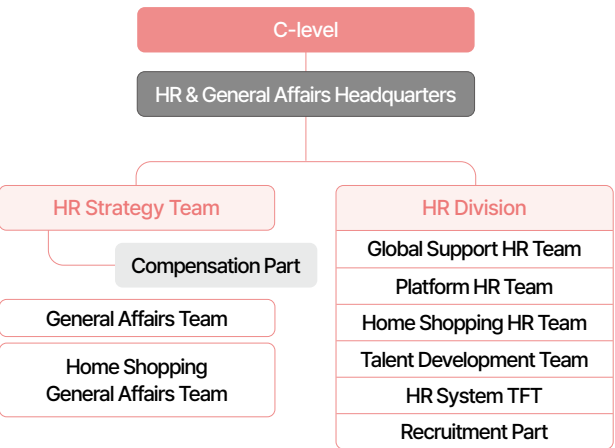
SOCIAL

Talent Management

Management System

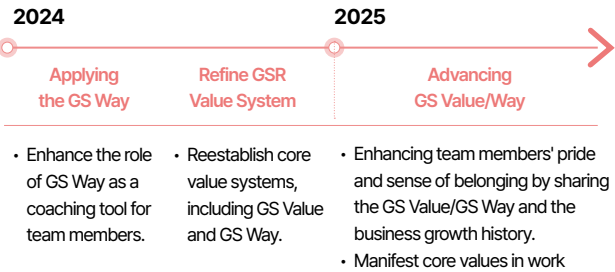
Governance

We have a governance framework in place that is focused on excellent talent management and development. We strive to proactively secure individuals who align with our ideal talent profile and to enhance their professional capabilities.

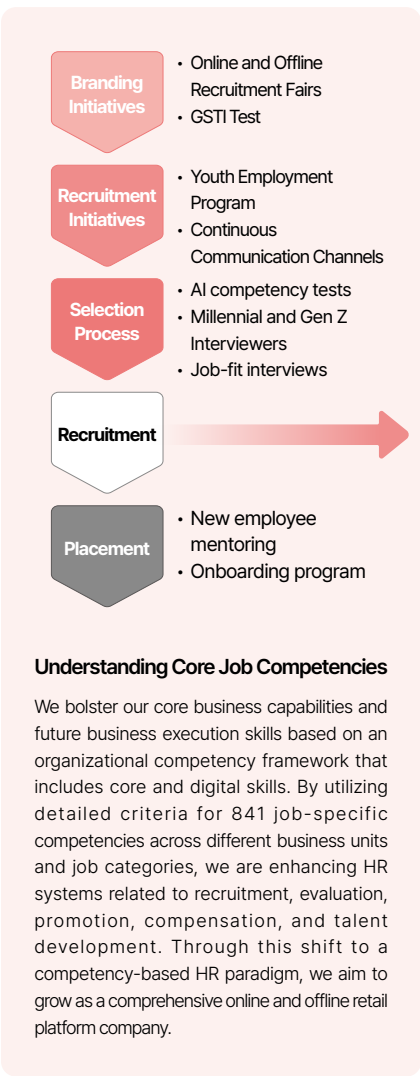


Mid-to-long Term Goal

We are committed to developing and implementing strategic plans both short and long term to attract diverse talent and nurture individuals who embody the GS Way.



HR System



Recruitment

We are committed to securing top talent through a data-driven, applicant-focused recruitment process that ensures equality regardless of gender, age, social status, or regional background. We conduct annual recruitment campaigns, including internships for new graduates. Starting in 2025, we will introduce the "Beyond Specs" process, adopting innovative strategies for talent acquisition. Additionally, we host recruitment fairs and events while enhancing user-friendly branding activities to further reinforce our recruitment efforts.

Employment and Labor Minister's Award for Excellence in Fair Hiring Practices

We received the Employment and Labor Minister's Award in 2024 with recognition for outstanding performance across all areas, including regional campus recruiting, AI competency assessments, and the introduction of Millennial and Gen Z interviewers.

Experiential Recruitment Seminar 'Inside GS Retail'

We launched an interactive program where participants toured GS25 stores and the headquarters alongside current employees and HR representatives, providing them with an opportunity for Q&A on recruitment topics.

Performance Evaluation

We employ a performance-based MBO (Management by Objectives) assessment, along with the GS Way evaluation focused on individual competencies. We use continuous coaching and feedback systems between team members and supervisors to identify individual strengths and areas for improvement. Additionally, we provide team leaders with performance management leadership training. Quarterly performance reviews and an appeals process ensure fairness and acceptance among employees.

Compensation

We offer competitive compensation based on performance, position, and capabilities rather than seniority. Each year, we adjust salaries by taking into account external factors and wage competitiveness within the industry, and conducts briefing sessions and salary agreement procedures for all employees. Furthermore, by highlighting and sharing performance metrics at company, business unit, and individual levels, we offer personalized performance bonuses to motivate employees and boost engagement.

Talent Management

Human Capital Development

Direction

We have developed a framework designed to nurture talent with essential skills in job functions, leadership, and commitment to the GS Way. Through this system, we provide tailored training solutions both online and offline, offering job-specific courses, progressive leadership workshops, programs to instill core values, and promote self-directed learning for all employees.

Talent Development Framework




1) Job Skills, Leadership, and the GS Way

Training Performance

We operate a self-directed learning system tailored to each Business Unit (BU) to encourage employee development. For employees in the Platform BU and support departments, we offer a self-directed learning program requiring 30 hours annually. In the Home Shopping BU, employees receive an annual budget to freely participate in external training courses. Moving forward, we aim to enhance the self-directed learning system and actively support the strengthening of our employees' skills and competencies.


Effectiveness Measurement

We are committed to minimizing inefficiencies by cultivating talent that embodies the "GS Way," our unique approach to work. Given the nature of the retail industry, we enhance our employees' capabilities to utilize generative AI for quick decision-making and personalized customer service. After offering related training in 2024, we validated our effectiveness through improved awareness, reduced actual work time, and AI competency assessments. In 2025, we plan to expand AI training across the organization through VOD courses, the Gen AI Academy, BIZ AI programs, and Use-Case mentoring sessions.



Enhancing Work Efficiency through Improved GS Way Awareness

The GS Way defines GS Retail's unique approach to work, encompassing eight principles, including data-driven decision-making, prompt judgment and execution, and proactive communication and collaboration. We strive to enhance employees' understanding of the GS Way to promote core-value-based decision-making and improve work efficiency through better collaboration and communication. In 2024, we provided training for those in leadership roles on generating results aligned with the GS Way, and also encouraged non-leaders to voluntarily participate in the GS Way Challenge. As a result, awareness of the GS Way increased by about 4% compared to before the training. We anticipate that practicing the GS Way will lead to improved work efficiency and better performance outcomes.



Enhancing Competencies through Generative AI Training

We aim to boost organizational competitiveness by strengthening AI capabilities. We introduced skill-based training focused on generative AI. The training covered practical applications of generative AI and code generation functions over a 7-hour session. To assess the effectiveness, interviews and competency evaluations were conducted before and after the training.

Results of Competency Evaluation for Generative AI Training in 2024

classification	Participants	Effectiveness
Senior Managers	122	Skill scores increased by 1.6 points* * 2.36 points → 3.96 points

Moreover, by applying the AI skills gained, employees uncovered 479 generative AI use cases tailored to different roles and created five prompts for practical application. One notable example includes automating SQL queries¹⁾ for data analysis, saving roughly 36 hours of work per month.

Practical Application of Generative AI Training in 2024

classification	Description	Impact on Productivity
SQL Query Automation	Utilized GPT'S for automating data analysis, visualization, and predictive modeling.	Reduced average monthly work hours by 36 hours.

1) Structured Query Language (SQL) is an abbreviation for the language used to search and manipulate data within a database.

Change in GS Way Awareness Pre and Post-2024 Training

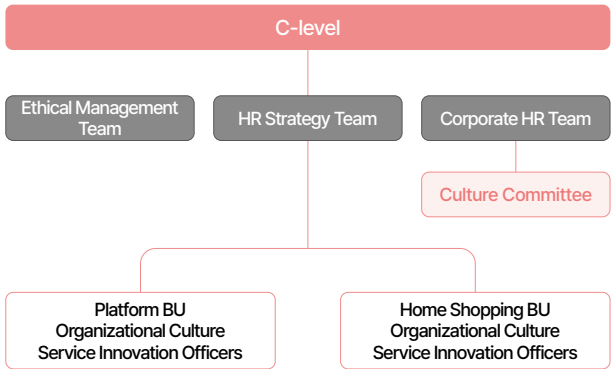
Target Groups	Participants	Results
Supervisors	536	Approximately 4% increase in GS Way awareness
Non-Supervisory Staff	4,038	

The Organization that Grows Together

Management System

Governance

We operate a dedicated HR Strategy Team to embed our values and work practices among all employees and foster a healthy organizational culture. To achieve this, we operate a specialized team known as the Organizational Culture Service Team. In particular, within our convenience store and supermarket business units, we have designated organizational culture innovation officers affiliated with each business unit head (executive level). These officers focus on spreading company values, facilitating employee communication, fostering pride, and evaluating and enhancing organizational practices, ensuring feedback from the field reaches our management.



Culture Committee

We run Culture Committees to enhance organizational culture and work practices. Focusing on five key areas - work methods, work environment improvements, communication between sales and support, leveraging synergies between new and experienced employees, and bridging generational gaps - committees within the organization follow a three-step process: 1) Propose, 2) Test, and 3) Implement. This framework empowers employees to drive transformation within the company.

Culture Committees

- Convenience Store Committee
- Supermarket Committee
- Home Shopping Committee
- Support Departments Committee

Organizational Culture Establishment

GS Value & GS Way

Core Values Internalization

We are focused on embedding and implementing our distinct values, known as GS Value, and our operational methodologies, branded as GS Way, among all employees, to realize our management philosophy and vision.

GS Value



GS Way

- 1 Customer First
- 2 Leading Trends
- 3 Aiming for the Best
- 4 Making Data-Driven Decisions
- 5 Conducting Swift Judgments and Executions
- 6 Implementing Active Communication and Collaboration
- 7 Improving Inefficiencies
- 8 Staying True to Basics

Organizational Culture Assessment

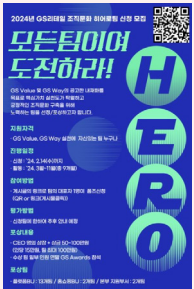
In 2024, we carried out a company-wide organizational culture assessment aimed at fostering a healthy work environment, involving both employees and supermarket store managers. The findings revealed that employees perceive the strengths of our organizational culture to be rooted in 'integrity management,' 'respect and consideration,' 'customer-first approach,' 'positive atmosphere,' and 'strong execution,' all based on GS Value and GS Way. Additionally, we identified a desire among employees for growth at both individual and organizational levels through their work. To address this, programs like 'Organizational Culture Hero Team' were implemented, allowing employees to naturally experience growth during their work processes.

Organizational Culture Hero Team

To strengthen the internalization of core values (GS Value & GS Way), we planned and operated the "2024 GS Retail Organizational Culture Hero Team" program at a company-wide level. This program ran from March to November 2024, spanning nine months, and targeted all interested teams within the company. It involved evaluating the level of practice of GS Value and GS Way and the completeness of missions, with rewards given to selected teams.

The practice level was assessed through surveys that included the "Leader Commitment to Action" pledge, evaluations of GS Value/Way practices, and peer assessments among employees, aiming to highlight adherence to core values. Mission completeness was evaluated based on scores from team projects centered on GS Value and participation in GS Way lectures. As a result, 17 teams received awards, demonstrating the outcomes of core value internalization.

We plan to continue developing programs that encourage all employees to voluntarily embody the company's core values.



Total Participating Departments
165teams

Reward Recipient Rate
10.3%

The Organization that Grows Together

Organizational Culture Establishment

Welfare Program

We run a range of benefits programs designed to improve the quality of life for employees and help them achieve a work-life balance. With the "GS Retail Well-being System," we deliver delivers top-tier welfare services in areas such as celebrations, rewards, parental support, and professional development.

Classification	Program	Description
ENGAGEMENT	Psychological Counseling Support	Provide psychological, legal, tax, financial, and coaching counseling services for employees and their spouses, children, and parents.
	Long-term Service Awards	Operate a reward program for employees who have demonstrated long-term commitment to the company.
	Employee Discount Program	Offer discounts of up to 25% at GS SHOP and GS THE FRESH for employees.
	Celebratory Gifts and Benefits	Provide welfare points for the New Year and Chuseok, along with congratulatory gifts and bonuses for childbirth.
LEISURE	Sports Ticket Support	Provide tickets to attend FC Seoul soccer matches, GS Caltex volleyball games, and LG Twins baseball games.
	GROW-UP DAY Program	Offer a summer leave program to support employee self-development and well-being.
	Recreational Facilities	Facilitate access to recreational facilities free of charge or at a discounted rate year-round.
	Club Activity Support	Provide financial support for informal employee clubs that foster community and engagement.
LIFE	Annual Leave Compensation	A 75% leave utilization policy is in place, under which unused annual leave, up to 25% of the total, is compensated at 1.5x the regular wage.
	Children Education Expenses Assistance	Provide support for tuition and enrollment fee for employees whose children are in high school and college, both domestically and abroad, based on years of service.
	Congratulatory and Condolence Support	Offer financial support and special leave in the event of an employee's or immediate family member's marriage or death.
	Health Checkups	Provide regular health checkups for all employees and comprehensive medical examinations for employees and their spouses based on years of service.
	Personal Hardship Assistance	Offer financial support in cases of personal or family-related disasters, including home flooding, farmland damage, or fire incidents.
	Medical Expense Support	Cover medical expenses for employees and their spouses in the event of illness or accidents.
	On-site Daycare Center	Operate an on-site daycare center for employees' children.
WORK	Language Learning Support	Provide financial support for language test fees and tuition to promote self-development.
	Commuter Bus Service	Provide shuttle buses for GS Tower employees residing in Seoul and neighboring cities within the capital region.
	Graduate School Tuition Support	Support tuition fees for employees pursuing graduate degrees in job-related fields.
	Relocation Allowance	Provide financial assistance to employees assigned to work in regions where they have no family or personal ties.
	Certification Support	Cover the cost of study materials and exam fees for job-related certifications.

Family-friendly system

We operate a family-friendly system to create employees' stable work and life balance. We have obtained a family-friendly company certification, in recognition of the excellence of our system.

Family-friendly system

Item	Family-friendly system
Childcare expenses support	Reimburse childcare and kindergarten fee
Medical expenses support	Provide spouse's medical expense
Maternity support	Provide extra benefits for employees with multiple children
Leave benefit	Offer parental leave
Purni Daycare Center	Operate an on-site daycare center



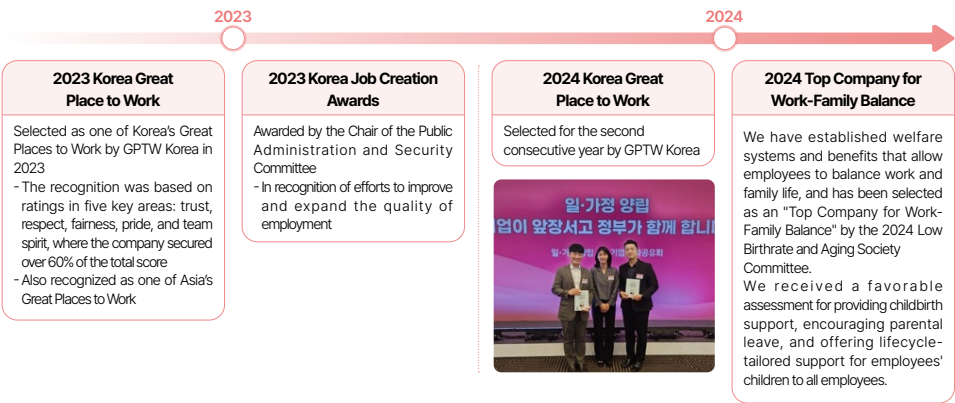
On-site Daycare Center



Provision of Kits for Children Entering Elementary School

Top Company for Work-Family Balance

As a leading company in work-life balance, we recognize the importance of creating quality jobs and maintaining a balance between work and personal life for all employees. Looking ahead, we plan to actively promote a healthy organizational culture that ensures employee happiness.



Human Right

Management System

Governance

We are committed to human rights management, with HR Strategy Team at the forefront. This team leads efforts to establish a human rights framework, including conducting human rights impact assessments. Additionally, the HR department collaborates with related divisions and engages in communication with leaders to promote these initiatives.



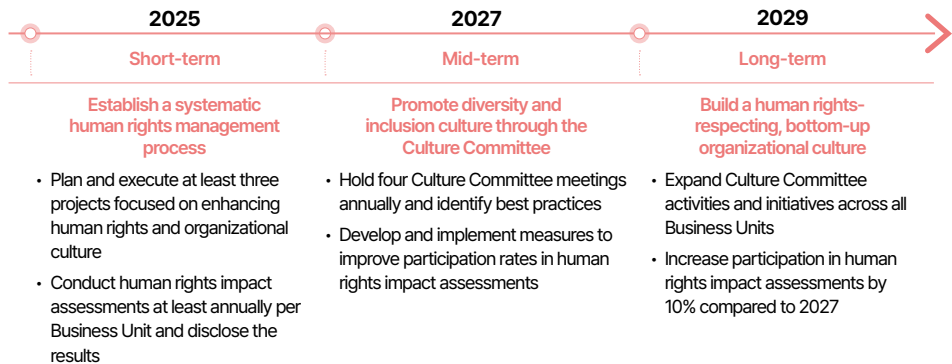
Human Rights Management Policy

We have established a human rights management policy to ensure the value and dignity of all stakeholders involved in our management activities and to create an environment where employees can work with respect. We are committed to addressing any related issues that may arise during our business operations, while adhering to the Universal Declaration of Human Rights, the Ten Principles of the UN Global Compact (UNGC), and global labor and human rights standards and guidelines.

 Human Rights Management Policy

Mid-to-long Term Goal

We operate mid to long-term human rights-related goals and strive to establish a human rights management culture within the organization.



Human Rights Greivance Handling Process

We have set up channels to gather feedback on human rights issues from both internal and external stakeholders and developed a grievance handling process. Employees are mandated to report incidents that violate organizational values or policies, and once a report is received, swift action, like separation measures (separating those involved), is taken to confirm facts and prevent further harm.

For instances of workplace harassment or sexual misconduct, the situation is immediately reported to the CEO and relayed to the crisis response team. Following this, the Ethics Committee implements disciplinary measures or strategies to prevent recurrence. We also promote prevention through training for new hires, seasoned staff, and new leaders, along with obtaining yearly pledges from leaders to commit to these standards.

