



***Be Good
Friends***

BGF

2026 **BGF** SUSTAINABILITY REPORT

BGF

About This Report

Contact Information

If you have any questions regarding this report, please contact us using the information below.

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About This Report

This report presents the activities, performance, targets, and progress of tasks carried out by BGF Group across nine areas to achieve its ESG management goals. BGF Group will continue to publish the report annually to transparently disclose its ESG management activities and performance to stakeholders and actively communicate with them.

Reporting Standards

This report has been prepared based on the GRI Standards 2021, the global sustainability reporting guidelines, and also reflects the indicators and targets of the UN SDGs and UNGC.

Reporting Period and Scope

This report covers activities and performance from January 1 to December 31, 2025. Quantitative performance data is presented for the most recent three years from 2023 to 2025 to enable trend analysis, and certain items include activities from the first half of 2026. The reporting data focuses on the ESG management activities and performance of BGF, the holding company of BGF Group; BGF Ecomaterials in the Materials Sector; and BGF Retail in the Retail Sector, and also includes performance data from other affiliates. Business performance is based on consolidated financial data, and financial information has been prepared in accordance with Korean International Financial Reporting Standards (K-IFRS). Where the reporting scope differs, the scope of the relevant information is separately indicated in the corresponding notes.

Forward-Looking Statements

This report may contain forward-looking statements concerning facts relevant not only to the current or past periods but also to the future. Investors should be aware that actual results may differ materially from those stated or implied in the forward-looking statements and should not place undue reliance on them. Except as required by legal or regulatory obligations, the Company assumes no obligation to update forward-looking statements as a result of new information, future events, or other circumstances.

Contents

02 ABOUT THIS REPORT

03 CONTENTS

Overview

05 CEO Message

06 Company Profile

07 Family Site & Business Portfolio

12 Value Chain

13 Global Network

14 2025-2026 Highlights

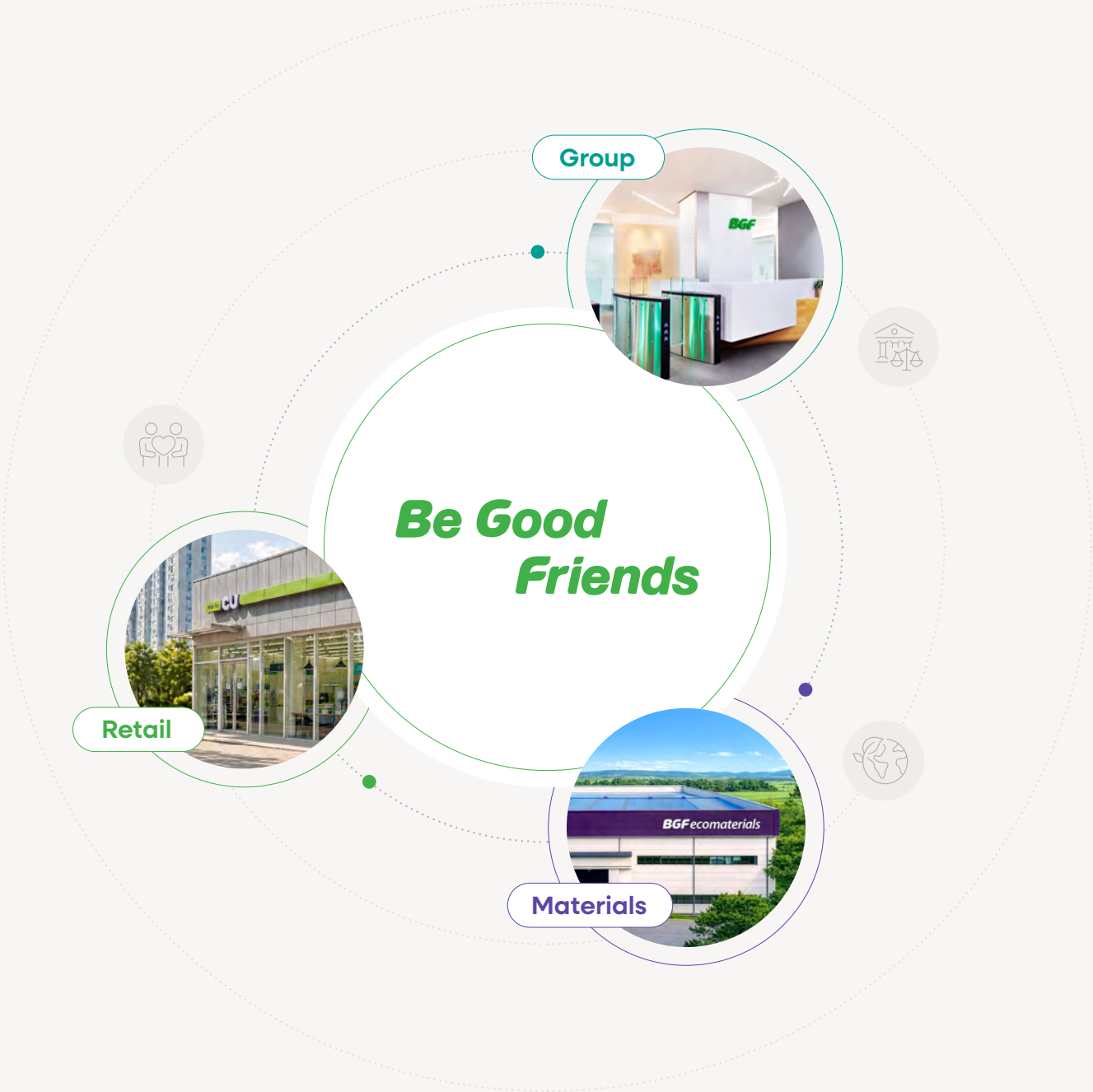
ESG Management

16 ESG Management Strategy

17 ESG Governance

18 Stakeholder Engagement

19 Double Materiality Assessment



ESG Performance

PART 1. Retail Sector

23 Planet

32 People

50 Partner

63 Governance

PART 2. Materials Sector

69 Planet

79 People

94 Partner

98 Governance

PART 3. Group Sector

100 Governance

APPENDIX

106 Financial Data

116 ESG Data

178 GRI Index

181 UNGC

Overview

- 05 CEO Message
- 06 Company Profile
- 07 Family Site & Business Portfolio
- 12 Value Chain
- 13 Global Network
- 14 2025-2026 Highlights

Family Site

Retail Sector **BGF**retail **BGF**logis **BGF**humannet **BGF**foods **BGF**networks

Materials Sector **BGF**ecomaterials **BGF**ecosolution **BGF**ecospecialty **BGF**ecocycle **KNW**

CEO Message

Dear Valued Stakeholders,

We extend our heartfelt gratitude for your unwavering trust and support in accompanying BGF Group's growth.