Channels to Address Human Rights by Internal and External Stakeholder

Classification	Communication channel			
Employees	• Talk to the CEO	• Voice of Integrity Management	• Red Whistle	• Organizational culture manager for each BU
Customers	• Talk to the CEO	• Customer Meeting	• Voice of customers	
Franchisees	• Franchisee Council	• Dispute Mediation	• Development committee	
Partners	• Partner Meeting • Partner advisor	• Ethical Management Hotline	• Voice of suppliers	• Red Whistle

2024 Talk to the CEO Cases



Partners	0.8%	Retirees	2.5%
Anonymous	1.3%	Employees	9.3%
Franchisees	0.8%	Customers	85.4%

(Unit: %)



Human Rights Training

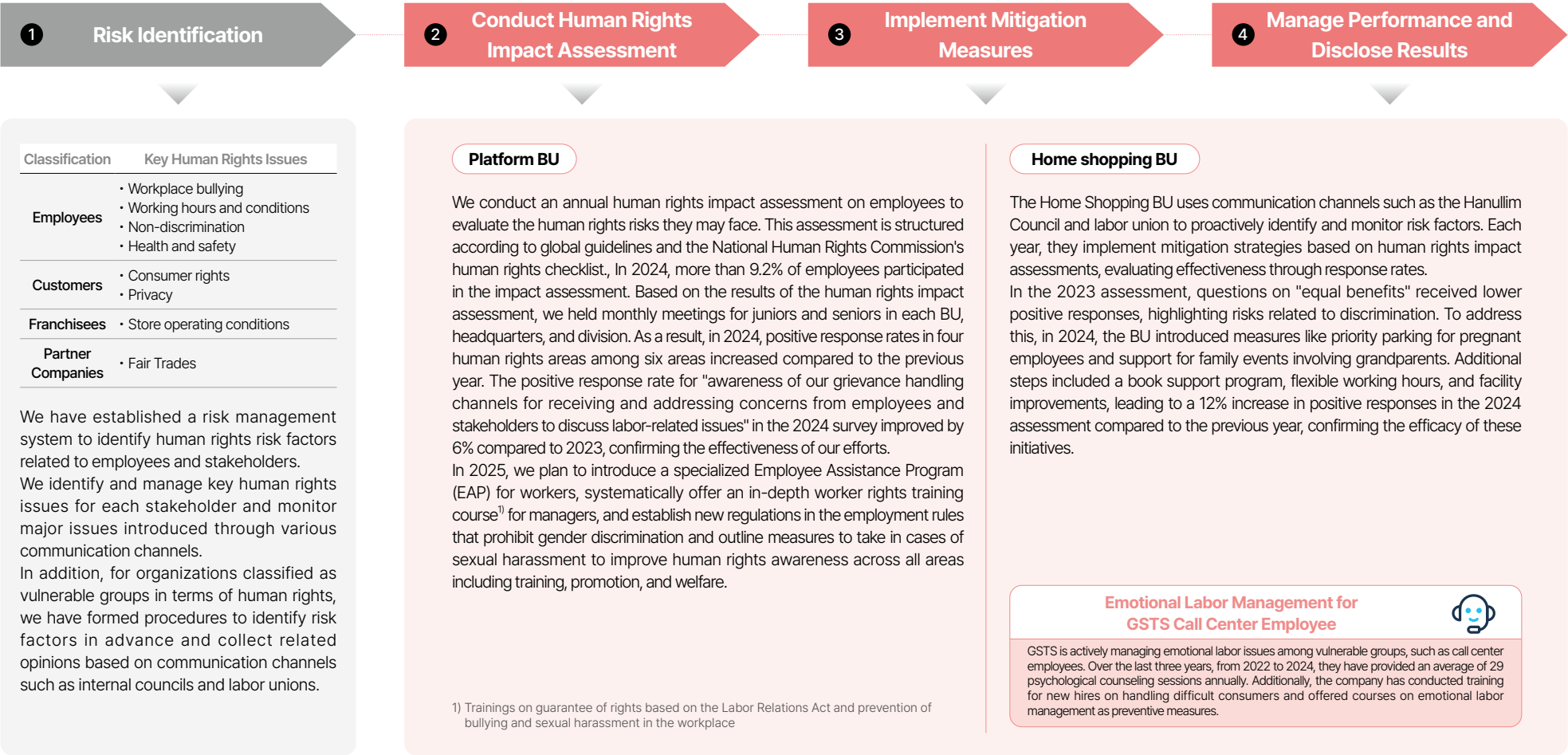
We diligently provide mandatory training in areas like sexual harassment prevention and disability awareness. We are committed to nurturing a culture of diversity, equity, and inclusion through DEI training. In 2024, we enabled 1,189 employees, including managers and team leaders, to participate in diverse DEI-focused learning opportunities, including online courses, special talks, and ZX Link sessions centered on human rights. These initiatives highlighted the importance of DEI principles and the need to foster an inclusive culture company-wide. Looking ahead, we plan to roll out programs and events designed to encourage meaningful behavior change and weave these values throughout our organizational culture.

Human Right

Human Right Risk Management

Management Process

We operate processes to effectively manage human rights risks for stakeholders, including our employees. Each year, we establish a process to prevent potential human rights risks, which includes identifying risks, implementing mitigation measures, conducting human rights impact assessments, managing performance, and disclosing results.

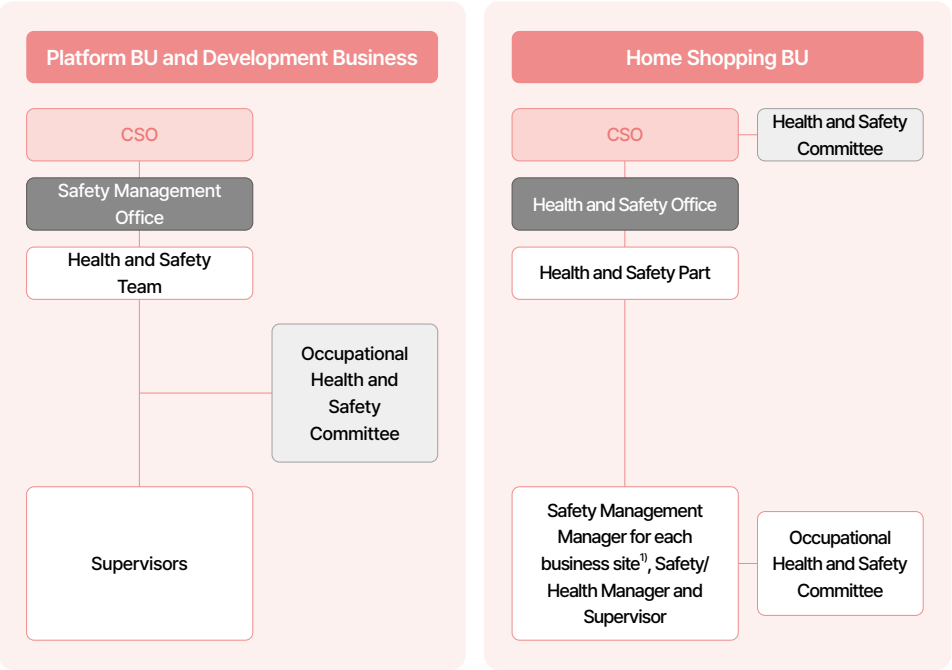


Safe Workplace

Management System

Governance

We appointed a Chief Safety Officer (CSO) to oversee company-wide health and safety and operate a dedicated organization for each business unit (BU) directly under the CSO. Within Platform BU, the Safety Management Office serves as a control tower that oversees health and safety management tasks and operates a health and safety team. Furthermore, we strive to create a safe working environment by appointing a health and safety manager for each business site. Meanwhile, the Home Shopping BU manages safety and health tasks through Safety and Health Department, where specific managers are responsible for day-to-day operations at each location.



1) Gangseo Tower, N Tower, Gunpo Logistics Center, Icheon Logistics Center

Health and Safety Management Policy

We actively pursue health and safety management policies to improve the quality of life for all our members and citizens.

[+ Health and Safety Management Policy](#)

1

We comply with the Occupational Safety and Health Act, the Health and Safety Management Regulations, and other related laws and regulations.

2

We strive to achieve the highest level of safety-focused management commitment and performance.

3

We recognize health and safety as a component of management, providing necessary resources and technology, and continuously carrying out health and safety activities.

4

We actively incorporate the participation and opinions of our members and citizens, and continuously inspects and eliminates hazardous and risk factors such as unsafe behaviors and environments at our business sites to prevent accidents and disasters.

5

We annually verify compliance with health and safety-related regulations at our business sites and allocates and executes the necessary personnel and budget accordingly.

6

All members of us actively participate in preventing serious industrial accidents by complying with the headquarters' health and safety activity plans and related manuals.

Mid-to-long Term Goal

We are committed to continually enhancing our safety management system to foster a safe working environment and culture while preventing accidents and disasters.



Safe Workplace


Creating a Safe Working Environment

Health and Safety Management Evaluation

We develop a health and safety plan every year and report it to the board. We aim to strengthen our role by linking health and safety management indicators to the KPIs of organizational managers and achieving 100% improvement on immediate needs derived from risk assessments.


1

Safety Plan




2

Occupational safety management



3

Safety Inspection



• Report the 2023 health and safety plan to the board

• Prevent accidents through focused management on vulnerable safety areas

• Spread a safety culture through participation and information sharing

➔

• Hold an Occupational Health and Safety Committee (quarterly)

• Listen to health and safety opinions and implement improvements

• Evaluate to prevent occupational accidents at construction sites of partners

➔

• Improve safety inspection and risk factors at franchises

• Conduct safety check at convenience stores, supermarkets, construction sites, and logistics centers

• Review and report Serious Accident Punishment Act obligations

Focused management on vulnerable areas of safety

We plan an annual process to identify and manage vulnerabilities in stores where safety incidents have occurred. To prevent recurrence, we regularly assess risks at key stores and assists in drafting prevention plans. It checks each store for hazardous elements and implements suitable improvement activities to prevent accidents. Similarly, the Home Shopping BU proactively manages vulnerable areas through safety planning. In 2024, kitchen areas in daycares and studio facilities were equipped with 'automatic kitchen fire suppression systems' to establish essential firefighting infrastructure. Planning is underway to install similar systems in employee cafeterias within Gangseo and N Tower in 2025.

Status of Committee Meeting Convened

Classification	Platform BU	Home Shopping BU
Number of meetings held	4	4
Number of agenda items	12	11
Number of approved items	12	11
Major agenda for 2024	<div><div>• Implementing measures to prevent weather-related and winter accidents</div><div>• Assisting in preventing repeat incidents at locations with prior industrial accidents</div><div>• Disseminating lessons learned from safety incident case studies</div><div>• Listening to and consider feedback from workers</div><div>• Distributing valuable safety and health information</div></div>	

Hold an Occupational Health and Safety Committee

The Occupational Health and Safety Committee consists of six management representatives and six employee representatives, meeting quarterly to discuss and make decisions on safety and health matters. Additionally, to enhance safety and health measures, the Home Shopping BU has established a dedicated Safety and Health Committee, led by the CSO, which includes all relevant safety and health personnel.

Regular Safety Inspections for Business Sites

Dedicated safety and health teams at each site and company-wide carry out routine safety inspections to protect employee well-being.

Safety Inspection

Classification	Description	Frequency
Convenience Stores & Supermarkets	• Safety reviews at all company-owned and franchised locations	Yearly
	• Inspections led by supermarket sales managers	Monthly
	• Safety checks at convenience stores, supermarkets, and construction sites	Upon opening
	• Accident prevention assessments	When occurring
	• Evaluations of hazardous risks and their mitigation	Semi - annually
Home shopping	• Annual safety assessments at leased business sites	Yearly
	• Annual risk evaluations	Yearly
	• Theme-based safety audits	Monthly
	• Checks on AED devices	Monthly
	• Inspection tours by contract-based business owners	Weekly
	• Collaborative safety reviews with contractors	Quarterly

2024 GS Retail
Sustainability Report

Safe Workplace

Creating a Safe Working Environment

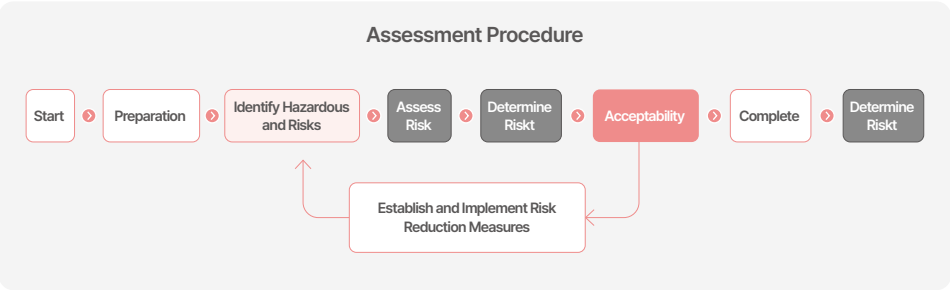
Health and Safety Management Evaluation

4 Risk Assessment

- Prepare risk assessment procedure
- Educate and implement risk assessment for directly-managed stores

Regular Risk Assessments

We conduct activities to identify and improve hazardous and risk factors annually at each business site. We identify risks by comprehensively considering the likelihood of occurrence and the severity of the issues. In particular, we conduct risk assessments at each business site, such as stores and logistics centers, to identify key risk factors specific to each site, and focus on protecting employees' health and safety by establishing safety measures and preventive strategies.



2024 Risk Assessment Results

Classification	Details
Home Shopping	<ul style="list-style-type: none">• Conducted risk assessments for Gangseo Tower, N Tower, Gunpo and Icheon Logistics Center• Completed improvement for 19 identified risk factors
Convenience Stores and Supermarkets	<ul style="list-style-type: none">• Assessed and improved risks that may arise during the management processes of storage, transportation, and store management for 150 stores



Case ❶

At a particular site, the risk of "getting caught in a roll container" during unloading was identified as a level 12 hazard. In response, a two-person team process was implemented for handling goods, and associated safety training was provided, reducing the risk to level 3.

Case ❷

At a particular site, a high-level fire risk from fryer oil overheating was identified. To mitigate this, measures were put in place to maintain minimum oil levels, accompanied by routine and continual fire safety training, effectively reducing the risk to its lowest potential level.

: Acceptable Risk Levels

Likelihood		Materiality			
		Max	High	Medium	Low Level
	Level	4	3	2	1
Highest	5	20	15	10	5
High	4	16	12	8	4
Medium	3	12	After Controls →		3
Low	2	8	6	4	2
Lowest	1	4	3	2	1

Safe Workplace

Creating a Safe Working Environment

Health and Safety Management Evaluation

5 Safety Training



- Conduct regular safety and health training for workers (12 hours/6 months)
- Conduct health and safety training for supervisors (16 hours/year)
- Conduct health and safety training for new hires (8 hours)

Regular Health and Safety Training

We conducted regular safety and health training semi-annually, and recorded a 100% completion rate in 2024. In addition, based on collaboration with the K-EPR Center, we conducted emergency treatment (such as CPR) training for employees and partners. Additionally, VR equipment was used at logistics centers to train staff in operational readiness and checks. Moving forward, we intend to continue fostering safety awareness through initiatives such as training programs aimed at preventing major industrial accidents.

Regular Health and Safety Training Status¹⁾

Classification	2022	2023	2024
Completion Rate (%)	100	100	100

1) For workers (training provided to office workers, non-office workers, and management supervisors at the workplace)



6 Other Activities



- Conduct safety management evaluation for organization managers
- Post safety promotional materials, health and safety campaigns, value sharing notes
- Conduct safety training for accident prevention for new employees

Responding to Safety Accidents

We have developed and operated an environmental and safety incident response manual to establish a systematic process for handling and managing incidents. In the event of an incident, such as a fire, storm, chemical spill, food safety issue, or customer safety concern, it is promptly reported to a supervisor. The scale of the incident is assessed based on internal criteria, including human casualties, property damage, and social impact. If necessary, a response team is formed to effectively manage the situation.

Response Process



Responding to Serious Accidents

In the event of a fire, fatality, or injury, we activate and implement our major incident response system. We prioritize emergency measures and rescue operations. Supervisors and the relevant departments then handle the situation according to specific initial response guidelines for each type of incident and subsequently develop preventive measures to avoid recurrence.

Major Accident Response Process



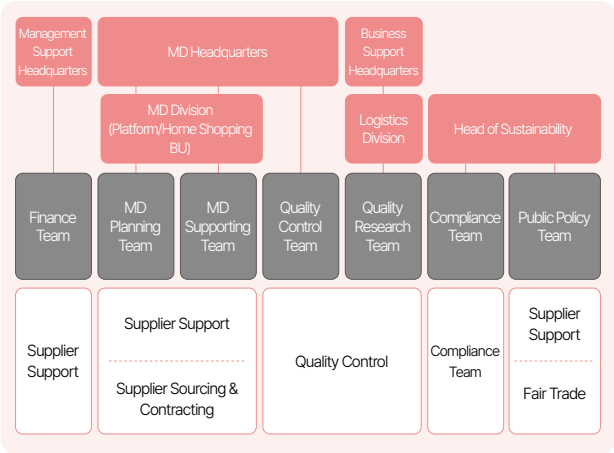
Sustainable Supply Chain

Management System

Governance

We build relationships with a diverse range of partners across our supply chain. To manage risks and seize opportunities within the supply chain, We have established a governance framework that is systematically operated. During partner selection, relevant departments are involved in the selection and evaluation processes, ensuring a comprehensive approach. Specific business units engage in the selection and evaluation procedures, establishing quality management and support activities while continuously monitoring fair trade practices to ensure a sustainable supply chain.

Looking ahead, we plan to enhance our partner management and monitoring systems, expanding support and fostering continuous mutual growth and prosperity with our partners.



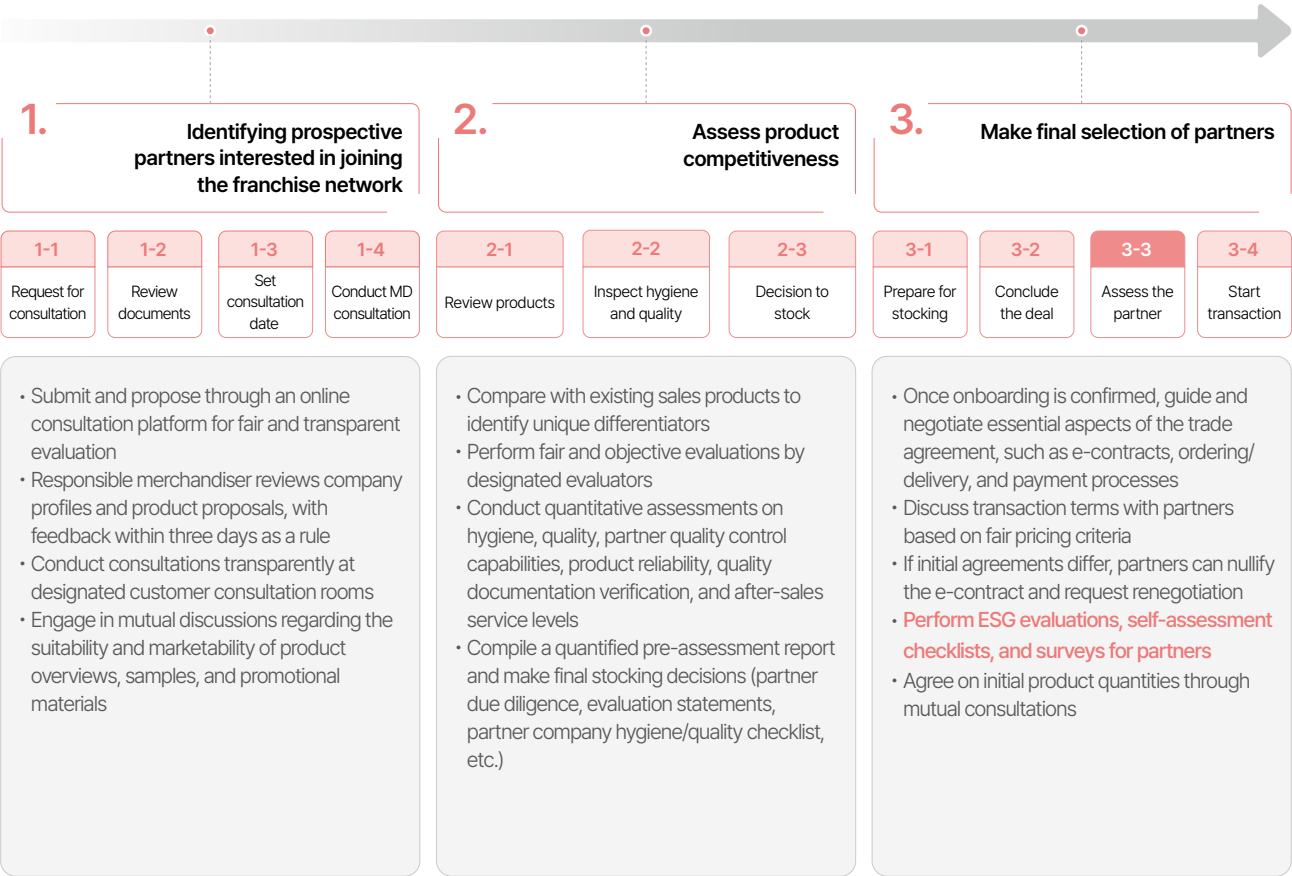
Sustainable Supply Chain Policy

We have established and implemented a Supply Chain Sustainability Management Policy to enhance ESG capabilities and competitiveness across our supply chain, while managing sustainability-related risks and opportunities. When entering into contracts with partners, we encourage compliance with our Partner Code of Conduct and require the submission of an Ethics Compliance Pledge to ensure fulfillment of social responsibilities.

 Sustainable Supply Chain Policy

Selection Process

We ensure objectivity throughout the partner selection process by adhering to the procedures of the Compliance Program, thereby enhancing the fairness of transactions. When identifying potential partner companies, prioritizing a fair and transparent evaluation is the foremost principle. To support partners in committing to sustainable management, we provide new partners with a 'self ESG evaluation checklist.' Additionally, strict criteria are applied throughout the final selection process to ensure the provision of safe products to consumers, contributing to supply chain sustainability.



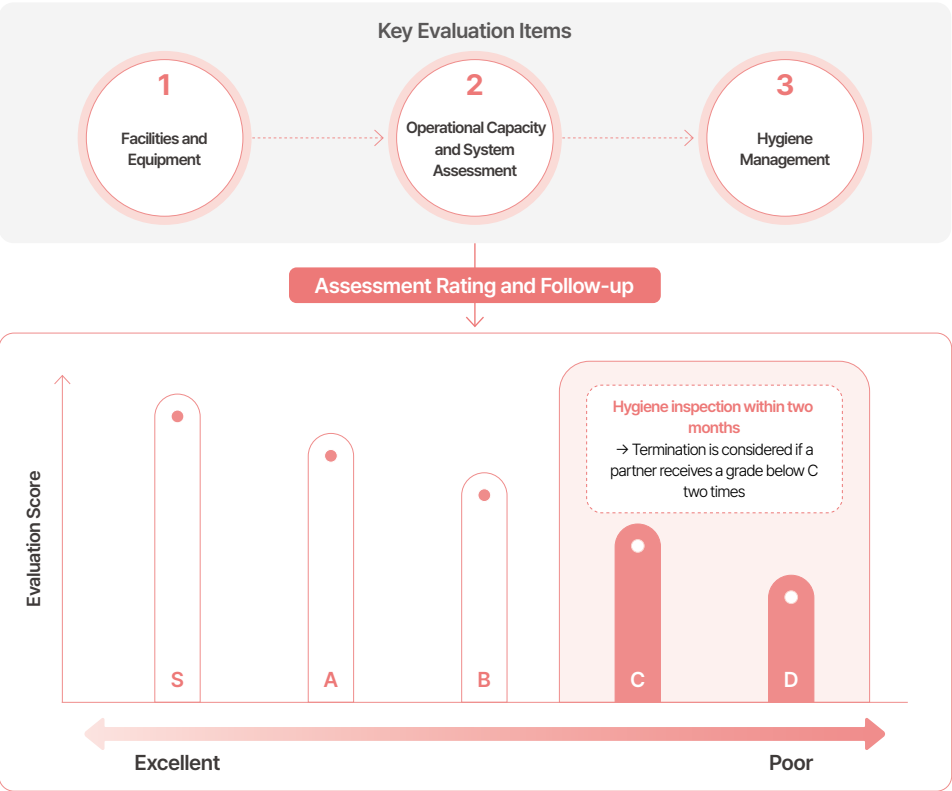
Sustainable Supply Chain

Supply Chain Management

Partner Assessment

We carry out annual checks on both current and prospective suppliers for compliance with hygiene standards and HACCP certification. In 2024, 159 companies underwent audits, with seven identified for necessary improvements. Six of these made corrections based on feedback, while one failed to respond and was subsequently dropped from the partnership. we are committed to maintaining robust evaluation processes to ensure a sustainable supply chain.

Partner Company Rating



ESG Assessment

We use self-assessment checklists and ESG evaluations to gauge partners' ESG practices and mitigate risks. Contracts must include an ESG checklist or evaluation survey. Suppliers are also required to submit these checklists annually. These surveys cover four key areas: environment, health and safety, labor and human rights, and ethics, allowing partners to assess their ESG standing regularly. In 2024, the Home Shopping BU reviewed ESG compliance for 1,540 out of 1,603 new partners, or roughly 96%. The Platform BU also initiated ESG evaluations for all new partners that year, with 338 completing their assessments. Partners with lower ESG ratings need department head approval to proceed with onboarding, while those with high ESG standards receive recognition and rewards, including cash prizes and trophies, as outstanding partners each year.

ESG Self-Checklist Items

Classification		Description
Environment	Operating system	Operation of Environmental Management Department
	Performance	Instances of violations in environmental law
Health and Safety	Policy	safety training to prevent accidents
	Operating system	safety assessments and emergency manuals
Labor and Human Rights	Policy	Compliance laws on rest days, contracts, anti-discrimination, maternity protection, and minimum wages
	Performance	Monitoring legal violations and ensuring no instances of child labor
Code of Ethics	Policy	Implementation of procedures and penalties for unethical actions, prohibition of bribery and corruption, establishment of guidelines for gift acceptance
	Performance	Instances of violations regarding ethical standards laws

Sustainable Supply Chain

Shared Growth

Shared Growth Philosophy

As Korea's sole comprehensive retail company, we are committed to the vision of "Together with Partners" for mutual growth. We focus on key initiatives that promote the development of various stakeholders, including small and medium-sized enterprises, suppliers, and franchisees, within our value chain.

We support partners in enhancing their product quality and achieving certifications, empowering them to play an integral role in our distribution competitiveness and fostering a cycle of shared growth. Looking ahead, we aim to spearhead the creation of a healthy business ecosystem, cultivate a collaborative culture, and fulfill our corporate social responsibilities.



Communication System

We lead industry advancement across various distribution sectors, including convenience stores, supermarkets, and home shopping. This progress has been achieved not through the efforts of GS Retail alone, but through the dedication of franchisees, small and medium-sized enterprises, and small business owners who make up the broader business ecosystem. To achieve sustainable development alongside these stakeholders, we have been actively engaging in collaborative growth activities tailored to the unique characteristics of each business area.

Classification	Description
Partner Meetings	Deliberate and collaborate on product policy strategies aligned with specific timing and industry context.
Partner Advisory Committee	Appoint advisory members (partner representatives) to gather and address concerns.
Partner Awards Ceremony	Recognize and award outstanding partner companies.
Listening Tour	Visit partner companies to hear complaints, suggestions, and issues, followed by investigation and system improvements.
Voice of Partners	Operate an anonymous channel for partners to report concerns and submit improvement proposals.
Red Whistle	Collect feedback and reports from partners through a communication channel free of conflicts of interest.

Grievance Handling Status

We are committed to listening to diverse opinions, including human rights-related grievances from partner companies, and integrating them into overall management practices. In 2024, through the "Voice of Partners" channel, a total of 46 grievances from partner companies were identified and successfully resolved, achieving a 100% completion rate.

Classification	2022	2023	2024
Number of Cases	52	57	46
Resolution Rate	100	100	100

'Excellent' and 'Outstanding' Ratings in Win-win index



Our GS25 and GS Shop have been recognized with 'Outstanding' and 'Excellent' ratings, respectively, in the win-win index assessment conducted by the Korea Commission for Corporate Partnership. This index evaluates and quantifies the level of collaborative growth between large and small enterprises to encourage mutual advancement.

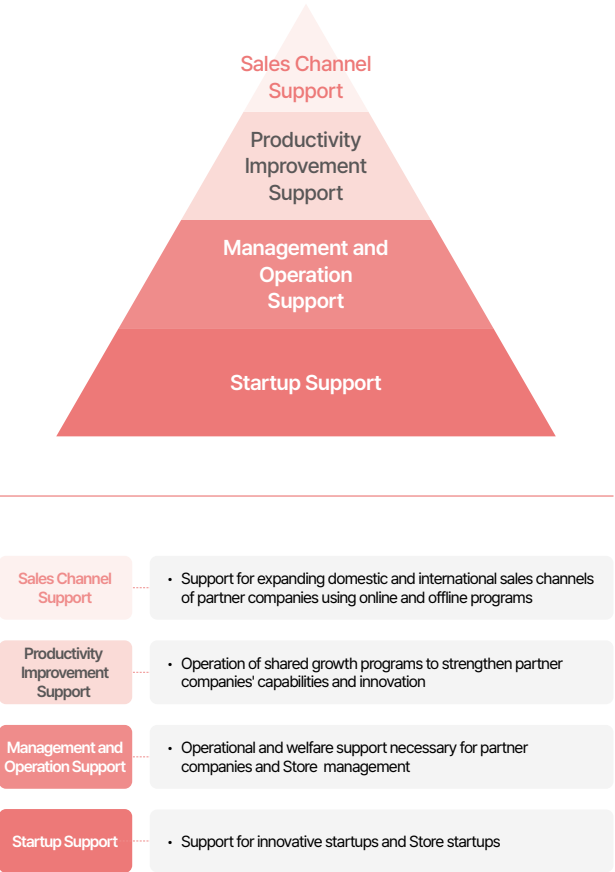
We achieved this high rating by implementing win-win initiatives like expanding incentive programs to enhance franchisees' profitability, increasing inventory handling limits, providing store operation support funds, and supplying childbirth products. GS Shop's recognition reflects our efforts in supporting market access for small and medium enterprises, promoting entrepreneurship and commercialization for social ventures and small business owners, and assisting partners with ESG activities, all aimed at enhancing collaborative growth and productivity.

Sustainable Supply Chain

Shared Growth

Support Business for Partners

We spearhead various partners across a variety of distribution fields, such as store owners, small and medium enterprises, and small business owners who are vital members of the business landscape. To achieve sustainable development with these partners, we are committed to ongoing collaborative growth activities, leveraging the unique characteristics of each business area.



Partner Support Programs

We offer a range of programs designed to foster mutual growth with partners, including support for market expansion, productivity improvements, business operations, and entrepreneurship. By providing both financial and non-financial assistance, we are dedicated to promoting sustainable growth with our partners.

Support Initiatives	Program	Description
Market Access Support	case ① Free Broadcasting Program	Providing free broadcasting support for small partners and social economy enterprises
	Export Support	Conducting joint export consultation meetings and overseas JV collaboration broadcasts for outstanding SMEs
	SME/Small Business Online Promotions	Operating and supporting broadcasts through online platforms dedicated to SMEs and small businesses
Productivity Enhancement Support	Joint Growth Seminar	Providing training to enhance partner skills
	ESG Training for Partner Employees	Offering foundational ESG courses ("Essential ESG Knowledge," "Understanding ESG at a Glance") and more
	Quality Expert Development	Training with partners based on collected key customer VOCs, addressing potential product issues, root cause solutions, basic legal requirements, and industry trends
	case ② Proficiency Testing and Training	<ul style="list-style-type: none">Providing training on microbiology theory/analysis experiments, pathogen evaluation, etc.Conducting Physicochemical testing, reviews legal matters
	Labeling Training	Providing training on labeling requirements and assists with product review support
	Safety/Freshness/Hygiene Training	<ul style="list-style-type: none">Supporting training on Food Sanitation Law and Country of Origin Management LawConducting preliminary hygiene assessments, identifies improvement/coaching matters, and supports consultingOffering post-support to delivery partners
		Conducting employee training ¹⁾ for partners
	HACCP Certification	Supporting technical documentation and improvement verification related to HACCP compliance for FF factories and partners
	case ③ ISO and Environmental Certification	Provides training, consulting, and financial support to help collaboration and partner firms obtain ISO and eco-label certifications
	CCM Certification	Aiding SMEs in acquiring CCM certification
Management and Operational Support	Smart Learning	Delivering ESG, skill development, and other training for partner employees
	Innovation Partnership	Providing consulting and support for building smart factories, facilities, and systems for partners
	Mutual Growth Fund	Providing low-interest business loans to small partners and collaborators
	Commission Payback	Making rebate part of commissions for underperforming broadcast sales items based on quarterly standards
	Early Payment for Holidays	Offering early payment of goods prices and settlement twice a year during holidays
	Inspection Fee Discounts	<ul style="list-style-type: none">Based on MOUs with five major inspection agenciesReimbursing testing costs for clothing, textiles, cosmetics, and everyday chemicals
Entrepreneurship Support	case ④ Operation Support	Supporting store operations for supermarket and convenience store managers
	Insert Shot Production Support	Providing video production consulting and funding for small businesses entering home shopping
	Open Innovation Program	Identifying and nurturing promising startups in the retail sector
	Youth Entrepreneurship Support Program	Providing startup funding to young prospective franchisees
	Eco-Social Impact	Supporting the entrepreneurship/commercialization of social ventures and small businesses in sustainable environmental manufacturing field

1) Employee training conducted among partner organizations

Sustainable Supply Chain

Shared Growth

Support Business for Partners

Free Broadcasting Program

We run various mutual growth programs, such as the "I Love SMEs" initiative on GS SHOP, contributing to the expansion of domestic market access for competitive small and medium-sized partners. The program provides 30 minutes of free broadcasting daily for small businesses, SME partners, and social economy enterprises, aiding in promotion and market expansion to boost sales. In 2024, the initiative supported a total of 42 new partners, resulting in broadcast sales revenue of KRW 4.62 billion and a fee reduction of KRW 1.1 billion. Looking ahead, we plan to continue backing small partners aspiring to expand their market presence through TV home shopping, aiming for mutual growth and establishing distinctive competitive advantage.



Domestic Sales Support Partners

42 companies

Effect¹⁾

Approximately KRW 1.1 billion

1) Difference between SME fees and free broadcasting fees

ISO and Eco-label Certification

We manage a mutual growth fund to promote progress with small partners. In 2024, three partners earned eco-label certification and low-carbon certifications for eight products. We aid partners early in the ISO certification process by providing consulting to develop tailored strategies, fostering their success in achieving certifications like EPD. In 2024, we notably backed certification efforts for store items like tissues and bandages. Looking ahead, we plan to keep supporting partners in securing certifications to drive mutual growth.

Partners Supported for Eco-label Certification

3 companies

Number of Supported Products

8 products

Proficiency Testing and Training

Microbial Proficiency

We are committed to enhancing skills by offering ongoing microbiology theory and practice training, along with physicochemical proficiency testing, for inspection staff at both subsidiary and partner factories. Following group training on microbiology proficiency assessments, evaluations are conducted, and retraining is provided for any factories that do not meet the standards. For the two factories that did not score 100 points in 2024, we plan to enhance their capabilities by providing additional microbiology training in the first half of 2025.

2024 Evaluation Result

98.5 points

2025 Evaluation Target

100 points

Physicochemical Proficiency

To ensure objective taste evaluation and reduce analysis discrepancies, establishing systematic physicochemical standards is essential. We perform monthly tests and proficiency assessments, with retraining provided for factories that fall short. We aim to strengthen the capabilities of our partners and the FF factories by conducting equipment inspection and calibration, as well as providing retraining for the one plant that received a nonconformity assessment in 2024.

2024 Evaluation Pass Rate

87.5%

2025 Evaluation Target Rate

100%

Sustainable Supply Chain

Shared Growth

Support Business for Partners

Franchisee Support

Convenience Store

Classification	Program	Description	Note
Promotion Expense	G-ESPA	Offering support in enhancing store profitability through analysis of business areas and customer demographics	Financial Assistance
	Inventory Management Support for New Stores	Providing support for initial inventory management for newly opened or transferred stores	
	Incentive Program	Offering incentives to boost store competitiveness and profitability	
Store Insurance	Mandatory Coverage	Property, Cash Theft	Covered by Headquarters
		Liability Insurance	Covered by Franchisee
	Optional Coverage	Building Fire, Personal Property, Embezzlement, Fire Liability, Outdoor Theft	Covered by Franchisee
		Embezzlement, Personal Injury Assurance, Package Theft, Phone Scam	Covered by Headquarters
Other Benefits and Support	Store Awards	Recognizing and financially support long-term and outstanding Stores	Financial Support
	Disaster Relief Compensation	Financial assistance for damages due to natural disasters	
	Birth Gifts for Franchisees	Providing items worth KRW 70,000 per childbirth	
	GS Hero Awards	Selecting and presenting an award to store owners and managers who serve as social role models	Non-financial Support
	Event Support	Providing leave, monetary gifts, and operational support funds for personal events	
	Consultation Services	Offering legal and labor-related advisory services	
	Recruitment Platform Service	Providing a hiring platform for store managers	
	Remote Management App	Mobile app for managing unmanned convenience stores	
	Product Exhibition	Introducing new products and explain consumer trends	
	Store Communication Channel	Operating communication channels for convenience store Store owners	

GS Hero Awards

The GS Hero Awards aim to recognize and encourage franchisees and store managers who perform commendable actions such as rescuing people, extinguishing fires, and engaging in community service, thereby spreading positive societal impacts. In August 2024, our franchisee, Kim quickly discovered a customer who had lost consciousness in the store and performed CPR, securing the customer's safe transport to the hospital. To honor such praiseworthy deeds, we present awards like the "Role Model Award," "Exemplary Award," and "Service Award," leading efforts to spread positive influence.



"Knowing how to perform CPR through safety training was helpful."
- Franchisee Kim OO -

Supermarket

Classification	Program	Description	Note
Ordering/Sales	Sales Vitalization	Supporting for fresh produce discounts up to KRW 2 million	Financial Support
	Cooking Operation Support	Providing support funds up to 13% of sales for in-store cooking activities	Financial Support
	FF Ordering/Waste Support	Assist with ordering FF products proposed by headquarters and support for disposal of issue products	Financial Support
Stabilization	Disposal Support for New/ Transferred Stores	• Providing disposal support to facilitate early stabilization of new stores • Fresh Products: 50% support for 7 days, Refrigerated/Dairy Products: 50% support for 15 days	Financial Support
Inventory Disposal	Disposal of Slow-Moving Inventory	Providing support for disposing products designated by Store headquarters	Financial Support
	POG N Disposal	Offering support for disposing of POG N products due to transfers or environmental improvements	Financial Support
Operational Support	Quick Commerce Delivery	Providing subsidies for self-delivery via quick commerce	Financial Support
	Store Communication Channel	Running a communication channel for supermarket Store owners	Non-financial Support
	Legal Consultation	Offer free legal consultation services	Non-financial Support
	Celebrations and Condolences	Providing wedding congratulatory gifts and condolence payments to store owners as financial support	Financial Support
	Recruitment Platform Service	Providing a hiring platform for store manager recruitment	Non-financial Support

Franchisee Communication Channel

We run various communication channels to gather feedback on franchisees' concerns and address them effectively. This initiative aims to protect Store owners' rights and ensure their wellbeing and human rights are respected.

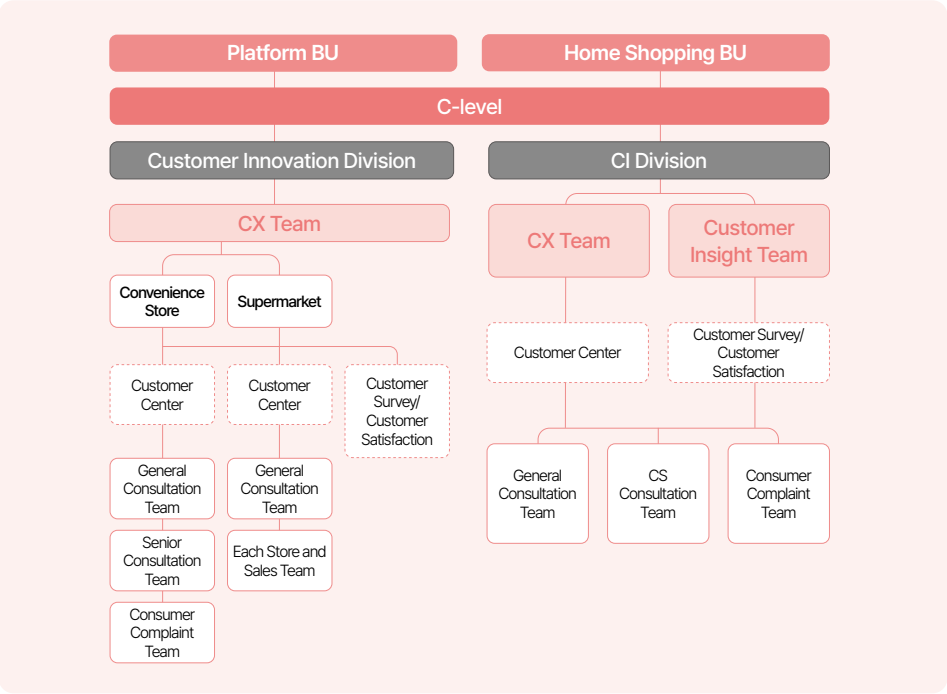
Channel	Description	Franchisee	GS Retail
Franchisee Participatory Committee	Communication channels, such as the Development Committee, where franchisees participate in management discussions	Claimed that the excessive number of kimchi products in the standard display layout provided by GS Retail led to increased disposals	
Franchisee Open Proposal	Channels for sharing Store owners' ideas	Introduced customized display standards for franchise stores and implemented separate display standards for different product categories, including refrigerated items	GS Retail
Franchisee Talk Talk	A channel for store managers to participate in contests related to store improvement ideas		
Franchisee Open Academy	A LIVE communication platform between headquarters and Store owners	Proposed store operation improvement plans related to IT systems, products, events/marketing	
Chatbot Joy	Channels for addressing urgent inquiries and VOC resolutions for convenience stores and supermarkets		
Mobile Store Management/ Franchisee App	Channels that support efficient store operations and smooth communication	Reviewed a total of 3,000 proposals for consideration and potential implementation	GS Retail

Customer Satisfaction Management

Management System

Governance

We have appointed a Chief Relationship Officer (CRO) to lead customer satisfaction management and have operated dedicated customer-focused teams within each business unit. In 2025, we further enhanced our efforts to improve customer experience by establishing the Customer Innovation Division within the Platform Business Unit (PBU).