Today's global business environment is undergoing an unprecedented paradigm shift, driven by the acceleration of digital transformation, persistent high inflation amid geopolitical conflicts, and pervasive uncertainty. As the economic downturn continues, fundamental improvements to business structures and mid- to long-term survival strategies have become more critical than ever. At the same time, expectations for the role of companies are growing—not only in responding to environmental challenges, such as the climate crisis, but also in addressing a wide range of social issues.

To turn these changes into opportunities for a new leap forward, BGF continues to strengthen the competitiveness of its business portfolio and actively implement concrete roadmaps for future growth.

Anchored by two main pillars—the Retail Sector, which leads Korea's retail industry and expands into the global market, and the Materials Sector, which is emerging as a new growth engine based on advanced materials technology—BGF is enhancing the stability of its business structure and steadily expanding the influence of each sector.

In the Retail Sector, BGF Retail, operator of CU, places qualitative growth as its top priority. As the industry's No. 1 player, it continues to strengthen business competitiveness through differentiated products and innovation in store infrastructure.

The company is also making every effort to realize social value closely linked to its core business—leveraging Korea's largest convenience store network not merely as a space for consumption, but as a community safety net. Furthermore, BGF Retail pursues genuine shared growth and win-win management through fair transactions and trust-based cooperation with diverse stakeholders, including partners.

In the Materials Sector, centered on BGF Ecomaterials, BGF is enhancing the supply stability of high-performance and advanced industrial materials, while laying a solid foundation for mid- to long-term growth through raw material diversification and process innovation. Through these efforts, the company seeks to minimize environmental impacts across the entire product lifecycle—reducing plastic use and expanding recycling. At the same time, by

securing materials competitiveness to respond to changing demand in future industries such as electric vehicles and semiconductors, BGF aims to present a vision as an innovative company that will lead related industries going forward.

As a holding company, BGF continues to refine and substantively operate its anti-bribery and compliance management systems to establish a transparent and sound governance structure. To embed an ethical culture that emphasizes principles and integrity across the organization, the company actively implements training programs and improves systems. At the same time, BGF makes company-wide efforts to enhance shareholder value and strengthen external trust, ensuring that ethical management is firmly rooted throughout the organization.

BGF will continue to thoroughly comply with domestic and international laws and regulations, while practicing responsible management that deeply considers the unique characteristics of each market. Under its sustainability vision of "Be Good Friends with the Earth and Society", the company will grow together with customers, franchisees, partners, and local communities, creating tangible changes that contribute to a sustainable future.

We kindly ask for your continued interest and warm support for BGF's bright and positive future, as we move closer to our customers, society, and the global stage.

Thank you.

June 2026

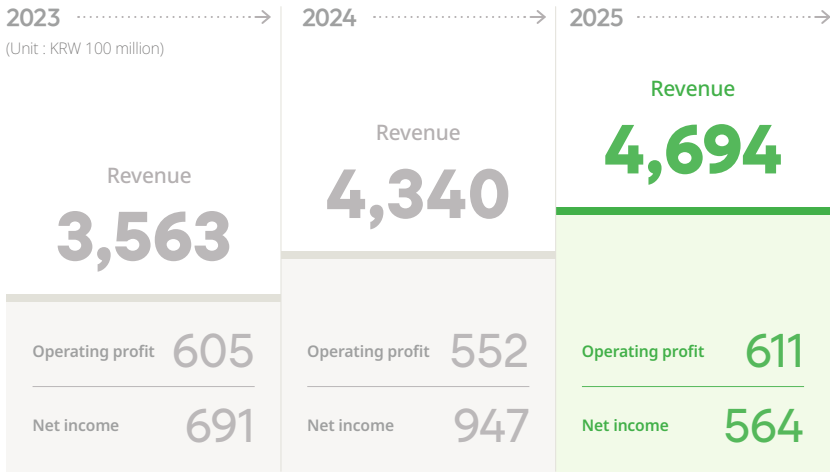
BGF Co., Ltd.
Vice Chairman & CEO Jung-kuk Hong

Company Profile

Corporate Overview

Guided by its corporate vision, “Be Good Friends”, BGF is committed to being a trusted companion in customers’ everyday lives across all business activities. BGF Group engages in a broad range of businesses—including retail, manufacturing, and services—striving to deliver convenience in daily life and to create new value.

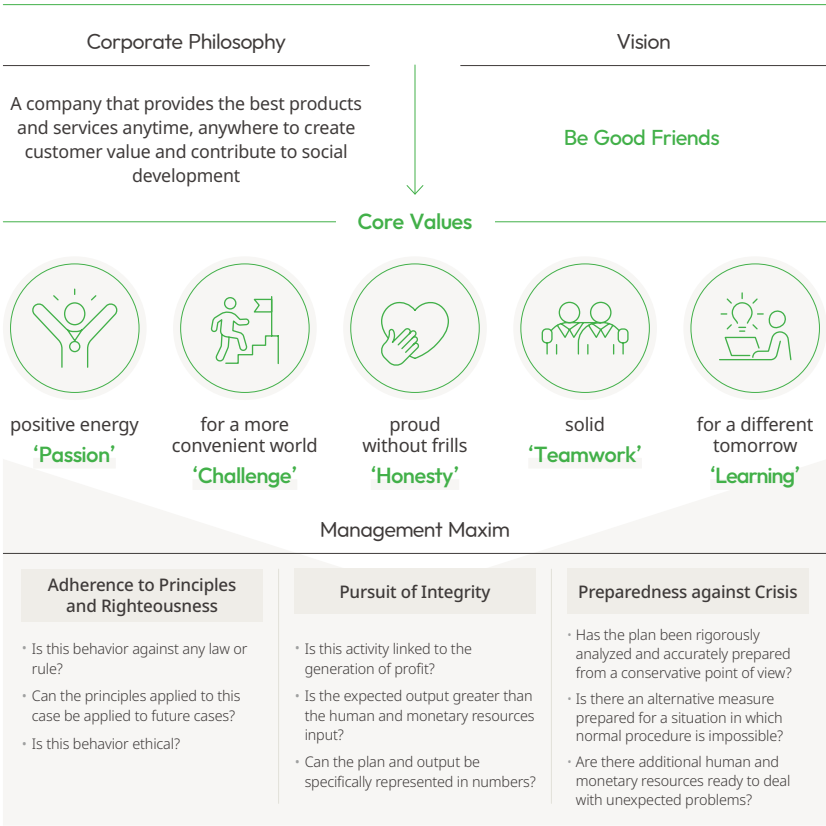
Company	BGF Co., Ltd.
HQ	405, Teheran-ro, Gangnam-gu, Seoul, Republic of Korea
Vice Chairman & CEO	Jung-kuk Hong
Established	December 1, 1994
Total assets	KRW 2,397.4 billion
Major business	Holding company, investment business
Employees	54
Website	https://bgf.co.kr/eng/