Consumer Rights Protection Policy

We have established and implemented a Consumer Rights Protection Policy to systematically manage and effectively respond to a wide range of consumer rights issues that may arise in the course of business operations by all employees.

[+ Consumer Rights Protection Policy](#)

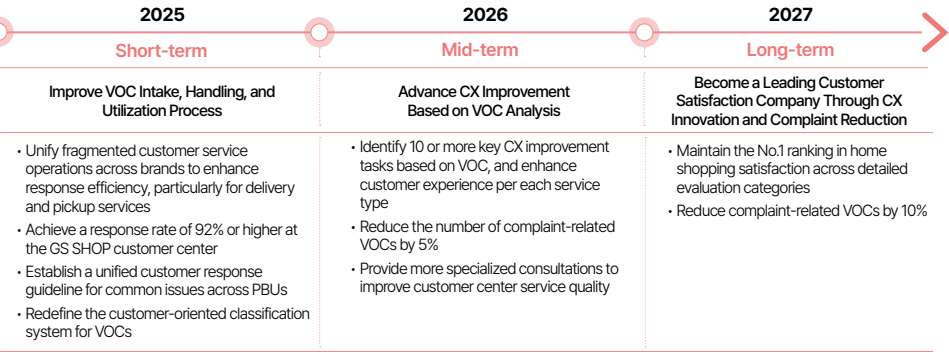
Customer Satisfaction Strategy and Goal

Operating under the customer-first principle, we aim to deliver products and services tailored to customers' perspectives and systematically enhance the overall customer experience. To support this goal, we conduct customer satisfaction surveys for each business area and actively leverage VOC data gathered through multiple channels to continuously improve the quality of our products and services.



Mid-to-long Term Plan

We continually enhance our consultation processes, quality, and chatbot scenarios to boost customer satisfaction in the inquiry/complaint VOC submission and handling process. By identifying and implementing improvement initiatives, we aim to enhance the customer experience in the long term.



Customer Satisfaction Management

Listening to Customer Feedback

VOC Management

We manage a variety of VOC communication channels to promptly address customer inquiries and issues. We also conduct systematic satisfaction surveys for customers who submit VOCs, aiming to resolve key pain points. This effort led to achieving a satisfaction score of 7.6 in 2024, surpassing the target of 7.3 by 0.3 points. Looking ahead to 2025, the Platform BU plans to implement and utilize a "VOC Insights Dashboard" that will allow employees to view customer feedback collectively. This tool is expected to help identify customer pain points and address them effectively. Additionally, the Home Shopping BU will operate a Real VOC council to not only manage the submission and resolution of VOCs but also proactively detect and prepare for potential issues in various areas to genuinely enhance the customer experience.

Communication Channels

Classification	Description
Customer Chatbot	Our GS app chatbot available for continuous customer support
Our GS	Platform for 1:1 customer inquiries through Our GS
Call Center	Operate tailored call centers for each business unit ¹⁾
Website	Manage a contact channel through the official GS Retail website

VOC Effectiveness Evaluation

GS Retail actively gathers customer feedback on products and incorporates these insights into product development and service delivery to address customers' actual needs.

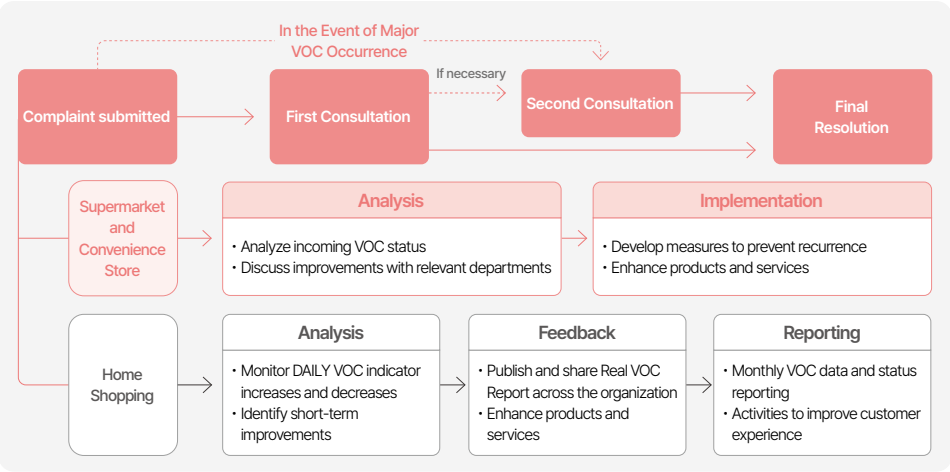
Case ① Cuisine Soy Milk Maker			Case ② Morgan Dress			
Issue	Increase in defective SR ²⁾ due to lack of usage information		Issue	Increase in return rate due to discomfort while wearing		
Improvement	Provided supplementary guidance through instructional videos and leaflets		Improvement	Conducted a review of dissatisfaction points and implemented practical solutions, such as size adjustments		
Effectiveness	Before	Decrease in SR initiation rate	After	Before	Decrease in product return rate	After
	10.2%	▼2.7%p	7.5%	41.21%	▼8.44%p	32.77%

1) GS25, GS Home Shopping, GS THE FRESH, Quick Commerce
2) Service Request: Refers to inquiries/complaints/exchange/refund requests

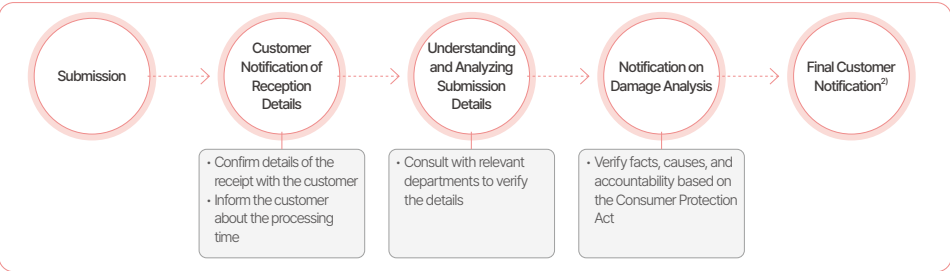
Responding to Voices of Customers (VOCs) and Customer Damage

We provide tailored consultations on VOCs that were received through various internal and external channels. If a VOC case is not resolved during the first consultation, it is immediately transferred to the appropriate personnel or dedicated team¹ following internal guidelines. Furthermore, each business unit operates a customized VOC process to address consumer complaints, establish and manage systematic procedures for damage and dispute resolution, and work to protect consumer rights.

VOC Operating Process



Damage Response Procedure



1) Supermarket/Convenience Store: CS Consultant, CS Team, Relevant Departments
Home Shopping: Consumer Support Team, CX Team, Relevant Departments
2) If we are found liable, compensation actions will be taken according to the business unit standards. If we are not found liable, efforts will be made, through persuasion and other means, to promptly resolve consumer disputes.

Customer Satisfaction Management

Achieving Customer Satisfaction

Customer Satisfaction Survey

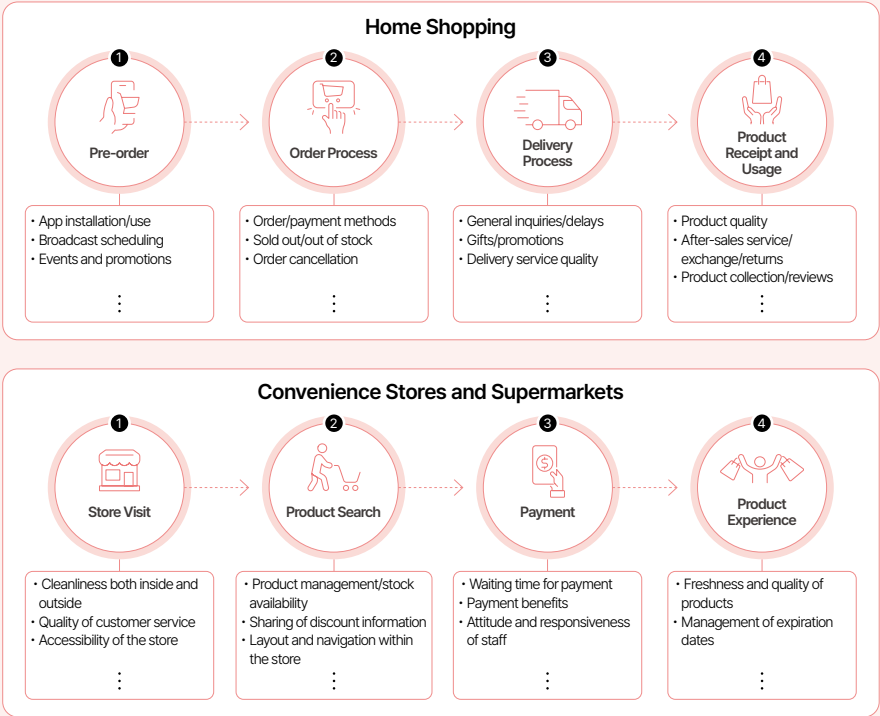
We have established a customer-focused quality management system and have striven for continuous growth and customer satisfaction through comprehensive innovation activities. The Platform Division carries out CSP (Customer Satisfaction & Preference) surveys for customers to quickly gather feedback. In 2024, we executed surveys twice a year for offline stores, promptly addressing deficiencies through on-site training. The Home Shopping Division uses advanced customer satisfaction surveys to identify areas for enhancement. Moving forward, we will focus on product differentiation, improving the ordering process, and enhancing delivery accuracy.

Satisfaction Survey and Key Results

Classification	Evaluation Method	Content	Checklist
Convenience Stores and Supermarkets	Monitoring Survey	Evaluate customer service satisfaction among purchasing customers	<ul style="list-style-type: none">• Customer service responsiveness• Internal/external cleanliness management• Management of promotional materials• Product stock availability
	Online Survey and Focus Group Interview	Study patterns of convenience store/supermarket visits	<ul style="list-style-type: none">• Changes in customer lifestyle/shopping behavior• Usage satisfaction
	Mobile Survey	CSP survey for purchasing customers, utilize Our GS app for survey	<ul style="list-style-type: none">• Feedback on new product and service launches• App usage patterns and service satisfaction
Home Shopping	Mobile Survey	Conduct a satisfaction survey led by the Customer Insight Team, targeting customers who purchase GS Retail and competitor products	<ul style="list-style-type: none">• Product quality and selection• Delivery duration• Overall customer service satisfaction
	Focus Group Interview	Directly gather customer feedback on quality, delivery, and customer service, and conduct qualitative analysis	<ul style="list-style-type: none">• In-depth analysis of satisfaction/dissatisfaction factors related to product quality, broadcasting, delivery, and customer service

Customer Journey Map

We are dedicated to offering tailored consultations for VOCs received through diverse internal and external channels. VOCs that cannot be resolved during the initial consultation are immediately transferred to the responsible personnel and dedicated team according to internal guidelines. Additionally, customized VOC management processes are implemented for each business unit to address consumer issues. We have established systematic procedures for damage and dispute resolution to protect consumer rights.



Customer Satisfaction Management

Achieving Customer Satisfaction

CCM Certification

We have obtained Consumer Centered Management (CCM) certification to embody our customer-focused management philosophy and establish a leading consumer satisfaction management model. To achieve this, the role of the Chief Customer Officer (CCO) has been strategically enhanced, and customer-related strategies are systematically and meticulously managed through a dedicated Secretariat.



In 2024, we successfully promoted a customer-centric management culture by intensively supporting a CCM training program for three partners, effectively improving their customer service capabilities and laying the foundation for mutual growth. For 2025, we plan to offer CCM certification consulting to two partners to further strengthen the customer service capabilities of SMEs and foster a sustainable co-growth ecosystem.

Through these strategies, we aim to create an innovative management model that generates mutual benefits for customers, partners, and the company. In the long term, we plan to establish a CCM Value Chain with partners, forming a virtuous cycle.

GS ALL Membership Launch



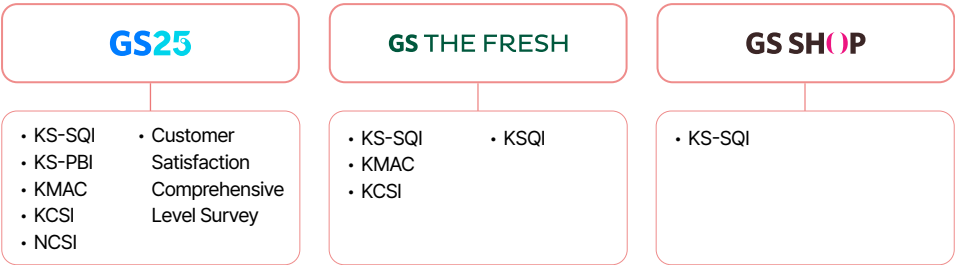
We have introduced the GS ALL Membership to revolutionize customer experience by providing integrated and differentiated services. GS ALL Membership is a comprehensive membership service that spans various brands, including GS25, GS THE FRESH, and GS SHOP, offering consistent, personalized benefits through a single enrollment.

Leveraging big data analysis, it provides personalized perks, integrates online and offline shopping experiences, and incorporates real-time customer feedback to deliver unique services. This approach allows for detailed

analysis of customer buying patterns and preferences to offer tailored promotions and discounts. We plan to continuously develop the GS ALL Membership, enhancing our integrated service with a focus on customer value.

External Certification

2024 Major Awards on Consumer Satisfaction



2024 Korean Service Quality Index (KS-SQI) Rankings

In the 2024 Korean Service Quality Index (KS-SQI), our business divisions achieved excellent performance in the following respective categories.



'Value Management Award' Recipient

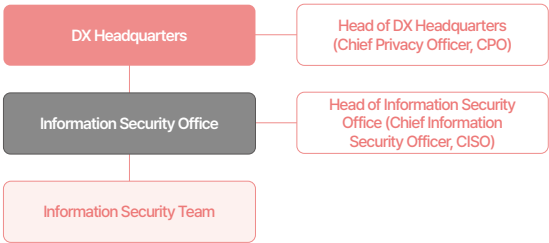
We have been recognized for maximizing customer experience through initiatives such as providing customized consumer services, expanding unmanned stores and mobile payment systems, and establishing efficient inventory management and rapid delivery systems. As a result, we were selected as a customer satisfaction-centered company at the 12th Korea Value Management Awards in 2025.

Customer Privacy

Management System

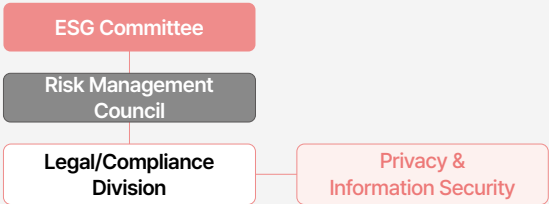
Governance

We maintain a company-wide governance structure dedicated to protecting customer personal information. The Chief Privacy Officer (CPO), who is also the head of the DX Headquarters, oversees the comprehensive protection of customer data. Under the CPO, the Information Security Office is responsible for information protection and privacy-related tasks. It is led by the Head of Information Security Office who also fulfills the role of Chief Information Security Officer (CISO).



Governance for Handling Breaches

We have a company-wide Risk Management Council to oversee critical issues. This council is activated in incidents such as personal information breaches, leaks of sensitive and uniquely identifiable information, or external hacking attempts. In the event of a security incident, the response is managed by the Privacy & Information Security Division within the Legal/Compliance Sector.



Information Security Policy

We define our privacy protection and information security activities based on information security policies, guidelines, and manuals, conducting various activities accordingly. We post these policies, guidelines, and manuals on our internal bulletin board and reviews and updates them annually to reflect amendments to relevant laws such as the Personal Information Protection Act. We also publish an "Easy-to-Understand Privacy Policy" on our website, transparently disclosing our measures for protecting customer information.

 Privacy Policy  Information Security Policy

Information Security Policies, Guidelines, and Manuals



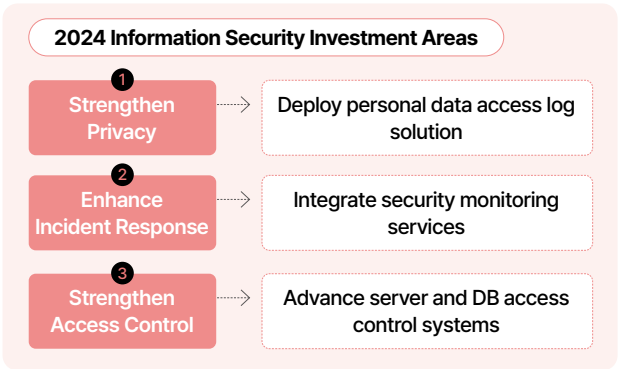
Mid-to-long Term Plan

We aim to reestablish our Privacy & Information Security framework by 2025. A mid-to-long term plan will be developed accordingly, targeting full implementation by 2027.

2025	2026	2027
Short-term	Mid-term	Long-term
Reestablish Information Security Framework	Strengthen Execution Capabilities of Information Protection Team	Minimize Information Security Risks
Revise governance framework for personal information and information security	Implement follow-up governance tasks (including redefining roles and responsibilities (R&R))	Execute follow-up governance tasks
	Expand personnel of dedicated information security and personal data protection teams	Enhance third-party security risk management and strengthen operational capabilities
	Enhance information security and personal data management systems	Review and redesign governance implementation status
Apply centralized monitoring system to manage over 70% of personal data (per prior year's plan)	Expand risk management scope to cover over 70%	Expand risk management scope to cover over 90%

Investment

We regard Privacy & Information Security as critical matters. Aligned with governance, policies, and mid-to-long term goals, part of IT investments is allocated to Information Security. In 2024, we made investments aligned with our mid- to long-term objectives. Furthermore, investment activities are transparently disclosed in accordance with the Information Security disclosure system.



ISMS-P Certification

We have obtained ISMS-P certification to demonstrate the adequacy and suitability of our information security and personal information protection management system. We undergo annual follow-up audits to verify compliance while striving to reduce managerial, technical, and physical risks.



Scope of Certification | GS Retail Online Services
Validity Period | April 6, 2022, to April 5, 2025

Customer Privacy

Information Security Risk Management

Risk Identification

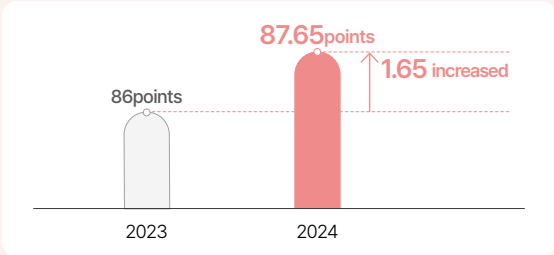
Company-wide Risk Identification and Management

We systematically manage and enhance our level of information security by conducting regular risk identification activities. We identify and manage risks across various domains, including infrastructure, web, and mobile. Immediate actions are taken for identified risks, and remedial measures are required for areas needing improvement within a specified timeframe. Furthermore, continuous monitoring is performed to assess the implementation of improvements, and a comparative analysis of information security levels before and after measures are taken is performed to evaluate effectiveness.

Effectiveness Measurement

In 2024, we conducted risk identification and management across both the management and technical domains, resulting in an improvement of 1.65 points in management scores over the previous year. We plan to continue advancing our risk management activities, rigorously identifying risk factors and developing robust response strategies.

Risk Factor Management Performance¹⁾



1) Scores averaged from the management and technical domains.

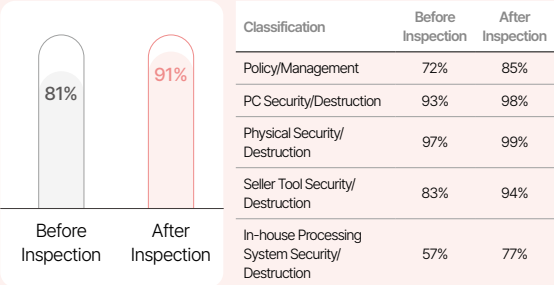
Consignee Risk Identification and Management

We systematically manage online mall vendors to ensure compliance with personal information protection laws. Vendors are provided with guidelines on protective measures, and on-site inspections are conducted to identify risks. If risks or shortcomings are found during inspections, vendors are encouraged to make improvements and given up to two weeks for corrective actions. Following this, we verify the improvements and evaluates effectiveness by comparing the level of personal information protection before and after actions are taken.

Effectiveness Measurement

To enhance personal information protection, we conducts activities like on-site inspections and share security guidelines with data processing vendors at least once a year. In the 2024 subcontracting inspection by the Personal Information Protection Association, it was confirmed that the level of personal information protection improved by approximately 10% compared to prior to the inspection, demonstrating effectiveness.

Entrusted Company Inspection

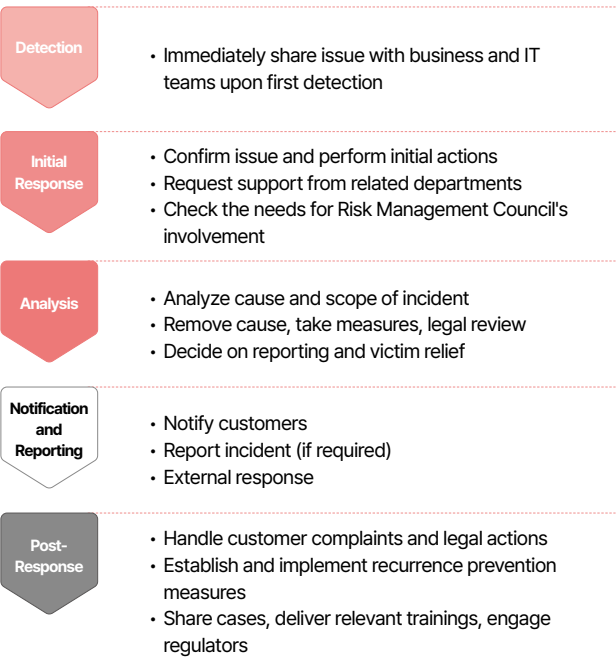


Response Process Establishment

Personal Information Breach Response Process

We have established a "RACI" framework to manage personal information leaks and exposures effectively. "RACI" stands for Responsible, Accountable, Consulted, and Informed, and it outlines the roles and authority scopes for relevant departments when responding to an incident. In the event of a breach, the decision to report it is based on the severity (considering factors like scale, sensitive or unique identifiable information leakage, and external hacking attacks). Relevant departments or the crisis response committee respond promptly following the pre-assigned roles and authorities for each response stage.

Personal Information Exposure Response



- TALENT MANAGEMENT
- THE ORGANIZATION THAT GROWS TOGETHER
- HUMAN RIGHTS
- SAFE WORKPLACE
- SUSTAINABLE SUPPLY CHAIN
- CUSTOMER SATISFACTION MANAGEMENT
- CUSTOMER PRIVACY

Customer Privacy

Information Security Risk Management

Information Security Activities

Service Security Review

We have established development security guidelines and manuals to protect personal information and ensure information security for both new and updated services. This involves a detailed security process at the operational level. During the service planning stage, security requirements are defined based on importance assessments and integrated into each project phase. Before a service goes live, a comprehensive security review—including personal data lifecycle, development and application security, source code, infrastructure, and web/app vulnerability checks—is conducted, with any identified vulnerabilities promptly addressed. For projects processing large amounts of personal data, we engage an assessment body, as designated by the Personal Information Protection Commission, to carry out a personal information impact assessment.

2024 Privacy Impact Assessment

Classification	Assessment Agency
Platform WMS Reconstruction	KCA Co., Ltd.
Integrated Points & Membership System Construction	Korea Information Technology Group
Integrated HR System Construction	Daejin Information & Communication

Information Protection Training

We deliver trainings on privacy protection for employees across the company and tailored specialized training for specific roles. Additionally, the effectiveness of the training is verified through quizzes included in the company-wide common training.

Information Protection Training

Classification	Frequency
Company-wide common training (Privacy training)	once a year
Advanced privacy training for key employees	twice a year
Location information handlers' privacy training	once a year
New and experienced employees' information protection training	ongoing

Company-wide Training

Classification	2023	2024
Number of participants (persons)	7,052	6,999
Average quiz score after training (points)	56	66

Information Security Training

We ran simulations throughout 2024 to improve service security and information security. Exercises included simulated attacks via malicious emails and drills for handling personal information leaks. The purpose of these trainings was to continually enhance the organization's ability to conduct crisis response activities effectively.

Personal Information Breach Simulation Training

We ran simulations assuming an external threat to the Pop Card service, aligning response procedures with the Personal Information Leak and Exposure Matrix. This initiative aims to strengthen the protection of customer personal information and enhance the response capability to potential threats.

Campaign

We create internal promotional materials tailored to various roles to enhance employees' awareness of personal information protection. In 2024, we published and distributed guidelines such as key considerations for advertisement delivery, principles for privacy in promotional events, and security rules for developers and operators. Additionally, informational materials on personal information protection and security are placed along key routes within the company to further raise awareness among employees.



2024 Personal Information Training

Classification	Timing	Target
Personal Information Breach Simulation	February 2024	Pop Card
Cyber Crisis Response Simulation	November 2024	Widnet
Incident Response Simulation	December 2024	Employees

We aim to secure corporate competitiveness and create stakeholder value for mutual advancement through transparent managerial practices. By leveraging advanced risk management, we address managerial uncertainties while placing Integrity Management at the core of value judgment and decision-making to pursue sustainable growth.

Approach

The standards for governance operations and the activities of each committee are disclosed, while training programs are offered to enhance the independence and expertise of the board of directors. Additionally, evaluations of the board are carried out to improve the efficiency. Furthermore, we promote the importance of integrity management across the organization and systematically implement initiatives related to shareholders' return to enhance corporate value.



Board attendance rate

98.8%

Revision

CP Guidebook

Ethical Management Training completion rate

100%

Operation

Compliance
Management
Council

GOVERNANCE

The Board of Directors

Board Composition

Board Composition Status

Our Board of Directors is strategically composed of seven members, including two executive directors, four independent directors, and one non-executive director, with an emphasis on maximizing operational efficiency and ensuring fair and rational decision-making. The independent directors form a majority, complying with legal requirements, and bring a diversity of talents in areas such as management, finance, accounting, and IT. The board is responsible for setting and overseeing key strategic directions and critical company decisions, aligning with legal standards and internal regulations, striving to build a stable management foundation through board-led governance. Additionally, the board has established five committees—the Audit Committee, Independent Director Nomination Committee, Internal Transaction Committee, ESG Committee, and Compensation Committee—to promote specialized oversight and improve operational efficiencies within the board.

Diversity and Expertise

We are committed to enhancing the expertise and diversity of our Board of Directors. Leaders in our core business areas—such as convenience stores, supermarkets, home shopping, and new ventures—are industry experts who oversee operations, serving as executive directors and the CEO, thereby enriching the board's expertise. Meanwhile, the independent directors bring diverse backgrounds and specialized knowledge in fields like management, accounting, finance, and new business development, further strengthening the breadth of expertise within the board. In composing the board, we consider diversity and expertise comprehensively, without discrimination based on gender, age, politics, religion, or culture. Additionally, in July 2021, we appointed our first female independent director, Jongwon Yoon and following her resignation in March 2025, appointed another female independent director, Yoonjin Yoon during the 54th Annual General Meeting held that year.

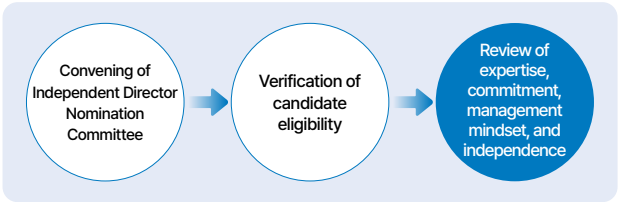
Independence and Specialty

To strengthen the independence of our Board of Directors and enhance the integrity of the governance structure, we have appointed the independent director, Seongrak Lee, as the chairman of the board. This move is part of a broader strategy to establish a governance system led by independent directors. All committee chairs within the board are also independent directors, reflecting this commitment. The board is composed of approximately 57.1% from independent directors. To ensure a transparent and independent selection process, we have established and have operated an Independent Director Nomination Committee composed entirely of independent directors.

Appointment of Independent Directors

We are committed to a fair and transparent process for appointing independent directors who can contribute to our growth and enhance corporate value. The process includes preliminary interviews and reference checks for candidates, prioritizing the verification of their qualifications in accordance with relevant laws such as the Commercial Act and the Public Officials Ethics Act. Following this, the Independent Directors Nomination Committee, a board subcommittee, conducts a thorough review and assessment of the candidates to finalize recommendations for the shareholders' meeting. During the committee's deliberations for confirming candidates, factors such as expertise, management mindset, commitment, and independence are evaluated. Additionally, considerations are made regarding the diversity of the board composition, the business environment, and the roles of newly appointed independent directors. Directors are appointed for a term of three years, with reappointments approved through shareholder meetings as their terms expire. The tenure for independent directors is capped at six years, as stipulated by the Enforcement Decree of the Commercial Act.

Appointment Process of Independent Director



(As of May 2025)

Classification	Name	Field	Major Career	Gender	Position in the subcommittee
Executive Director	Suh-hong Hur ¹⁾	Overall Corporate Management	Former) Head of Strategy Service Unit Current) CEO, GS Retail Co., Ltd.	Male	—
	Jinseok Oh	Overall Platform Management	Former) Head of Strategy Division Current) Head of Platform BU, GS Retail Co., Ltd.	Male	Compensation Committee Member
Non-executive Director	Soongi Hong	Group Company Liaison	Former) CFO, GS Co., Ltd. Current) CEO, GS Co., Ltd.	Male	ESG Committee Member
Independent Director	Seongrak Lee	Finance/Management	Former) Vice President, Shinhan Bank Current) Chairman of the Board	Male	Board Chairman / Internal Transaction Committee Member / Independent Director Nomination Committee Member / Audit Committee Member
	Inmoo Lee	Finance/Accounting	Former) Advisor, Foreign Currency Asset Management, Bank of Korea Current) Professor, KAIST Business School	Male	Audit Committee Chair / ESG Committee Chair / Independent Director Nomination Committee Member / Compensation Committee Member
	Yoonjin Yoon	IT/Risk Management	Former) Non-executive Director, Korea Land Safety Management Institute Current) Professor, Department of Civil and Environmental Engineering, KAIST	Female	Compensation Committee Chair / Audit Committee Member / Internal Transaction Committee Member / ESG Committee Member
	Sangkyu Lee	Management/Distribution	Former) Head of Korean Sales Division, LG Electronics Co., Ltd., President Current) Chair Professor, Sookmyung Women's University	Male	Internal Transaction Committee Chair / Independent Director Nomination Committee Chair / ESG Committee Member

¹⁾ Due to personal reasons, Executive Director Yeon-su Hur and Independent Director Jongwon Yoon resigned ('25.3.20). Accordingly, at the 54th General Shareholders' Meeting held on '25.3.20, Executive Director Sur-hong Hur and Independent Director Yoonjin Yoon were newly appointed.

The Board of Directors

Committees within the Board of Directors

Board Operation

We have established a total of five specialized subcommittees within our Board of Directors. To ensure the independence and enhance the expertise of these committees, all committee chairs are appointed from independent directors. The Audit Committee, Independent Director Nomination Committee, and Internal Transaction Committee are composed entirely of independent directors to ensure fairness and transparency. Each committee consists of at least three directors, with a majority being independent directors to maintain independence and objectivity. Committee resolutions are reported to the board, and if necessary, the board may further review these resolutions to ensure alignment in decision-making. Additionally, matters that require in-depth discussion within the committees are further reported to the board for additional consideration. However, resolutions made by the Audit Committee are not subject to re-evaluation, thereby safeguarding the committee's independence.

(As of May.2025)

Classification	Members	Role
Audit Committee	<div><div>Inmoo Lee, Independent Director</div><div>Seongrak Lee, Independent Director</div><div>Yoonjin Yoon, Independent Director</div></div>	<div><div>Oversee key tasks such as accounting and finance management, Report on the operation status of the internal accounting control system, Approve evaluation reports on the internal accounting control system</div><div>Approve audit opinions on internal control devices.</div></div>
Independent Director Nomination Committee	<div><div>Sangkyu Lee, Independent Director (Chair)</div><div>Inmoo Lee, Independent Director</div><div>Seongrak Lee, Independent Director</div></div>	<div><div>Review and recommend candidates for independent directors, Enhancing independence and transparency in their election.</div></div>
Internal Transaction Committee	<div><div>Sangkyu Lee, Independent Director (Chair)</div><div>Seongrak Lee, Independent Director</div><div>Yoonjin Yoon, Independent Director</div></div>	<div><div>Preliminary review of agenda items involving transactions exceeding a certain scale with special related parties as defined by the Monopoly Regulation and Fair Trade Act, Commercial Act, and other relevant laws</div><div>Preliminary review of agenda items concerning transactions between the company and directors, etc.</div></div>
ESG Committee	<div><div>Inmoo Lee, Independent Director (Chair)</div><div>Sangkyu Lee, Independent Director</div><div>Yoonjin Yoon, Independent Director</div><div>Soongi Hong, Non-executive Director</div></div>	<div><div>Decide and approve ESG-related business plans delegated by the Board, manages, supervises, evaluates, and reviews ESG activities</div><div>Oversee and make decisions on all activities related to Environment, Social, and Governance to minimize potential company risks</div></div>
Compensation Committee	<div><div>Yoonjin Yoon, Independent Director (Chair)</div><div>Inmoo Lee, Independent Director</div><div>Jinseok Oh, Executive Director</div></div>	<div><div>Review limits on executive director compensation, base salary calculations within executive personnel management regulations, and other compensation matters</div></div>

Board Meetings

The Board of Directors at GS Retail holds regular meetings eight times a year, as well as additional special meetings as needed. Approval of agenda items requires the presence of a majority of all directors and the agreement of a majority of those present. However, for matters specified by related laws, such as Article 398 of the Commercial Act (Transactions between Directors, etc., and the Company), approval must be obtained through the consent of at least two-thirds of the directors.

The board is dedicated to making decisions with consideration of Environmental (E), Social (S), and Governance (G) factors, thereby contributing to sustainable value creation. Through careful management and oversight of key business activities, the board plays a crucial role in enhancing management integrity.

Classification	2022	2023	2024
Meetings Held	10 meetings	8 meetings	12 meetings
Items Reviewed/Reported	20 items reviewed, 33 items reported	23 items reviewed, 31 items reported	34 items reviewed, 30 items reported
Average Attendance Rate	100%	100%	98.8%

Enhancing Board Competency

We are committed to promoting board-centric management activities by encouraging active participation from board members. To facilitate this, we share the entire board schedule for the upcoming year with our members at the end of each year, fostering proactive engagement.

Before each board meeting, key details of all agenda items are shared with the directors in advance. This ensures that board members have a thorough understanding of the issues, enabling in-depth discussions and rational decision-making.

To enhance the expertise and understanding of our board members regarding the business, we support their participation in both internal and external training programs. Additionally, apart from the mandatory board reports according to regulations, we schedule additional briefings on main and new business areas. This initiative helps our board members deepen their specialized knowledge of the businesses we operate in.

Classification		Details
May	IT Security Status	
June	2024 1st Regular Forum for Auditors and Audit Committee Members	
July	10th ACI Seminar : Cybersecurity, IT Controls, Digital AuditingSeparate	
	Report on operating fund procurement for PT.GS RETAIL INDONESIA	
	Report on capital increase for GS25 Vietnam JV	
	ESG risk review related to GS25 proximity store openings	
December	GS Home Shopping Business Strategy Report	

The Board of Directors

Board Assessment and Compensation

Assessment Process

We have an annual board evaluation to enhance the efficiency of board operations and identify areas for improvement. The entire board evaluates the related systems and operational standards through a self-assessment process. To ensure transparent and fair operations led by independent directors, we also conduct separate self-evaluations exclusively for them. The results of the board and independent directors' evaluations are reported to the board and made public through this report and our website. Any improvements identified from the evaluations are incorporated into future board operations to promote continuous development.

2024 Board Assessment Results

Classification	Result
Board Performance	4.5 out of 5.0
Efficiency of Board Operations	4.7 out of 5.0
Committee Activities	4.4 out of 5.0
Self-Evaluation by Independent Directors	4.7 out of 5.0

Compensation Standards

In accordance with Article 388 of the Commercial Act, we set the limit for director compensation through resolutions passed at the general shareholders' meeting. Within this approved compensation limit, we execute payouts by considering factors such as the level of responsibility, risk, and time commitment involved, including efforts to strengthen ESG implementation.

Compensation for executive directors is determined within the approved limit set by the general shareholders' meeting, taking into account factors outlined in the executive personnel management regulations, as well as the roles, contributions, and expertise of the directors. Performance bonuses are awarded based on a comprehensive evaluation of quantitative metrics (such as sales and operating profit) and qualitative assessments (such as the achievement of financial/non-financial performance goals and leadership), alongside consideration of our business environment.

For independent directors, compensation is determined by considering their areas of responsibility, expertise, internal and external business environments, and the compensation levels in the same industry.

2024 Shareholders' Meeting on the Approved Compensation

Classification	Note
Number of Individuals	7 members Include executive directors, non-executive directors, and independent directors (including Audit Committee members).
Approved Amount	KRW 6,000 million Approved during the 2024 Annual General Meeting.
Total Compensation	KRW 2,820 million Include compensation for independent directors who resigned mid-term or were newly appointed.
Average Compensation per Person	KRW 403 million

* Note: For detailed information, please refer to the 2024 business report disclosed on the Financial Supervisory Service's electronic disclosure system.

Enhancing Shareholder Value

Shareholder Status

As of the end of December 2024, GS Retail's total number of issued shares is 83,607,415 common shares. We adhere to the principle of "one share, one vote" under a single voting rights system. Additionally, we transparently disclose the shareholding status of major shareholders, those with special interests, and shareholders owning 5% or more.

(As of 31.Dec.2024)

Classification	Shareholder	Number of Shares	Ownership (%)	Note
Shareholders Over 5%	GS Holdings Corp.	49,009,387	58.62	-
	National Pension Service	6,993,059	8.36	Includes entrusted shares
Treasury Shares	GS Retail Co., Ltd.	41,825	0.05	-
Shareholders Over 1%	Korean Air Lines Co., Ltd.	2,025,380	2.42	-
	J.P. MORGAN SECURITIES PLC	886,412	1.06	-
Other Shareholders	-	24,651,352	29.48	Shareholders under 1%
Total		83,607,415	100.0	-

Shareholder-friendly System

We are actively committed to ensuring equitable voting rights and protecting shareholder rights in accordance with the Commercial Act and other relevant laws. Additionally, we facilitate this by providing all shareholders with timely and easily understandable information through IR activities such as conferences and Non-Deal Roadshows (NDR), as well as disclosures.