About BGF Group

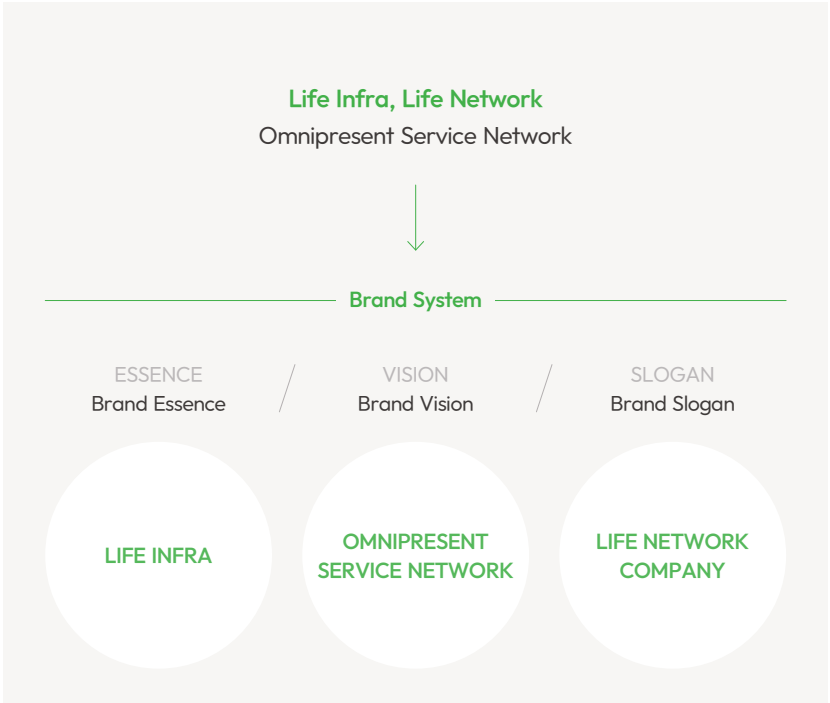
BGF Group operates across diverse sectors—including retail, manufacturing, and services—to enrich customers’ lives and create sustainable value. Since its inception in October 1990 with the convenience store business, the Group was incorporated in 1994 to formally establish its convenience store chain operations. In 2017, to strengthen transparency in group management and pursue qualitative growth, the convenience store division was spun off as BGF Retail Co., Ltd., while the surviving company was renamed BGF Co., Ltd. As an investment holding company, BGF Co., Ltd. generates its primary revenue from brand usage fees paid by users of the BGF brand, management support service fees, dividend income from subsidiaries and other companies, and rental income.

BGF Group Philosophy



Brand System

BGF has established the following brand system under its brand vision of ‘Omnipresent Service Network’.



Family Site & Business Portfolio

Major Affiliates

BGF Logis ▼

CEO	Min-jae Lee
Established on	November 15, 1999
Major business	Logistics and warehousing business
HQ	58, Giheung-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea
Revenue (KRW 100 million)	3,631
Employees (based on full-time employees)	497

BGF Networks ▼

CEO	Jung-wook Yeon
Established on	February 1, 2016
Major business	Advertising and parcel delivery business
HQ	403, Teheran-ro, Gangnam-gu, Seoul, Republic of Korea
Revenue (KRW 100 million)	796
Employees (based on full-time employees)	56



BGF Ecosolution ▼

CEO	Jung-Hyuk Hong
Established on	September 18, 2011
Major business	Manufacture and sale of biodegradable eco-friendly products
HQ	185, Parang-ro, Seo-gu, Incheon, Republic of Korea
Revenue (KRW 100 million)	102
Employees	36

BGF Ecocycle ▼

CEO	Byung-Kwon Hong
Established on	January 21, 2021
Major business	Comprehensive waste recycling and reprocessing business
HQ	11, Geonji-ro 121beon-gil, Seo-gu, Incheon, Republic of Korea
Revenue (KRW 100 million)	170
Employees	101

BGF Foods ▼

CEO	Young-min Song
Established on	January 21, 2008
Major business	Food manufacturing and distribution business
HQ	66, Sansusandan-ro, Deoksan-eup, Jincheon-gun, Chungcheongbuk-do, Republic of Korea
Revenue (KRW 100 million)	2,033
Employees (based on full-time employees)	104

BGF Humannet ▼

CEO	Eung-seon Lee
Established on	March 23, 2009
Major business	Worker dispatch agency and consignment operation business
HQ	22, Nonhyeon-ro 85-gil, Gangnam-gu, Seoul, Republic of Korea
Revenue (KRW 100 million)	1,462
Employees (based on full-time employees)	87

BGF Retail ▼

CEO	Seung-Bae Min
Established on	November 1, 2017
Major business	Convenience store franchise business
HQ	405, Teheran-ro, Gangnam-gu, Seoul, Republic of Korea
Revenue (KRW 100 million)	90,612
Employees (based on full-time employees)	2,596

BGF Ecomaterials ▼

CEO	Jung-Hyuk Hong
Established on	October 13, 1997
Major business	Manufacture and sale of engineering plastic materials
HQ	142, Sangduwon-gil, Jangnam-myeon, Hwaseong-si, Gyeonggi-do, Republic of Korea
Revenue (KRW 100 million)	1,870 (domestic entity on a separate basis)
Employees	232

KNW ▼

CEO	Jae-Seok Yang
Established on	January 12, 2001
Major business	Manufacture and sale of industrial tapes and films
HQ	51, Donyu 3-ro, Munsan-eup, Paju-si, Gyeonggi-do, Republic of Korea
Revenue (KRW 100 million)	247 (domestic entity on a separate basis)
Employees	50