Facilitating Shareholder Voting Rights Exercise



- Introduced electronic voting system by Board resolution (December 2020)
- Adopted proxy voting solicitation for all shareholders
- Equal Voting Opportunities : Ensuring shareholders can exercise their voting rights fairly, without any physical constraints.

Strengthening Communication and Information Accessibility with Shareholders



- Quarterly Business Updates: release interim business results on both the electronic disclosure system (DART) and our website to keep stakeholders informed.
- Active Investor Engagement: hold Non-Deal Roadshows and actively participate in conferences hosted by brokerage firms, offering more than 100 investor meetings each year to connect with domestic and international institutional investors.

Appointment of a Director Responsible for Shareholder Communication



- Board Resolution for Director Appointment: A director to oversee shareholder communication has been appointed through a board resolution.
- Objective : This position aims to enhance constructive dialogue with shareholders and stakeholders, thereby improving governance integrity and increasing investor trust.

Others



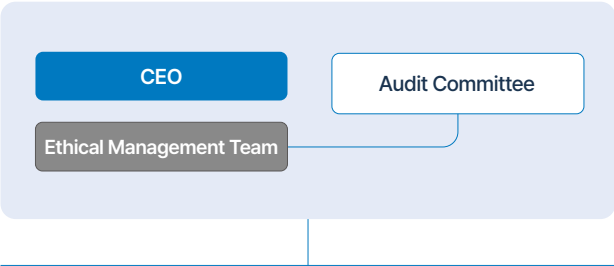
- Introduction of shareholder recommendation system when appointing independent directors
- Maximum term for independent directors reappointment and Board meeting convocation notice period stipulated in Articles of Incorporation
- Disclosure of Board and committee regulations, establishment of employee ethics code and corporate governance charter
- Disclosure of differences between corporate governance and best practices guidelines

Ethical Management

Management System

Governance

We operate the Ethical Management Team, which reports directly to the CEO and Audit Committee, to promote ethical management. It is composed independently from other departments, building a system that independently promotes ethical management.



- Perform diagnosis and compliance checks for the parent company and subsidiaries
- Investigate the causes of misconduct, fraud, illegal acts, and other violations, and implement accident prevention activities

Ethical Management Guidelines

To promote ethical practices in management, we operate the Code of Ethics and Practice Guidelines, the Guidebook for Ethical Standards, and the Integrity Regulations.

The Code of Ethics and Practice Guidelines serve as the standard for proper behavior and value judgments that apply to all employees. The Guidebook for Ethical Standards specifically explains the basic ethics that employees must adhere to, making it easier to take action. The Integrity Regulations have been implemented to comply with the Improper Solicitation and Graft Act (Anti-Graft Act), outlining clear behavioral standards for internal employees regarding money and valuables, entertainment, congratulations and condolences bonuses, and gratuity for lectures.

[+ Code of Ethics and Practice Guidelines](#)

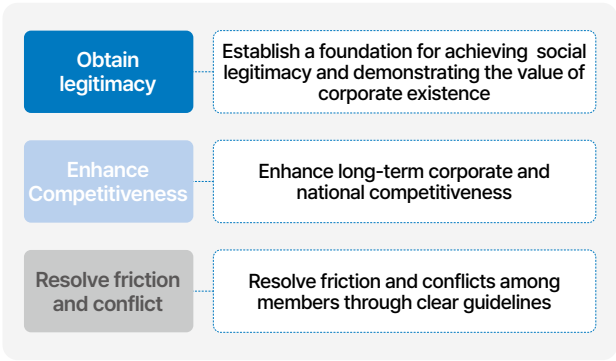
Detailed Practice Guidelines

To ensure fair conduct among our employees, we have defined nine categories as unethical behavior, including accepting favors from stakeholders, engaging in joint investments or gaining unfair shares from vendors, illegally using company assets, performing negligent duties, exploiting duties for personal gain, manipulating documents or false reporting, prohibiting sexual harassment, banning workplace bullying, and actions that tarnish the company's reputation. Detailed guidelines for these practices are actively managed and made publicly available.

[+ Detailed Practice Guidelines](#)

Objectives and Directions

We share the GS management philosophy of 'Creating new life experiences and planning a better future for our customers' with all employees. We uphold the principles of a free market principles that foster free and fair competition, and we strive to achieve common interests with all stakeholders through mutual trust and cooperation. As a company aspiring to be a leader in sustainable development, we adhere to the Code of Ethics that guides proper behavior and value judgments for all employees. To ensure comprehensive compliance, we have formed an Ethics Committee Secretariat comprising the CEO and a dedicated ethics management organization. Stakeholders engaged in business relationships with us are encouraged to sign a pledge committing to integrity management practices, ensuring they understand and actively participate in these efforts.



Ethical Management

Employee Ethics

Ethical Management Training

We provide integrity management training for all employees, with intensive training on bribery and illicit favors, and improper solicitation. We strive to cultivate employees' awareness of integrity management by providing both company-wide training and tailored training for specific positions, such as new employees and head of divisions. We are also building a system where the organization leads compliance management by giving greater weight to items related to practicing integrity management in the evaluation criteria of leaders and executives.

To ensure the practice of integrity management by all employees, we also require annual integrity management pledges. The results of integrity management are shared through various channels such as our website, bulletin board, regular training, and meetings to raise awareness among employees and encourage their participation. Additionally, we practice integrity management through various initiatives, such as operating a bribery reporting center, no-gifts campaign, and conducting surveys of employees and partners.

Ethical Management Training Completion Rate				(Unit : %)
Classification	2022	2023	2024	
Completion Rate	97	99.8	100.0	

Reporting Channel

We provide various channels for all stakeholders to easily report unethical behavior, including "Talk to the CEO," Voice of Integrity Management, Partner Voices, hotlines, and the Red Whistle system, which features IP trace prevention technology. The disclosure of a whistleblower's identity without consent during the reporting and handling process is strictly prohibited to ensure anonymity. Any breach of this is rigorously punished by the Corporate Ethics Committee, with caution exercised to ensure the reporter faces no disadvantages.

Classification	Description	Number of Reports Received in 2024
Talk to the CEO	Direct reporting of injustice, compliments, and suggestions to the CEO	1,590
Voice of Integrity Management	Report unfair acts of employees and partners	260
Voice of Partners	Listening to grievances and improvements between during transactions	46
Red Whistle	Reporting violations of the Anti-Graft Act and listen to opinions for ethical management	12

Report and Disciplinary Status				(unit : cases)
Classification	2022	2023	2024	
Bribery reports	83	64	72	
Discipline	24	30	28	

OVERVIEW
SUSTAINABILITY STRATEGY
TCFD REPORT
MATERIAL TOPICS
GENERAL TOPICS
ENVIRONMENTAL
SOCIAL
GOVERNANCE
THE BOARD OF DIRECTORS
ETHICAL MANAGEMENT
RISK MANAGEMENT

Risk Management

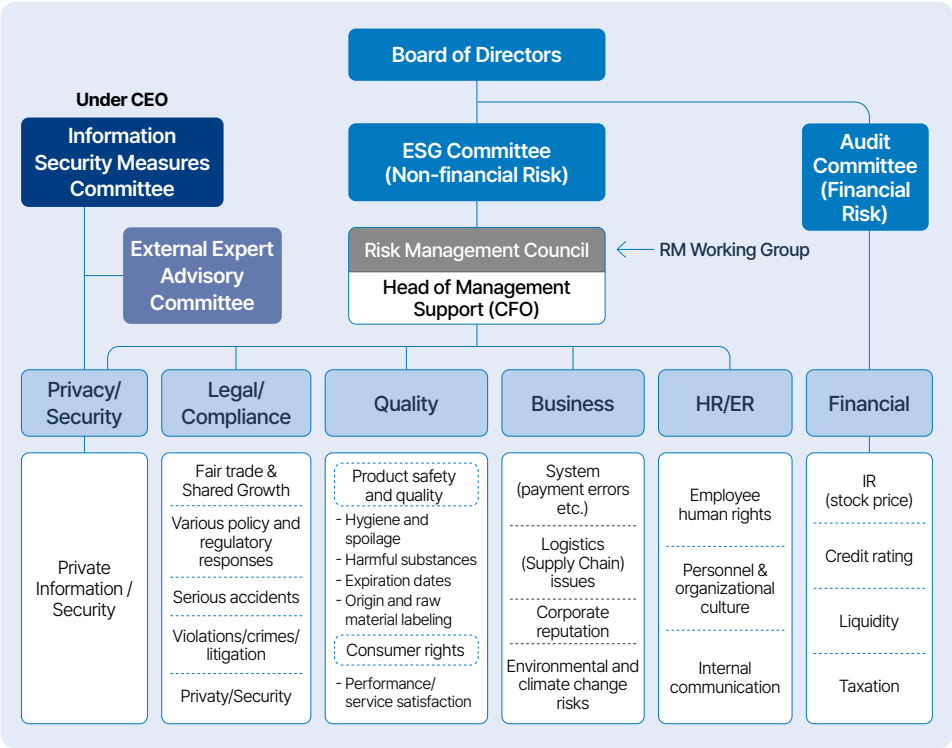
Management System

Governance

We have set up specialized teams within the Board’s ESG and Audit Committees to effectively handle financial and non-financial risks. We focus on managing critical risk areas such as quality assurance, business operations, legal and compliance, human resources, and financial matters.

To boost efficiency, we run dedicated divisions where the teams responsible for each non-financial risk area collaborate. The Risk Management Working Group, which includes the heads of sustainability, legal, and communications, supports these divisions. Together, they hold quarterly issue review meetings to proactively address and monitor risks.

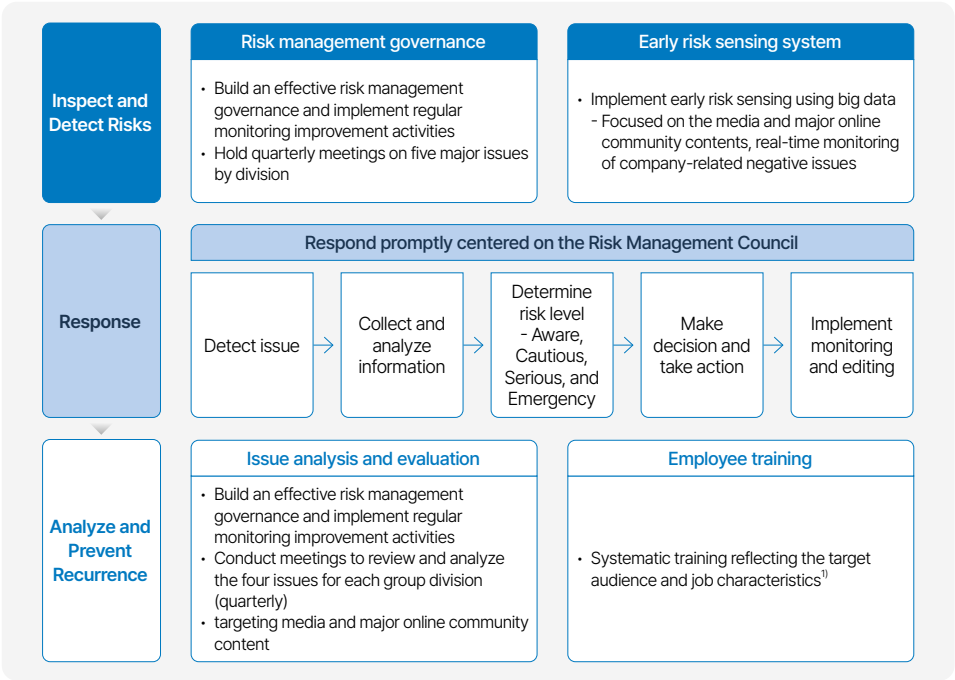
For privacy and security concerns, we operate a separate Information Security Measures Committee directly under the CEO, dedicated to preventing potential issues and ensuring strong security practices.



Risk Management Process

We operate a risk management process that includes risk inspection, response, analysis, and recurrence prevention in collaboration with various departments, aiming to effectively manage various uncertainties that may arise at the management level.

We have established a company-wide risk identification system by conducting issue review meetings per division and implementing a big data-based risk detection framework. Additionally, we utilize a rapid response process centered around the Risk Management Council. Upon the occurrence of risks, we systematically analyze each case and conduct employee training to prevent recurrence.



¹⁾ For all employees : Training on risk management examples (quarterly)
For management : Risk management leadership training (semiannually, annually)
For marketing and design roles : Risk prevention guidelines training (semiannually)

Risk Management

Management System

Risk Definition and Response

We define key risks across various domains including Privacy/Security, Legal/Compliance, Quality, Business Management, Human Resources/Labor Relations (HR/ER), and Finance. Non-financial risks encompass areas such as privacy and security, occupational health and safety, consumer rights, logistics (supply chain), marketing and design, reputation, environment and climate change, fair trade and shared growth, policy and regulatory compliance, major industrial accidents, and employee human rights. Financial risks include investor relations, credit ratings, liquidity, and tax risks. We are committed to systematically managing these risks to ensure comprehensive risk governance.

Key Risk Definitions and Response Status

Classification	Risk	Type	Description	Response/Management Actions
Non-Financial Risks	Privacy/Security	Privacy and Security Risks	Leakage of customer personal data and information due to system errors, phishing, smishing, or hacking.	• Continuous review and improvement of customer information protection policies.
	Legal/Compliance	Risks for Fair Trade and Mutual Growth	Concerns related to ensuring fair trade and mutual growth with stakeholders such as partners and franchisees.	• Implementing a Compliance Program (CP) and providing employee training. • Regular checks and improvements concerning fair trade agreements.
		Policy and Regulatory Risks	Risks arising from non-compliance with major government policies and regulations, including environmental laws.	• Taking proactive measures before new regulations are legislated. • Enhancing the ability to anticipate policy and regulatory changes. • Actively participating in the Korea Business Council for Sustainable Development (KBCSD).
		Serious Incident Risks	Risks due to violations under the Serious Accident Punishment Act.	• Developing and actively implementing preventive measures for serious incidents. • Continuously monitoring the safety of facilities. • Instilling a strong safety-first mindset among staff.
	Quality	Safety and Health Risks	Problems arising from product spoilage, hygiene concerns, detection of hazardous substances, expired shelf life, and origin labeling errors.	• Regular monitoring and training on quality-related issues. • Continuous improvement of quality and management processes for private brand (PB) products.
		Consumer Rights Risks	Consumer dissatisfaction with product performance or services.	• Ongoing, proactive Customer Experience (CX) enhancement activities that prioritize customer satisfaction.
	Business	Logistics (Supply Chain) Risks	Disruptions in the supply chain due to accidents, disasters, strikes, etc.	• Development of contingency plans and training for employees to address logistics issues.
		Marketing and Design Risks	Negative issues related to marketing and design, reflecting the characteristics of the retail industry	• Ongoing training and communication regarding marketing and design guidelines, along with case studies of similar incidents.
		Reputation Risks	Negative public opinion and damage to external image due to poor performance, social controversies, sensitive complaints, or significant litigation.	• Continual identification of promotional content to enhance corporate image. • Ongoing monitoring of negative content (articles, social media, communities). • Proactive response to misinformation related to the company, such as correcting press releases.
		Environmental and Climate Change Risks	Quality, logistics, and store-related issues due to climate change and stricter environmental regulations.	• Reducing energy usage through the installation of SEMS, expanding eco-friendly stores, and building green logistics. • Increasing acquisition of eco-friendly certifications. • Installation of food waste processors and operation of a recycle center. • Establishment of a greenhouse gas inventory and management of emissions.
	HR/ER	Employee Human Rights Risks	Violation of human dignity, freedom, and rights due to workplace misconduct	• Operation of misconduct reporting channels • Governance for response to sexual misconduct, workplace harassment, etc.
	Financial	IR, Credit Rating, Liquidity, Taxes	Issues such as stock price decline, credit rating downgrade, tax-related matters	• Regular monitoring and proactive management of key financial risk factors across various business and operational areas.

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APPENDIX

ESG PERFORMANCE DATA

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- PEOPLE WHO CONTRIBUTED TO THE REPORT
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ESG Performance Data

Financial Performance

Summary of Consolidated Financial Statement

Classification	Unit	2022	2023	2024
[Current Assets]	KRW million	1,366,113	1,857,062	1,481,156
Cash and cash equivalents	KRW million	390,477	431,766	93,289
Trade and other current receivables	KRW million	566,159	896,914	847,044
Other current financial assets	KRW million	83,072	129,395	136,061
Inventories	KRW million	226,962	304,289	307,139
Other current assets	KRW million	99,443	94,698	97,623
[Non-current Assets]	KRW million	8,466,310	8,184,954	6,100,488
Long-term trade and other receivables	KRW million	1,323,209	1,079,024	1,069,962
Other non-current financial assets	KRW million	783,985	765,671	686,859
Investments in associates and joint ventures	KRW million	630,374	451,173	409,894
Property, plant and equipment	KRW million	2,767,448	2,831,191	1,542,036
Investment property	KRW million	1,076,320	1,067,280	474,653
Intangible assets and goodwill	KRW million	255,085	244,146	232,544
Right-of-use assets	KRW million	1,470,667	1,588,054	1,524,117
Other non-current non-financial assets	KRW million	159,222	158,415	160,423
Total Assets	KRW million	9,832,423	10,042,016	7,581,643

Classification	Unit	2022	2023	2024
[Current liabilities]	KRW million	2,204,416	2,688,039	1,898,446
[Non-current liabilities]	KRW million	3,208,022	2,920,238	2,501,679
Total liabilities	KRW million	5,412,417	5,608,276	4,400,124
[Equity attributable to owners of parent]	KRW million	4,049,139	4,058,375	3,206,849
Issued capital	KRW million	102518	104,718	83,607
Capital surplus	KRW million	1,208,991	1,209,098	979,864
Elements of other stockholder's equity	KRW million	(126,578)	(100,778)	(691,803)
Other Comprehensive income/loss accumulated amount	KRW million	52,903	72,238	121,312
Retained earnings	KRW million	2,809,104	2,773,099	2,713,869
[Non-controlling interests]	KRW million	370,868	375,365	(25,330)
Total equity	KRW million	4,420,006	4,433,740	3,181,519

Summary of Consolidated Income Statement¹⁾

Classification	Unit	2022	2023	2024
Revenue	KRW million	10,666,846	11,134,149	11,626,920
Operating income (loss)	KRW million	289,962	291,782	239,105
Profit (loss) from continuing operations	KRW million	103,087	14,175	(30,132)
Profit (loss)	KRW million	47,610	22,148	9,791
Attributable to owners of parent	KRW million	40,438	17,678	2,548
Profit (loss), attributable to non-controlling interests	KRW million	7,171	4,469	7,244

1) Financial data for 2022 and 2023 were reclassified due to discontinued operations following the sale of shares and termination of operations in certain BUs. Refer to the business report for details.