BGF Ecospecialty ▼

CEO	Jung-Hyuk Hong
Established on	July 12, 2005
Major business	Processing, manufacturing, distribution, and sale of fluorine compounds
HQ	100, Ijin-ro, Onsan-eup, Ulju-gun, Ulsan, Republic of Korea
Revenue (KRW 100 million)	520
Employees	151

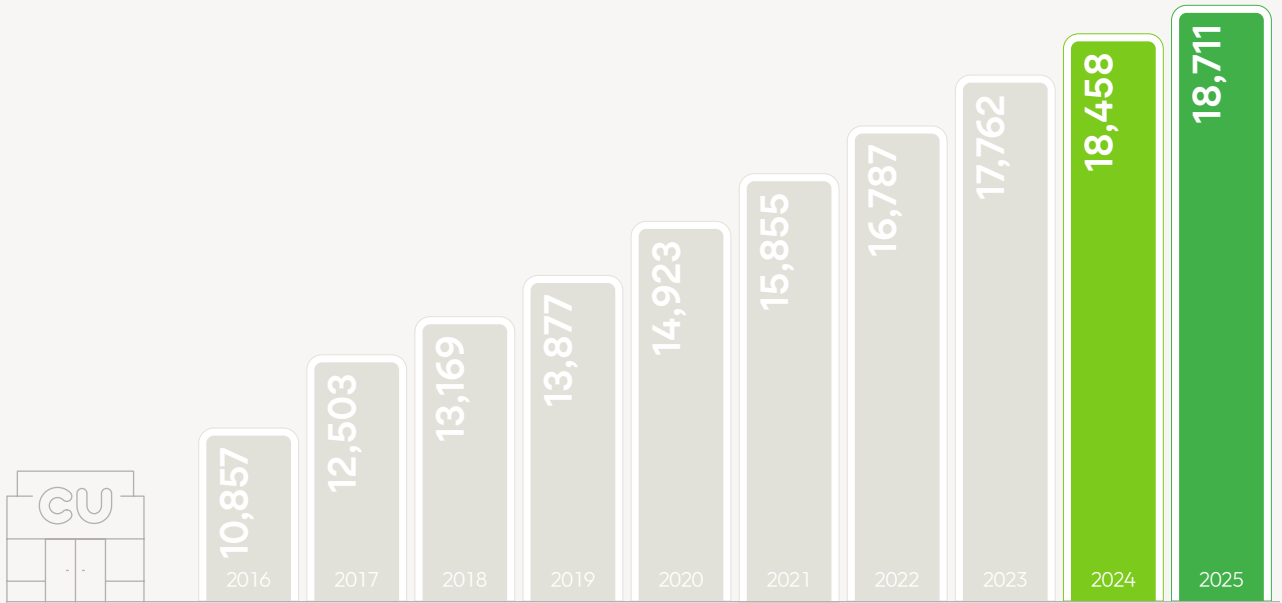
Family Site & Business Portfolio

Retail Sector

BGFretail

BGF Retail operates Korea's leading convenience store franchise business under its flagship brand 'CU'. Since opening its first store in Garak Market in 1990, the company has steadily grown, and in 2012 launched its independent brand CU, firmly establishing itself as a pioneer in Korea's convenience store industry. Today, BGF Retail is expanding globally with operations in Mongolia, Malaysia, Kazakhstan, and Hawaii in the United States, evolving into a worldwide convenience store brand. Beyond being a simple retail company, BGF Retail strives to become a comprehensive lifestyle retailer that enhances quality of life and contributes to social development by offering differentiated products and services tailored to customers' needs.

Store Count in South Korea
(Unit: Stores)



Retail and Product Brands

BGF Retail operates various private brands that meet diverse consumer needs, centered on 'CU', Korea's leading convenience store brand with a nationwide network.

Retail Brand

'CU', a Convenience Store Brand
That Is a Good Friend to Customers and Society



A good friend to customers and society ▼

Convenient and pleasant space

Friendly space

Enjoyable rest stop in everyday life

Product Brand

PB (Private Brand) that fulfills customer needs

PBICK
CU's integrated private brand that addresses customers' potential needs with competitive pricing and quality across snacks, beverages, dairy products, ramyeon, and other products



get coffee
A coffee brand that offers the authentic taste of coffee regardless of time and place

delaffee
A cup-ice pouch beverage brand that allows customers to enjoy new and diverse flavors at affordable prices

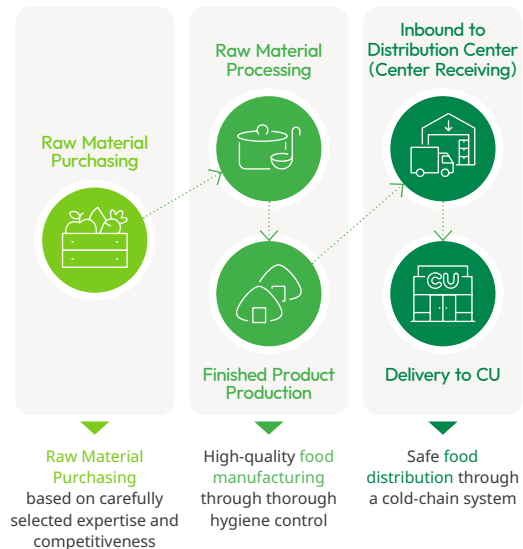
Family Site & Business Portfolio

Retail Sector

BGF foods

BGF Foods oversees the entire manufacturing process, from raw material purchasing, processing, and supply to food manufacturing, to provide CU convenience stores nationwide with the highest-quality and safe food products. BGF Foods also serves as a control tower for convenience food manufacturing, managing and supervising the overall manufacturing system, from food recipe development to production.

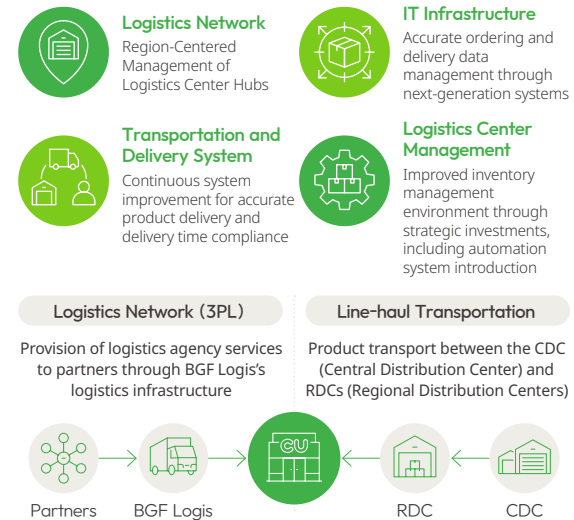
In addition, BGF Foods holds HACCP certification and develops safe food products based on thorough hygiene management led by its in-house quality management organization.