ESG Performance Data

Non-Financial Performance

Environmental Performance

Greenhouse Gas ¹⁾					
Classification		Unit	2022 ²⁾	2023 ²⁾	2024
Scope 1		tCO ₂ eq	2,071,723	2,037,664	2,208,986
Scope 2		tCO ₂ eq	56,781,675	51,686,781	50,242,011
Total Emissions (Scope 1+2)		tCO ₂ eq	58,847	53,718	52,444
Greenhouse gas emissions intensity (Scope 1, 2)		tCO ₂ eq/KRW 100 million	0.565	0.493	0.461
Greenhouse gas reduction rate (based on Scope 1,2 emissions intensity)		%	1.3	12.7	6.6
Scope 3	Category 1 (Purchased Goods and Services)	tCO ₂ eq	220	211	2,235,721
	Category 2 (Capital Goods)	tCO ₂ eq	-	-	16,649
	Category 3 (Fuel and Energy Related Activities)	tCO ₂ eq	4,519	4,118	7,874
	Category 4 (Upstream Transportation of Raw Materials)	tCO ₂ eq	2,133	1,325	1,518
	Category 5 (Waste Generated in Operations)	tCO ₂ eq	6,632	6,711	7,463
	Category 6 (Business Travel)	tCO ₂ eq	-	-	249
	Category 7 (Employee Commuting)	tCO ₂ eq	-	-	54
	Category 8 (Upstream Leased Assets)	tCO ₂ eq	1,307	1,059	1,080
	Category 9 (Downstream Transportation and Distribution)	tCO ₂ eq	-	-	56,962
	Category 11 (Use of Sold Products/Services)	tCO ₂ eq	-	-	65,944
	Category 12 (Final Processing of Sold Products)	tCO ₂ eq	-	-	23,997
	Category 13 (Downstream Leased Assets)	tCO ₂ eq	33	59	63
	Category 14 (Franchises)	tCO ₂ eq	551,770	607,809	675,196
	Total	tCO ₂ eq	566,614	621,292	3,092,770

1) The total and sum of data differ due to decimal point truncation
2) Data for 2022 and 2023 have been revised due to adjustments in organizational boundaries and calculation criteria in accordance with the latest guidelines, following the new inclusion in the Greenhouse Gas Target Management System for 2024

Energy ¹⁾						
Classification		Unit	2022 ²⁾	2023 ²⁾	2024	
Total		TJ	1,215	1,110	1,081	
Organizational Use	Direct Energy	Subtotal	TJ	37.84	36.90	40.00
		Gasoline	TJ	8.39	9.66	10.66
		Diesel	TJ	0.40	0.19	0.09
		LNG	TJ	28.29	26.80	29.63
		Propane	TJ	0.76	0.25	0.18
	Indirect Energy	Subtotal	TJ	1,186.71	1,080.24	1,050.03
		Electricity	TJ	1,186.71	1,080.24	1,050.03
	Energy Intensity		TJ/KRW 100 million	0.0117	0.0102	0.0095
Energy reduction rate (based on intensity)		%	1.4	12.6	6.8	
Non-organizational Use ³⁾		TJ	11,603	12,752	14,980	
Renewable energy generation and use		TJ	0.228	0.450	0.477	

1) The total and sum of data differ due to decimal point truncation
2) Data for 2022 and 2023 were corrected due to changes in the scope of calculation
3) Data for 2022 and 2023 have been revised due to duplicate calculations

ESG Performance Data

Non-Financial Performance

Environmental Performance

Waste

Classification		Unit	2022 ¹⁾	2023 ¹⁾	2024
Total amount of waste		ton	19,386	23,032	21,176
General Waste (processed by third-party)	Recycle	ton	12,818	6,283	13,024
	Incineration	ton	1,932	2,116	2,427
	Landfill	ton	1,847	1,066	2,156
	Other	ton	2,789	3,567	3,569
Waste recycling rate		%	66	71	62
Waste Intensity		ton/KRW 100 million	0.186	0.212	0.186

1) 2022 and 2023 data were corrected due to changes in the scope of calculation

Water and Wastewater

Classification		Unit	2022	2023	2024
Total		ton	940,810	893,824	896,864
Water withdrawal/ Water consumption	Water and sewage	ton	932,285	890,923	894,326
	Fresh water	ton	0	0	0
	Groundwater	ton	8,525	2,901	2,538
	Water discharge ¹⁾	ton	940,810	893,824	896,864
Water use intensity		ton/KRW 100 million	9.038	8.210	7.882

1) Data for 2022 and 2023 have been revised due to an aggregation error

Environmental Management

Classification		Unit	2022	2023	2024
Environmental training	Number of participants	person	5,177	5,294	2,617
	Training hours	hour	7,449.5	3,035	1,100.5

Green Products and Services

Classification		Unit	2022	2023	2024
Purchase of products and services	Total ¹⁾	KRW 100 million	935.2	999.4	1,059.9
	Green Purchase ²⁾³⁾	KRW 100 million	163.4	226.6	216.0
Sales of green products and services ⁴⁾		KRW 100 million	4,278.2	5,224.4	6,389.0

- 1) The scope of total purchasing costs: office supplies, office equipment, consumables, refrigeration equipment, shopping bags, envelopes, containers, and other consumables
- 2) The scope of eco-friendly purchasing costs: office supplies, office equipment, consumables, refrigeration equipment with R290 refrigerant, shopping bags, envelopes, containers, and other consumables
- 3) Data for 2022 and 2023 have been revised due to changes in the data aggregation method
- 4) The amount included in eco-friendly sales from the home shopping division is based on shipment value

Green Stores

Classification		Unit	2022	2023	2024
SEMS	SEMS installed stores	number	12,218	14,994	16,938
Green store	Green stores	number	27	27	27

ESG Performance Data

Non-Financial Performance

Social Performance

Employee¹⁾

Classification			Unit	2022	2023	2024	
Total			person	7,816	7,370	7,460	
Gender	Male		person	4,266	4,167	4,184	
	Female		person	3,550	3,203	3,276	
Location	Korea		person	7,808	7,359	7,448	
	Thailand		person	1	1	1	
	China		person	1	1	1	
	Malaysia		person	1	0	0	
	Indonesia		person	2	4	3	
	Vietnam		person	3	3	4	
	Mongolia		person	0	2	3	
Age	Under 30 years old		person	1,576	1,433	1,467	
	30-50 years old		person	4,755	4,572	4,437	
	50 years old and above		person	1,485	1,365	1,556	
Number of employees by contract type and location	Permanent	Male	person	3,729	3,591	3,522	
		Female	person	1,327	1,583	1,543	
	Contingent	Male	person	537	576	662	
		Female	person	2,223	1,620	1,733	
	Permanent	Domestic	person	5,048	5,163	5,053	
		Overseas	person	8	11	12	
	Contingent	Domestic	person	2,760	2,196	2,395	
		Overseas	person	0	0	0	
	Employment type	Full-time	Male	person	3,828	3,653	3,592
			Female	person	1,808	1,712	1,725
Part-time		Male	person	435	514	592	
		Female	person	1,745	1,491	1,551	
Female Employee	Manager ²⁾	Total number of managers (executives) ³⁾	person	35	33	36	
		Number of female managers (executives) ³⁾	person	5	6	6	
	Independent Director	Number of independent director	person	4	4	4	
		Number of female independent director	person	1	1	1	
		Percentage of female independent director	%	25	25	25	
Non-affiliated employees	Dispatched employees	person	20	6	20		
Employees with disabilities	Baseline employees ⁴⁾	person	7,392	6,973	6,751		
	Number of employees with disabilities ⁵⁾	person	208	217	210		
	Percentage of disabled employees	%	2.8	3.1	3.1		

1) Data for 2022 and 2023 have been revised due to the standardization of criteria for aggregating figures for the holding company and its employees

2) In terms of management, executives are considered as managers at GS Retail

3) Excluding independent directors and non-executive directors

4) Calculated based on the criteria for regular employees

5) According to the reporting standards of the Korea Employment Agency for the Disabled

New Hires¹⁾

Classification		Unit	2022	2023	2024
Total		person	912	585	274
Gender	Male	person	575	368	170
	Female	person	337	217	104
Location	Domestic	person	912	585	274
	Overseas	person	0	0	0
Age	Under 30 years old	person	530	400	201
	30-50 years old	person	371	177	69
	50 years old and above	person	11	8	4

1) The data is based on criteria excluding part-time positions, including permanent, professional, specialist contract positions, and contract positions

Years of Retention

Classification		Unit	2022	2023	2024
Male		year	8.8	8.1	8.4
Female		year	5.5	5.5	5.5

Turnover¹⁾

Classification		Unit	2022	2023	2024
Total		person	660	523	325
Gender	Male	person	373	366	247
	Female	person	287	157	78
Location	Domestic	person	660	523	325
	Overseas	person	0	0	0
Age	Under 30 years old	person	156	129	57
	30-50 years old	person	478	365	207
	50 years old and above	person	26	29	61
Voluntary turnover rate		%	8.4	7.1	4.4

1) The data is based on the number of full-time employees, excluding assistant managers and interns

ESG Performance Data

Non-Financial Performance

Social Performance

Human Resources Management

Classification		Unit	2022	2023	2024
	hour	Number of participants	person	4,165	4,368
		Training hours	hour	249,210	230,740
		Training hours per person ²⁾	hour/person	32	31
Training ¹⁾	Investment	Total training expense	KRW thousand	4,657,000	5,831,677
		Average training expenses per employee ²⁾	KRW thousand/person	596	791
Regular performance evaluation ³⁾	Gender	Male	person	3,045	2,985
		Percentage of male	%	77	78
		Female	person	904	866
	Position	Percentage of female	%	23	22
		Team leaders and above	person	533	378
		Percentage of team leaders and above	%	13	10
	Position	Manager	person	3,416	3,473
		Percentage of manager	%	87	90

1) Includes employees who are subject to the training system for each BU, including permanent, contract, professionals, contract professionals, and dispatched employees affiliated with GS Retail
2) Data for 2022 and 2023 have been revised due to changes in the data aggregation method
3) Regular performance evaluations are conducted for full-time employees, with some exceptions based on the date of employment

Vacation and Benefits

Classification			Unit	2022	2023	2024
Maternity leave	Employees		person	64	63	67
	Spouses		person	183	170	148
Parental Leave	Employees who took parental leave	Male	person	64	90	46
		Female	person	92	93	61
	Employees who returned from parental leave	Male	person	52	41	100
		Female	person	64	68	121
	Return-to-work rate of employees who worked for 12 months after returning from parental leave		%	86	88	89
	Reduced hours	Employees on reduced hours during pregnancy	person	51	44	16
Employees on reduced hours during childcare		person	23	18	18	
Retiree support and rehire	Employees rehired at retirement age		person	56	36	59

Labor Council

Classification	Unit	2022	2023	2024
Meetings held	number	20	16	16
Completed agenda items	case	136	141	181

Human Rights¹⁾

Classification		Unit	2022	2023	2024
Training	Completion rate	%	100	100	100
	Number of participants	person	4,913	4,737	6,999
	Training hours	hour	9,108	9,882	17,730
	Training hours per person	hour/person	1.9	2.1	2.5

1) Based on those who have completed legally mandated training (full-time employees above manager level), excluding interns, etc

Equal Opportunities

Classification			Unit	2022	2023	2024
Ratio of female salary	Compared to male	Platform BU and company-wide support	%	71.3	71.4	74.9
		Home shopping BU	%	71.4	75.6	78.4
	Compared to organizational average	Platform BU and company-wide support	%	77.0	77.4	79.9
		Home shopping BU	%	98.4	97.0	87.2
Average salary per person	Male	Platform BU and company-wide support	KRW million	65	70	75
		Home shopping BU	KRW million	84	82	94
	Female	Platform BU and company-wide support	KRW million	47	50	57
		Home shopping BU	KRW million	60	62	74

Health and Safety

Classification		Unit	2022	2023	2024
Occupational accidents	Number of occupational accidents	case	35	36	46
	Occupational accident rate ¹⁾	%	0.00	0.00	0.00
	Fatality rate ¹⁾	%	0.00	0.00	0.00
Training	Completion rate	%	100	100	100
	Number of participants	person	3,656	3,181	3,307
	Training hours	hour	51,672	47,768	53,044
	Training hours per person	hour/person	14	15	16

1) Data for 2022 and 2023 have been revised due to changes in the data aggregation method

ESG Performance Data

Non-Financial Performance

Social Performance

Supply Chain Assessment

Classification		Unit	2022	2023	2024
Impact Assessment	New Supplier registrations ¹⁾	number	1,923	1,518	1,603
	Suppliers assessed for ESG	number	1,839	1,469	1,878
	Number of suppliers assessed for environmental and social impact ³⁾	number	222	207	159
	Suppliers not contracted due to negative environmental and social impacts	number	0	0	0
	Suppliers with confirmed negative impacts	number	7	7	7
	Number of suppliers agreeing to make implement improvement measures ⁴⁾	number	7	7	7
	Suppliers whose contracts were terminated after significant negative impacts were identified impacts	number	0	0	0

- 1) The data from 2023 onwards is based on the Home Shopping BU criteria, as the Platform BU has completed system improvements and is no longer managing separate figures
- 2) Number of new contract companies that participated in ESG self-diagnosis assessment
- 3) Number of suppliers inspected for environmental hygiene and safety
- 4) Number of suppliers that received a grade of C or D in the environment and social impact assessment and generally underwent re-examination

Shared Growth

Classification		Unit	2022	2023	2024
Funding	Win-win partner loan	Amount	KRW 100 million	1,074.1	1,403.7
	Broadcasting commission refund policy	Refund commission	KRW 100 million	5.2	7.7
		Eligible suppliers and partners	number	104	113
Market development	I Love SMEs	Transaction volume	KRW 100 million	34.7	32.6
		Broadcasting aired	time	463	472
		Eligible suppliers and partners	number	51	62
				42	
	Prime time scheduling opportunity	Data Home shopping	%	61.9	60.3
		TV Home shopping	%	51.9	51.3
	Broadcast preparation support			56.0	
		Amount	KRW 100 million	10.6	10.6
Support to strengthen competitiveness	Productivity innovation partnership	Amount	KRW 100 million	2.6	3
		Eligible suppliers and partners	number	10	9
	CCM certification support	Amount	KRW 100 million	0.1	0.3
		Eligible suppliers and partners	number	1	3
	Inspection expense reduction support	Amount	KRW 100 million	8.8	6.6
		Eligible suppliers and partners	number	596	621
	ESG training for employees of suppliers	Amount	KRW 100 million	0.1	0.13
		Eligible suppliers and partners	number	691	588

Product and Service

Classification		Unit	2022	2023	2024
Health and Safety	Health and safety impact assessment	Percentage of products assessed	%	-	-
				-	-
	Violation of laws and internal regulations	Cases that resulted in fines	case	0	0
		Cases that resulted in warnings	case	0	0
		Regulatory violations	case	18	19
Marketing and labeling	Information and labeling violations	Cases that resulted in fines	case	0	1
		Cases that resulted in warnings	case	1	1
		Regulatory violations	case	20	14
	Marketing communications violations	Cases that resulted in fines	case	0	0
		Cases that resulted in warnings	case	0	0
		Regulatory violations	case	0	0

Customer Satisfaction

Classification	Unit	2022	2023	2024
Number of major VOCs	case	7,961	7,330	8,733

Information Security

Classification		Unit	2022	2023	2024
Information security related certification		-	ISMS, ISMS-P	ISMS, ISMS-P	ISMS-P
Training ¹⁾	Completion rate	%	100	100	100
	Number of participants	person	5,007	4,661	6,999
	Training hours	hour	5,007	4,661	3,500
	Training hours per person	hour/person	1	1	0.5

1) Excluding assistant store managers on site

Corporate Social Responsibility (CSR)

Classification		Unit	2022	v	2024
Business performance ¹⁾	Public service	KRW 100 million	33.6	35.1	34.1
	Shared Growth	KRW 100 million	14.4	13.8	17.4
Employee volunteer service		person	2,598	3,861	4,725

1) Data for 2022 and 2023 have been revised due to an aggregation error

ESG Performance Data

Non-Financial Performance

Governance Performance

Board of Directors

Classification		Unit	2022	2023	2024
Total		person	7	7	7
Composition	Executive Directors	person	2	2	2
	Non-executive directors	person	1	1	1
	independent directors	person	4	4	4
	Gender	Male	person	6	6
		Female	person	1	1
	Age	Under 30 years old	person	0	0
		30-50 years old	person	0	0
		50 years old and above	person	7	7
Operation	Average attendance rate of independent directors		%	100	100
	Meetings held		number	10	8
	Agenda items	Resolution	case	20	23
		Report	case	33	31

Board Committees

Classification			Unit	2022	2023	2024
Audit Committee	Percentage of independent directors		%	100	100	100
	Meetings held		number	8	6	8
	Agenda items	Resolution	case	7	6	10
		Report	case	17	17	17
Internal Transactions Committee	Percentage of independent directors		%	100	100	100
	Meetings held		number	5	7	7
	Agenda items	Resolution	case	30	13	9
		Report	case	0	0	0
Independent Director	Percentage of independent directors		%	100	100	100
	Meetings held		number	1	1	2
Nomination Committee	Agenda items	Resolution	case	1	1	2
		Report	case	0	0	0
Compensation Committee	Percentage of independent directors		%	67	67	67
	Meetings held		number	1	2	3
	Agenda items	Resolution	case	1	2	3
		Report	case	0	0	0
ESG Committee	Percentage of independent directors		%	75	75	75
	Meetings held		number	3	4	4
	Agenda items	Resolution	case	7	7	8
		Report	case	4	4	9

Compliance

Classification		Unit	2022	2023	2024
General	Damage cost due to monetary sanctions such as fines	KRW 100 million	254	16	0
	Non-monetary sanctions such as administrative action incurred	case	2	3	0
	Number of cases filed through dispute resolution mechanisms	case	89	96	86
Environment	Damage cost due to monetary sanctions such as fines	KRW million	0	0	0
	Non-monetary sanctions such as administrative action incurred	case	0	0	0
	Number of cases filed through dispute resolution mechanisms	KRW 100 million	0	0	0

Anti-Corruption and Fair Trade

Classification		Unit	2022	2023	2024
Number of suppliers signing the Code of Ethics		number	1,415	1,454	1,407
Corruption cases (violation of ethics)	Disciplinary actions	Discipline	case	24	30 ²⁾
		Dismissal	case	0	0
	Number of partner contract terminations		case	0	0
Anti-competitive behaviors	Number of legal actions		case	0	0
	Integrity management-related voices ¹⁾	Progress	case	2	1
		Completed	case	0	0
Report	Red Whistle	Number of reports	case	145	271
		Handling rate	%	100	100
	Voice of suppliers	Number of reports	case	5	21
		Handling rate	%	100	100
	Other channels (in person, phone, etc.)	Number of reports	case	52	57
		Handling rate	%	100	100
		Number of reports	case	1	11

1) Number of integrity management issues, including human rights cases such as unfair practices, sexual harassment, and workplace bullying by employees and suppliers
2) Data for 2023 was corrected due to a calculation error

Integrity Management¹⁾

Classification		Unit	2022	2023	2024
Training	Completion rate ²⁾	%	100	99.8	100.0
	Number of participants	person	5,820	7,050	6,999
	Training hours	hour	2,462	3,416	3,725
	Training hours per person	hour/person	0.4	0.5	0.5

1) Includes anti-corruption training performance
2) Data for 2022 was corrected due to a calculation error

SASB Index

Sustainability Disclosure Topics

Industry: Food Retailers & Distributors

Classification	Code	Item	Reporting Page	Note
Energy Management	FB-FR-130a.1	Operational energy consumed	60, 62, 99	1,081TJ
		Percentage grid electricity		1,050.03TJ
		Percentage renewable		0.477TJ
Food Waste Management	FB-FR-150a.1	Amount of food waste generated	64, 100	
		Percentage diverted from the waste stream		
Data Security	FB-FR-230a.2	Description of approach to identifying and addressing data security risks	86-88	
Product Health & Nutrition	FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	37-41	
Product Labeling & Marketing	FB-FR-270a.1	Number of incidents of non-compliance with industry or regulatory labelling and/or marketing codes	103	
	FB-FR-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labelling practices	103	
Labor Practices	FB-FR-310a.1	Average hourly wage	N/A	KRW 9,860
		Percentage of in-store and distribution centre employees earning minimum wage, by region	N/A	100%
	FB-FR-310a.2	Percentage of active workforce employed under collective agreements	N/A	0%
	FB-FR-310a.3	Number of work stoppages	N/A	0 times
		Total days idle	N/A	0 days
	FB-FR-310a.4	Labour law violations	N/A	0 times
		Total amount of monetary losses as a result of legal proceedings associated with: (1) labour law violations and (2) employment discrimination	N/A	KRW 0
Management of Environmental & Social Impacts in the Supply Chain	FB-FR-430a.1	Revenue from products third-party certified to an environmental and/or social sustainability sourcing standards	35	Eco-friendly sales: KRW 638.9 billion
	FB-FR-430a.2	Percentage of revenue from: Eggs that originated from a cage-free environment	45	Sales of animal welfare certified products: approximately KRW 5.96 billion
		Percentage of revenue from: pork produced without the use of gestation crates		
	FB-FR-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	77	
	FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging	35	