BGFlogis

BGF Logis established the industry's first CVS-dedicated logistics center in 1992 and has built a regional logistics supply chain by establishing logistics centers at major locations nationwide. In 2018, the company opened the Jincheon Central Distribution Center (CDC), the largest in the industry, which serves as a central hub to enable the more organic and efficient operation of Regional Distribution Centers (RDCs) at each regional base.

BGF Logis provides IT infrastructure-based logistics services to ensure the efficient operation of CVS logistics and continues to realize optimal logistics services so that the best products can be delivered at the right time and place.



BGFhumannet

BGF Humannet supports consignment operations and workforce management to enhance the operational efficiency of CU stores. By developing professionals specialized in CVS operations, the company supports the operation of stores located in special sites such as airports, parks, and event venues. It also provides store support services, including store opening support, inventory checks, and store closure support, to ensure the smooth operation of franchise stores.

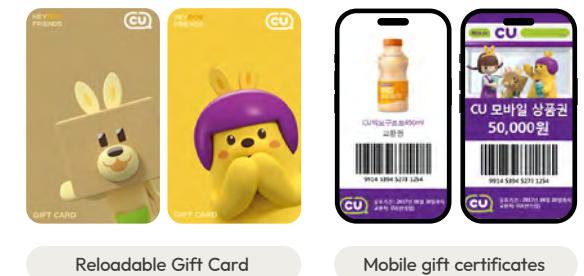
BGF Humannet also supports the overall operation of pop-up stores by dispatching specialized personnel so that brands can focus more on concept execution and marketing. In addition, the company operates a dedicated rest area business team and provides differentiated services based on BGF's expertise to enhance customer satisfaction at rest areas.



BGFnetworks

Based on the CU platform, BGF Networks provides various daily lifestyle services, including parcel delivery services, digital signage advertising, and mobile services such as mobile gift certificates and other services, as well as differentiated digital marketing services, adding convenience to customers' everyday consumption.

In particular, the company offers a range of services, including 24/7 convenience store parcel delivery, pickup services, and home parcel delivery. It also issues and operates rechargeable gift cards and mobile gift certificates. In addition, BGF Networks provides an optimal advertising exposure environment by delivering digital signage advertising content through CU stores, which have the largest store infrastructure nationwide.



Family Site & Business Portfolio

Materials Sector

BGFecomaterials

BGF Ecomaterials is engaged in the engineering plastic materials and chemical business, producing and selling functional polymer compound materials. The company serves a broad range of end users across various industries, including automotive, electrical and electronics, and furniture, and in particular supplies materials for parts to finished vehicle manufacturers.

Polymer materials offer benefits in the automotive sector, including vehicle weight reduction, improved fuel efficiency, enhanced ride comfort and safety, and reduced exhaust emissions. Based on excellent mechanical strength, including heat resistance, chemical resistance, impact resistance, and high rigidity, demand for and the importance of these products continue to grow.

BGF Ecomaterials has affiliates specializing in electronic and automotive components and semiconductor materials, and is expanding its business scope from advanced fluorine materials technology to sustainable materials businesses, including bio-based and recycled materials.

Engineering Plastic Materials and Chemical Business



BGF's Materials Sector operates a polymer materials business across diverse areas, including engineering plastics used in the automotive and electrical and electronics industries, bioplastic materials applied to consumer goods and packaging, and PCR plastic materials based on an internally integrated process covering the entire cycle from sorting facilities to recycling.

BGFecomaterials

BGFecosolution

BGFecocycle

Electronic and Automotive Component Processed Materials Business



In the electronic and automotive component materials business, BGF's Materials Sector produces processed materials, including high-value-added adhesive and bonding film materials used in various industries such as displays, automotive, and electrical and electronics, as well as specialty fibers applied to automotive seats and interior materials. The business focuses on supplying intermediate materials.

KNW

Fluorine Materials Product Manufacturing and Production Business



In the fluorine materials business within BGF Group's Materials Sector, the company produces fluorine-based industrial gas materials, including F₂ gas and SF₆ gas, which are core materials used as cleaning and etching gases, insulating gases, electrolyte solvents, and additives in the semiconductor, secondary battery, and automotive industries.

The company is working to expand the development scope of various fluorochemical products and secure the stability of Korea's domestic supply chain by achieving self-reliance in the industrial gas business.

BGFecospecialty

Family Site & Business Portfolio

Materials Sector

BGFecosolution

BGF Ecosolution is an eco-friendly materials company specializing in the research, development, and production of biodegradable plastics designed to replace conventional petroleum-based plastics. Utilizing advanced biodegradable plastic compounds and foam materials with mechanical properties comparable to general-purpose plastics, the company delivers sustainable solutions that effectively decompose under diverse conditions. Building on these technologies, BGF Ecosolution is expanding into a wide range of sectors, including consumer goods, packaging, disposable products, and agricultural and industrial materials. With capabilities spanning the entire value chain—from raw material sourcing and compound development to processing technologies and applied product innovation—the company is establishing a sustainable materials ecosystem that supports carbon reduction and resource circulation.

Operating Brand



BGF Ecosolution launched Revert, a white biotechnology material brand, with the vision of “Return to Nature.”

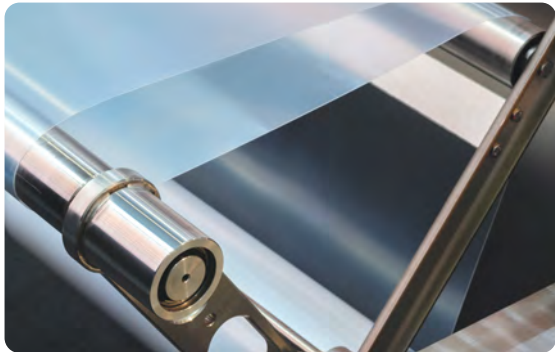
BGFecocycle

BGF Ecocycle is a recycling company that collects, sorts, and recovers waste plastics generated from households and business sites to produce recycled materials. Through its proprietary process technologies, the company effectively reduces impurities, odors, and VOCs, or volatile organic compounds, commonly found in recycled plastics. The high-quality PCR, or Post-Consumer Recycled, materials produced through this process are supplied to advanced industries such as automotive, electrical, and electronics, where strict quality standards are required. Through this resource circulation mechanism, BGF Ecocycle contributes to creating a practical virtuous cycle for plastics.



KNW

KNW develops and supplies process materials and interior materials used in the automotive and electrical and electronics sectors, including adhesive tapes and films, based on its adhesive and bonding technologies. Leveraging its proprietary technologies, KNW develops and produces high-value-added adhesive and bonding film materials used across diverse industries, including electrical and electronics, automotive, and display, as well as specialty fiber-based processed materials applied to automotive seats and interior materials. The company also provides materials solutions tailored to the characteristics of each application, including automotive interior component materials and materials required for electrical and electronics manufacturing processes, thereby contributing to enhanced customer value and improved finished product quality.



BGFecospecialty

BGF Ecospecialty specializes in the manufacture and production of fluorochemical products, supplying fluorine-based core materials essential to various industries, including semiconductors, secondary batteries, and power generation. In particular, the company produces fluorine-based industrial gas materials used as core materials for cleaning and etching gases, insulating gases, electrolyte solvents, and additives, while continuing to expand the development scope of various fluorochemical products. By achieving self-reliance in the industrial gas business, which has traditionally depended heavily on overseas sources, BGF Ecospecialty is helping to strengthen the stability of Korea’s domestic supply chain.

Major Products

F₂(Fluorine)

High-purity fluorine is used for cleaning/etching and other process applications in the semiconductor, display, and solar cell industries, and is more environmentally friendly compared to other specialty gas products.

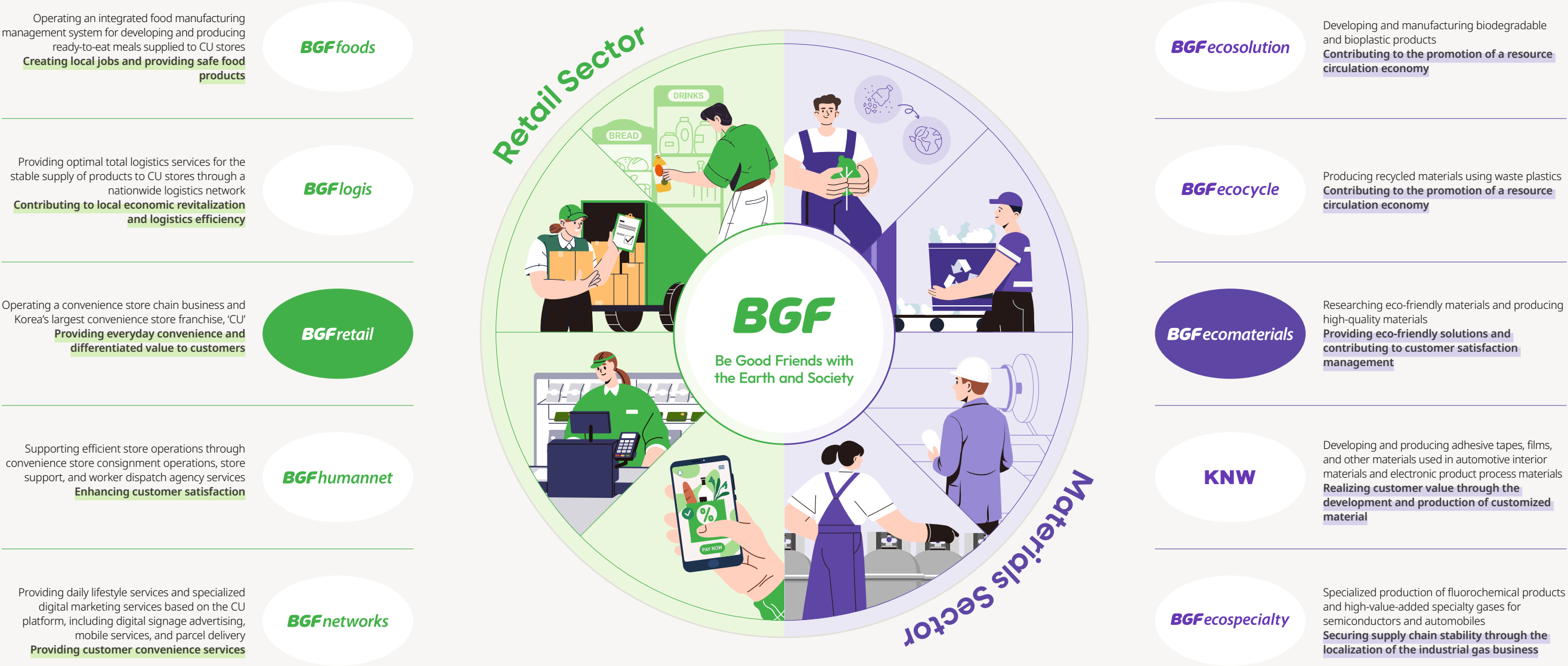
SF₆(Sulfur hexafluoride)

Sulfur hexafluoride is a non-toxic, inert gas with high dielectric strength and thermal stability, used in semiconductor etching processes as well as an insulating gas for ultra-high-voltage cables and transformers.

FEC(Fluoro ethylene carbonate)

FEC is a solvent and additive used in electrolyte, one of the four core raw materials of secondary batteries, and can enhance battery safety and minimize performance degradation, thereby extending battery lifespan.