Activity Metrics

Classification	Code	Item	Reporting Page	Note
Activity Metrics	FB-FR-000.A	Number of retail locations and distribution centres	GS 25	14
			GS THE FRESH	14

GRI Standards Index

Universal Standards

General Disclosures

Classification	Metric		Page	Note
The organization and its reporting practices	2-1	Organizational details	5-7	
	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	98-104	
	2-5	External assurance	109-112	
Activities and workers	2-6	Activities, value chain and other business relationships	5-9, 14	
	2-7	Employees	69, 101-102	
	2-8	Workers who are not employees	101	
Governance	2-9	Governance structure and composition	90, 104	
	2-10	Nomination and selection of the highest governance body	90	
	2-11	Chair of the highest governance body	90-91	
	2-12	Role of the highest governance body in overseeing the management of impacts	91	
	2-13	Delegation of responsibility for managing impacts	91	
	2-14	Role of the highest governance body in sustainability reporting	11, 91, 95-96	
	2-15	Conflicts of interest	90	
	2-16	Communication of critical concerns	11, 21, 91, 95	
	2-17	Collective knowledge of the highest governance body	90	
	2-18	Evaluation of the performance of the highest governance body	92	
	2-19	Remuneration policies	92	
	2-20	Process to determine remuneration	92	
	2-21	Annual total compensation ratio	92	
	2-22	Statement on sustainable development strategy	4	
	2-23	Policy commitments	48, 57, 72, 76, 82, 86, 93	
Strategy, Policy, and Execution	2-24	Embedding policy commitments	48, 57, 72, 76, 82, 86, 93	
	2-25	Processes to remediate negative impacts	70, 83	
	2-26	Mechanisms for seeking advice and raising concerns	19, 70, 76, 94	
	2-27	Compliance	105	
	2-28	Membership associations	113	
	2-29	Approach to stakeholder engagement	19	
	2-30	Collective bargaining agreements	105	

Material Topics & Topic Standards

Classification	Metric		Page	Note
Disclosures on material topics	3-1	Process to determine material topics	16-18	
	3-2	List of material topics	16-18	
Eco-friendly Products and Services				
Material Topics	3-3	Management of material topics	16-18, 33	
Non-GRI			16-18, 33	
Health-Oriented and Socially Responsible Products and Services				
Material Topics	3-3	Management of material topics	16-18, 37	
Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	37, 39, 41, 103	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	103	
Marketing and Labeling	417-1	Requirements for product and service information and labeling	Data incomplete	To be managed
Local Community Contribution				
Material Topics	3-3	Management of material topics	16-18, 42	
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	42-49	
	203-2	Significant indirect economic impacts	14, 42-49, 63	
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	44-48	
	413-2	Operations with significant actual and potential negative impacts on local communities	Data incomplete	To be managed
Compliance				
Material Topics	3-3	Management of material topics	16-18, 50	
Anti-corruption	205-1	Operations assessed for risks related to corruption	Data incomplete	To be managed
	205-2	Communication and training about anti-corruption policies and procedures	50-54, 104	
	205-3	Confirmed incidents of corruption and actions taken	104	
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	104	
Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	104-105	
	417-3	Incidents of non-compliance concerning marketing communications	104-105	

GRI Standards Index

Other GRI Index

Classification		Metric	Page	Note
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	201-3	Defined benefit plan obligations and other retirement plans		Refer to the business report, p.334
	201-4	Financial assistance received from government		Refer to the business report, p.46
Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	102, 105	
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	104	
Tax	207-2	Tax governance, control, and risk management	95-96	
Water and Effluents	303-1	Interactions with water as a shared resource	100	
	303-3	Water withdrawal	100	
	303-4	Water discharge	100	
	303-5	Water consumption	100	
Emissions	305-1	Direct (Scope 1) GHG emissions	99	
	305-2	Energy indirect (Scope 2) GHG emissions	99	
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	305-4	GHG emissions intensity	99	
	305-5	Reduction of GHG emissions	12, 31, 99	
	305-6	Emissions of ozone-depleting substances (ODS)	59	
Waste	306-1	Waste generation and significant waste-related impacts	61	
	306-2	Management of significant waste-related impacts	58, 61	
	306-3	Waste generated	100	
	306-4	Waste diverted from disposal	100	
	306-5	Waste directed to disposal	100	
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	77, 103	
	308-2	Negative environmental impacts in the supply chain and actions taken	77, 103	

Classification		Metric	Page	Note
Employment	401-1	New employee hires and employee turnover	101	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	69	
	401-3	Parental leave	102	
Occupational Health and Safety	403-1	Occupational health and safety management system	72-75	
	403-2	Hazard identification, risk assessment, and incident investigation	72-75	
	403-3	Occupational health services	72-75	
	403-4	Worker participation, consultation, and communication on occupational health and safety	72-75	
	403-5	Worker training on occupational health and safety	75, 102	
	403-6	Promotion of worker health	69	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	72-75	
	403-8	Workers covered by an occupational health and safety management system	72-75	
	403-9	Work-related injuries	102	
	403-10	Work-related ill health	102	
Training and Education	404-1	Average hours of training per year per employee	102	
	404-2	Programs for upgrading employee skills and transition assistance programs	67	
	404-3	Percentage of employees receiving regular performance and career development reviews	102	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	90, 101, 104	
	405-2	Ratio of basic salary and remuneration of women to men	102	
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UN SDGs Initiatives

As a member of the UN Global Compact, GS Retail support the achievement of the UN Sustainable Development Goals (SDGs). We prioritize goals closely aligned with our business and implement initiatives across our entire value chain to advance these objectives.

UN SDGs Directions		Initiatives
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	- Procure certified raw materials - Conduct radiation safety inspection for fishery products - Launch products considering high inflation
	Ensure healthy lives and promote well-being for all at all ages	- Operate employee welfare programs such as providing health checkups and covering medical expense - Conduct workplace safety inspections and risk assessments - Develop raw material safety and healthy food
	Achieve gender equality and empower all women and girls	- Operate Human Resources development program - Acquire a family-friendly company certification (maternity bonus, childcare leave, and on-site daycare center)
	Ensure availability and sustainable management of water and sanitation for all	- Introduce water-saving mixed faucets
	Ensure access to affordable, reliable, sustainable and modern energy for all	- Install and operate solar panel facilities - Expand the opening of the SEMS-adopted stores, and refrigeration equipment using eco-friendly refrigerants, swing-door, Eco-cover (open showcase), etc. - Convert to eco-friendly LED lighting
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	- Create jobs for vulnerable groups - Partner support activities - Sign a shared growth agreement with franchisees - Offer sales channels for suppliers' products
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	- Operate innovative shops and stores - Serve as the role of social safety net for offline stores - Operate a smart logistics system
	Reduce inequality within and among countries	- Create jobs for vulnerable groups - Conduct human rights impact assessment and effectiveness evaluation - Operate a dedicated channel for human rights complaints

UN SDGs Directions		Initiatives
	Ensure sustainable consumption and production patterns	- Build a digital studio - Develop eco-friendly products - Recycle waste synthetic resin waste and store waste electronic products - Operate a recycle center - Turned food waste into compost - Operate upcycling and product donation campaign - Operate Carbon Neutrality Point Program
	Take urgent action to combat climate change and its impacts	- Operate an environmental management system under ISO 14001 certification - Expand SEMS-adopted stores - Carry out greenhouse gas reduction activities for each scope - Operate a green logistics system
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	- Conduct an environmental protection campaign - Conduct an ecosystem protection campaign in collaboration with the Ministry of Oceans and Fisheries of Korea
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss	- Expand certified products such as animal welfare and organic farming - Implement biological diversity conservation activities - Use FSC-certified paper boxes
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	- Provide psychological counseling for abused children and their families
	Strengthen the means of implementation and revitalize the global partnership for sustainable development	- Implement CSR activities with Korea Food for the Hungry and Good Neighbors - Participate in the Earth Hour campaign hosted by the World Wildlife Fund (WWF) - Operate a CSR store in collaboration with the Ministry of Health and Welfare

Greenhouse Gas Verification Statement (Scope 1, 2)

SCOPE

Verification of places of business and emission facilities under the control of GS Retail Co., Ltd.
- GS Retail (Headquarters), office buildings, distribution center, and GS25 and GS THE FRESH directly operated stores.

STANDARDS

- ISO 14064-1:2018, ISO 14064-3:2019
- IPCC Guidelines for National Greenhouse Gas Inventories(2006)
- Guidelines for Reporting and Certification of Emissions under the Emissions Trading Scheme
- Guidelines for Verification under the Operation of the Emissions Trading Scheme
- Guidelines for the Operation of the Greenhouse Gas and Energy Target Management System

PROCEDURE

The assurance was conducted by the KMR based on a risk analysis approach and data evaluation. The data and factors applied to the calculation of GHG emissions were determined to be appropriate based on objective evidence.

INDEPENDENT

KMR does not have any stake in the verified entity and does not conduct verification with biased opinions/views. We have drawn an independent and objective verification conclusion based on the verification standards, and reviewed the every aspect of the verification we performed throughout the entire verification process through internal review.

LIMITATION

The verification team verified the related reports, information and data presented by the audited institution by sampling or enumeration methods. As a result, there are many inherent limitations, and there may be disagreements in the interpretation of appropriateness. Although we have tried to faithfully perform verification that meets the verification standards, we suggest that errors, omissions, and false statements that could not be found may be latent as the limitations to the verification.

OPINION

- The assurance engagement(Scope 1,2) was performed to satisfy a reasonable assurance level according to the verification standards.
- We express that no significant errors were found in the calculation of emissions during the verification process, and that relevant activity data and evidence were appropriately managed and calculated. As a result, we express an “unmodified” opinion.
- Criticality: meets the criterion, which is less than 5%

GHG emissions & Energy Consumption

Year	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Total(tCO ₂ eq)
2021	1,246.208	50,981.714	52,220
2022	2,071.723	56,781.675	58,847
2023	2,037.664	51,686.781	53,718
2024	2,208.986	50,242.011	52,444

Year	Fuel	Electricity	Steam	Total(TJ)
2021	23.155	1,065.511	0	1,079
2022	37.836	1,186.713	0	1,215
2023	36.904	1,080.238	0	1,110
2024	40.004	1,050.026	0	1,081

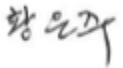
* NOTE : There are a differences between the emissions and emissions by greenhouse gas and the total emissions by workplaces.
(Emissions at each workplace, rounded off by decimal point, are combined at the company level)

RESULTS

Based on the above assurance criteria, we did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.



Authorized By

May 20th, 2025


Greenhouse Gas Verification Statement (Scope 3)

SCOPE

Verification of places of business and emission facilities under the control of GS Retail Co.,Ltd
- GS Retail (Headquarters), office buildings, distribution center, and GS25 and GS THE FRESH directly operated stores.

STANDARDS

- ISO 14064-1:2018, ISO 14064-3:2019
- IPCC Guidelines for National Greenhouse Gas Inventories(2006)
- Operational guidelines for emission reporting and certification of the Greenhouse Gas emissions trading scheme (Ministry of Environment, 2024-155)
- WRI/WBCSD GHG Protocol(2013)

PROCEDURE

The assurance was conducted by the KMR based on a risk analysis approach and data evaluation. The data and factors applied to the calculation of GHG emissions were determined to be appropriate based on objective evidence.

INDEPENDENT

KMR does not have any stake in the verified entity and does not conduct verification with biased opinions/views. We have drawn an independent and objective verification conclusion based on the verification standards, and reviewed the every aspect of the verification we performed throughout the entire verification process through internal review.

LIMITATION

The verification team verified the related reports, information and data presented by the audited institution by sampling or enumeration methods. As a result, there are many inherent limitations, and there may be disagreements in the interpretation of appropriateness. Although we have tried to faithfully perform verification that meets the verification standards, we suggest that errors, omissions, and false statements that could not be found may be latent as the limitations to the verification.

OPINION

- The assurance engagement(Scope3) was performed to satisfy a limited assurance level, and no significant distortions were found in the verification results.
- According to KMR's approach, nothing was found that would lead to a finding that GS Retail Co.,Ltd. failed to disclose data and information that was accurate and reliable in all material respects.

GHG emissions

(Unit: tCO₂eq)

Category	Scope 3	2021	2022	2023	2024
1	Purchased goods and service	212	220	211	2,235,721
2	Capital goods	-	-	-	16,649
3	Fuel and energy related activities	4,028	4,519	4,118	7,874
4	Upstream transportation and distribution	1,808	2,133	1,325	1,518
5	Waste generated in operations	6,029	6,632	6,711	7,463
6	Business travel	-	-	-	249
7	Employee commuting	-	-	-	54
8	Upstream leased assets	1,011	1,307	1,059	1,080
9	Downstream transportation and distribution	-	-	-	56,962
11	Use of sold products/services	-	-	-	65,944
12	Final processing of sold products	-	-	-	23,997
13	Downstream leased assets	15	33	59	63
14	Franchises	530,713	551,770	607,809	675,196
Total		543,816	566,614	621,292	3,092,770

* There are a differences in the total amount of greenhouse gas emissions and workplace emissions.
(Emissions at each workplace, rounded off by decimal point, are combined at the company level)

RESULTS

Based on the above assurance criteria, we did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.

May 20th, 2025



Authorized By

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Independent Assurance Statement

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of 2024 GS Retail Sustainability Report for the year ending December 31, 2024. The preparation, information and internal control of the report are the sole responsibility of GS Retail's the management. KMR's responsibility is to comply with the agreed engagement and express an opinion to GS Retail's management.

Subject Matter

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

- 2024 GS Retail Sustainability Report

Reference Standard

- GRI Standards 2021 : 2023 (GRI)

Assurance criteria

KMR conducted the verification in accordance with the globally recognized standard AA1000AS v3 and KMR's assurance standard SRV1000 based on requirements of ISO 17029 and KMR EDV 01, and set the levels of assurance and materiality as below. Under AA1000AS v3, We assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using the GRI index specified in the report. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria.

- ISO 17029 : 2019, ISO 14065 : 2020, AA1000AS v3 : 2020 (AccountAbility), AA1000AP : 2018 (AccountAbility), SRV 1000 : 2022 (KMR), KMR EDV 01 : 2024 (KMR)
- Levels of assurance/materiality: AA1000AS v3 – Type 2/moderate

Scope of assurance

The scope of our assurance included the verification of compliance with the reporting requirements of the GRI Standards 2021. We confirmed that the following indicators of material topics were identified through the materiality assessment process.

- GRI Standards 2021 reporting principles
- Universal Standards
- Topic Specific Standards
 - GRI 205: Anti-Corruption
 - GRI 206: Anti-competitive Behavior
 - GRI 413: Local Communities
 - GRI 416: Customer Health and Safety
 - GRI 417: Marketing and Labeling

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

KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

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

Independent Assurance Statement

Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment. The scope of this assurance included the confirmation of the truthfulness of claims regarding results that have already been obtained as stipulated by ISO 17029. However, the plausibility of intended claims of forecasts or hypotheses was not validated even if the related content was contained in the report.

A limited assurance evaluates the appropriateness of the criteria used by GS Retail for preparing sustainability information on subject matters, the risk of material misstatement in the sustainability information, whether due to fraud or error, responses to risks, and disclosure of the sustainability information on subject matters. However, the scope of the risk assessment process and the subsequent procedures performed in response to assessed risks, including an understanding of internal controls, is more limited than that of a reasonable assurance.

Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by GS Retail are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System (NGMS).

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with GS Retail on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report applied the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

Inclusivity

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

Materiality

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

Responsiveness

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

Impact

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

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of data related to sustainability performance, including greenhouse gas emissions, energy consumption, waste generation, employee status, new hires, and length of service. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

KMR's Competence, Independence, and Quality Control

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

Limitations of Use

This assurance statement is made solely for the management of GS Retail for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of GS Retail. The statement is valid as of the assurance date below. Certain events that may occur between the assurance date and the time of reading this report could have a material impact on the report, which may lead to revisions to this assurance statement. Therefore, we recommend visiting the GS Retail website and verifying whether this is the latest version.

June 20, 2025



CEO

E. J. Hawang

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MATERIAL TOPICS

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INDEPENDENT ASSURANCE
STATEMENT

PEOPLE WHO CONTRIBUTED
TO THE REPORT

INITIATIVES AND
MEMBERSHIPS

AWARDS

People Who Contributed to the Report

Minji Kang	Seungcheol Kim	Kyungmin Ryu	Jinsuk Yu	Yongwoon Lim
Seungwon Kang	Siyeon Kim	Jihun Ryu	Kunjung Yuk	Hojun Jang
Yong Kang	Youngchul Kim	Gyeongjin Moon	Kanghwan Lee	Seonjun Jeon
Geunmo Gu	Wonjun Kim	Minjeong Park	Dongwoo Lee	Eonjeong Jeon
Bogeon Kwon	Yunseok Kim	Seik Park	Sewon Lee	Jihyeon Jeong
Hansol Kwon	Jaeuk Kim	Sehyeon Park	Jeongdo Lee	Hyunwook Cho
Geonhui Kim	Junhui Kim	Junghyo Park	Jimin Lee	Byeongjoo Ji
Kwangtae Kim	Jinhui Kim	Jooho Park	Chiseung Lee	Yoondae Han
Daehyeon Kim	Cham Kim	Seungtae Baek	Hyeonmin Lee	Jaehyun Ho
Dongjin Kim	Hyeonu Kim	Sangjun Son	Hyeonu Lee	Minkyu Hong
Sunkwang Kim	Hyeongjin Kim	Yongseok Song	Hyeonjeong Lee	Jihyun Hwang
Sungmin Kim	Changho Nam	Jisu Shin	Hyekyung Lee	Hyeseong Hwang
Suhyeon Kim	Jongho Noh	Hyeongju Ahn	Hwangho Lee	

Public Policy Team - ESG Part

Kyungrang Park	Junwoo Jung	Sujin Kwon
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Initiatives and Memberships

Federation of Korean Industries	Korea Enterprises Federation	Korea Association of Convenience Store Industry	Korea Chain Store Association
Korea Listed Companies Association	Korea Chamber of Commerce and Industry	Korea Stock Exchange	Korea Distribution Law Association
Korea Academic Society of Franchising	Korea Distribution Association	United Nations Global Compact	Changwon Initiative (Korea Forest Service)
Biz N Biodiversity Platform (BNBP)			

Awards

2024.11	2024 Fair Employment Excellent Company Awards – Recipient of the Minister of Employment and Labor Award	Ministry of Employment and Labor
2024.10	Received ESG Comprehensive Grade 'A+'	Korea Institute of Corporate Governance and Sustainability
2024.10	Achieved 'Highest Excellence' Grade in the win-win index	Korea Commission for Corporate Partnership (KCCP)
2024.09	Selected as an Excellent Company for Work-Life Balance	Presidential Committee on Ageing Society and Population Policy
2024.09	KCSI GS THE FRESH Supermarket Division 1st Place (total 11 times 1st)	Korea Management Association Consultants
2024.09	KCSI GS25 Convenience Store Division 1st Place for 20 Consecutive Years (total 25 times 1st)	Korea Management Association Consultants
2024.07	2024 Korea Service Quality Index (KS-SQI) 1st Place (GS SHOP consecutive 3 years, total 10 times)	Korean Standards Association
2024.07	2024 Korea Service Quality Index (KS-SQI) 1st Place (GS THE FRESH consecutive 9 years, total 10 times)	Korean Standards Association
2024.07	2024 Korea Service Quality Index (KS-SQI) 1st Place (GS25 consecutive 12 years, total 21 times)	Korean Standards Association
2024.03	2024 Korea's Most Respected Company in the Supermarket Division, 1st Place (total 2 times)	Korea Management Association Consultants
2024.03	2024 Korea's Most Respected Company in the Convenience Store Division, 1st Place (21 consecutive years)	Korea Management Association Consultants
2024.02	2024 Best Korean Company to Work for	PowerKorea
2024.02	2024 Korea Brand Grand Prize for Person or Organization to Shine	PowerKorea
2024.01	Recipient of the Minister of Environment Award (two consecutive years)	Ministry of Environment