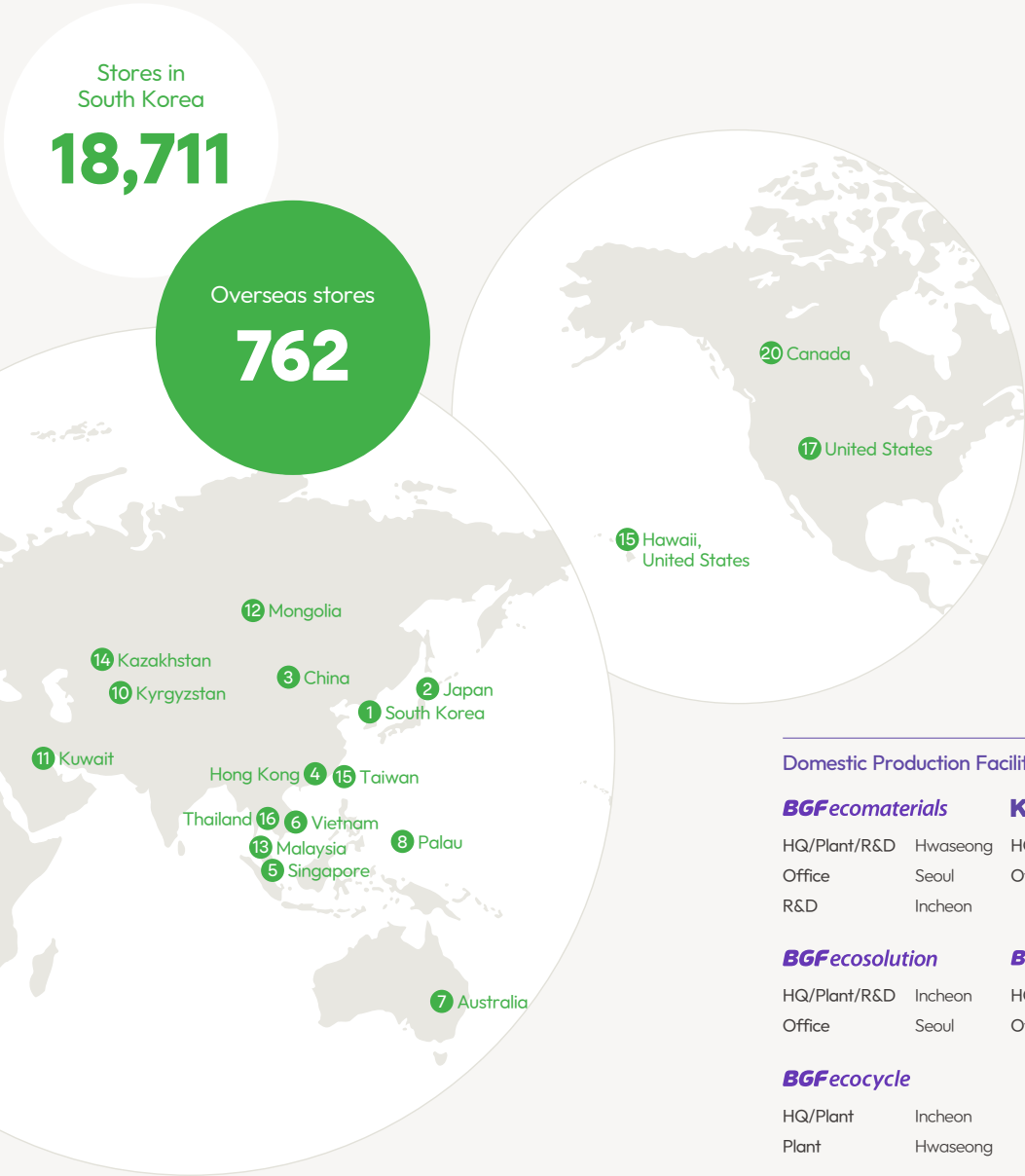
Value Chain



Global Network

Retail Sector

Leveraging its expertise in convenience store operations accumulated in Korea, BGF Retail is actively expanding into global markets. Beginning with Mongolia in 2018, the company accelerated its overseas growth by signing master franchise contracts (MFCs) with local partners in Malaysia in 2020, Kazakhstan in 2023, and Hawaii in the United States in 2025. As of 2025, CU operated more than 18,711 stores in Korea and 762 stores overseas, continuing to strengthen its global network. Notably, CU entered Hawaii in May 2025, becoming the first convenience store brand to establish a presence in the U.S. market. The company successfully opened its first local store in November, marking a significant milestone and further accelerating its global expansion.



BGF Retail Headquarters

1 South Korea

CU Operating Countries

- 1 South Korea
- 12 Mongolia
- 13 Malaysia
- 14 Kazakhstan
- 15 Hawaii, United States

PB Product Export Countries

- 2 Japan
- 3 China
- 4 Hong Kong
- 5 Singapore
- 6 Vietnam
- 7 Australia
- 8 Palau
- 9 Netherlands
- 10 Kyrgyzstan
- 11 Kuwait
- 12 Mongolia
- 13 Malaysia
- 14 Kazakhstan
- 15 Taiwan
- 16 Thailand
- 17 United States
- 18 Côte d'Ivoire
- 19 United Kingdom
- 20 Canada

Materials Sector

BGF Ecomaterials and its subsidiaries operate nine production facilities and five offices across 12 cities in five countries, including Korea, the United States, China, India, and Vietnam. Through the establishment of overseas subsidiaries, the Materials Sector is expanding its production and sales bases and actively responding to global demand.



Domestic Production Facilities and Offices

BGFecomaterials		KNW	
HQ/Plant/R&D	Hwaseong	HQ/Plant/R&D	Paju
Office	Seoul	Office	Seongnam
R&D	Incheon		
BGFecosolution		BGFecospecialty	
HQ/Plant/R&D	Incheon	HQ/Plant/R&D	Ulsan
Office	Seoul	Office	Seongnam
BGFecocycle			
HQ/Plant	Incheon		
Plant	Hwaseong		

2025-2026 Highlights

BGFretail

M E S G



First in the industry to enter a non-Asian market (Hawaii, United States)

BGFlogis

M E S G



Grand Prize in the Distribution Logistics Board of Directors at the 2025 Korea Logistics Awards

BGFecomaterials

M E S G



Merger by Absorption of Daewon Chemical

BGFretail

M E S G



12 Consecutive Years as an Excellent Green Logistics Company (Ministry of Land, Infrastructure and Transport; Korea Transportation Safety Authority)

BGFecosolution

M E S G



Obtaining U.S. BPI and German DIN CERTCO certifications (Biodegradable products)

BGFecomaterials

M E S G



Obtaining ISCC PLUS certification

BGFhumannet

M E S G



Obtaining Crime Prevention Excellent Facility certification for the Chiak Rest Area

BGFretail

M E S G



Opening the fourth convenience store staffed by persons with severe disabilities to create meaningful jobs

BGFlogis

M E S G



Obtaining ISO 45001 certification, the first in the CVS logistics industry

BGFretail

M E S G



Obtaining ISO 37301 certification (Strengthening compliance)

BGFretail

M E S G



Obtaining ISO 37001 certification (Anti-bribery management)

ESG Management

- 16 ESG MANAGEMENT Strategy
- 17 ESG Governance
- 18 Stakeholder Engagement
- 19 Double Materiality Assessment

ESG Management Strategy

ESG Management Direction

BGF Group aims to create integrated value through ESG management by combining economic value, generated through profit creation and shareholder value maximization, with social value created as a corporate citizen. To this end, BGF Group clearly recognizes the expectations of diverse stakeholders and reflects them in its corporate policies, thereby maximizing economic, environmental, and social value and realizing its ESG vision of ‘Be Good Friends with the Earth and Society.’

UNGC Commitment Declaration

In November 2008, BGF joined the United Nations Global Compact (UNGC), supporting its Ten Principles in the areas of human rights, labor, environment, and anti-corruption. As a member company, BGF fulfills its responsibilities by publishing an annual Communication on Progress.

In addition, through the UN Global Compact Network Korea, BGF officially declared its CEO commitment to supporting the achievement of the United Nations Sustainable Development Goals (UN SDGs).

ESG Strategy

To pursue ESG management with clear direction, BGF has established three major goals and nine key areas centered on the environment and society, and shares them with internal and external stakeholders.



Embedding ESG Management Practices

In July 2022, BGF implemented an employee action declaration to strengthen ESG management at the group level, thereby expanding shared understanding and awareness of ESG management across all areas of work. To support the action declaration, BGF defined employee action principles and provided work direction and guidelines.

To embed ESG within the organization, BGF continues to provide ESG training for new employees and existing employees. In particular, BGF Retail, the Retail Sector company that operates CU, is working to build consensus for ESG practices across its business by carrying out ESG participation campaigns for franchisees.

Executive/Employee Declaration for ESG Management

01

We present and practice environmental protection rules to establish a climate-friendly culture.

02

We actively communicate and cooperate with stakeholders to achieve mutual growth.

03

We continually innovate to benefit the environment and society through BGF infrastructure.

External ESG Evaluations

In 2025, BGF received an A rating from the Korea Institute of Corporate Governance and Sustainability (KCGS). By category, BGF received A for Environment, A+ for Social, and B+ for Governance.

BGF

Organization	Overall	E	S	G
KCGS	A	A	A+	B+
SUSTINVEST	A	-	-	-

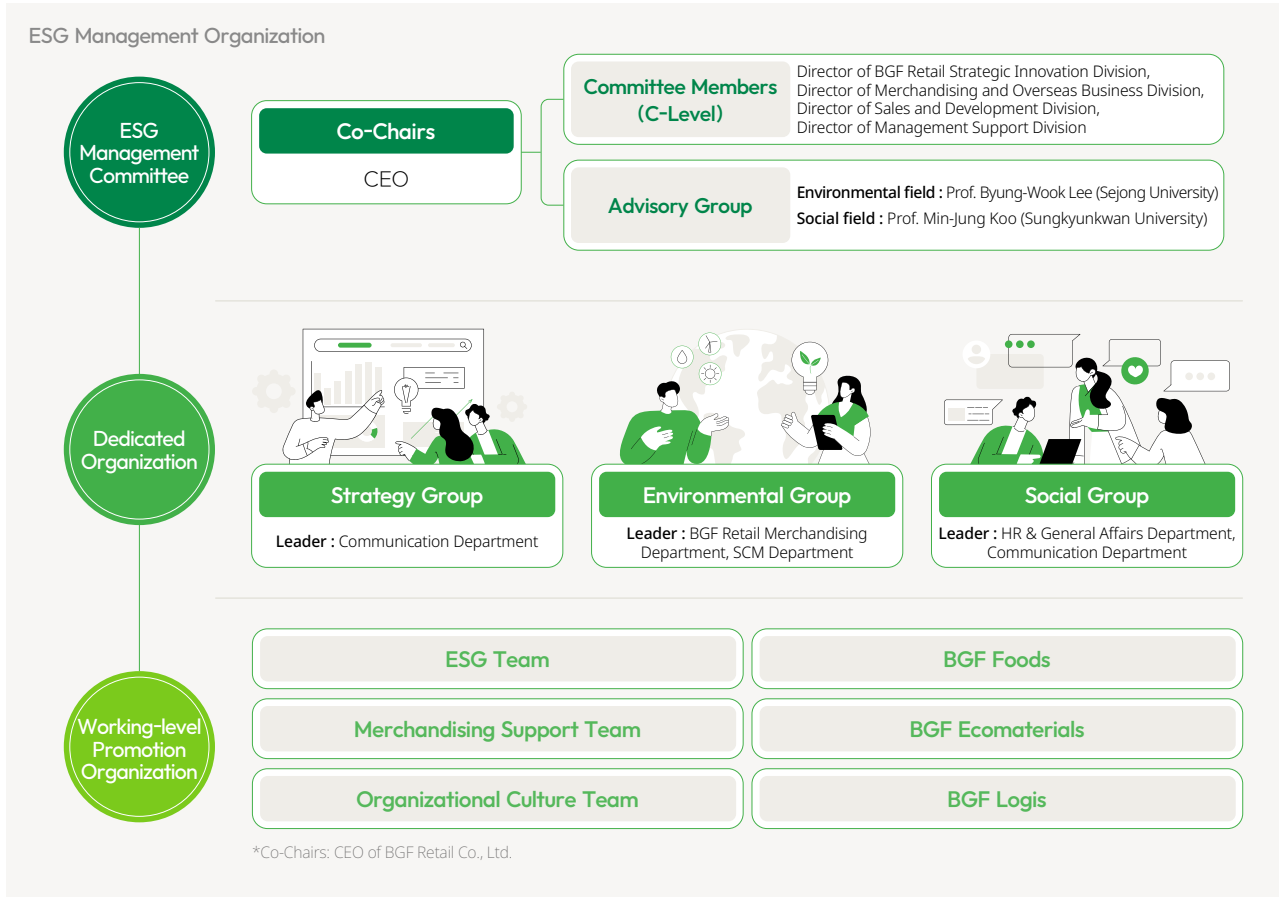
BGF Affiliates(KCGS)

Organization	Overall	E	S	G
BGF Retail	A+	A+	A+	A
BGF Ecomaterials	B	B	B	B

ESG Governance

ESG Governance

To promote sincere ESG management, BGF Group launched the ESG Management Committee in 2021 and established three mid- to long-term goals—Planet, Partner, and People—and nine key areas centered on the environmental and social sectors. In January 2025, BGF Group partially revised its strategic goals and key areas in consideration of major ESG issues by business and affiliate. As global regulations and disclosure requirements on environmental and social issues continue to strengthen each year, BGF plans to continue discussing and managing ESG management tasks together with major affiliates, including BGF Retail.



ESG Management Committee

BGF Group strives to proactively identify and respond to ESG risks that may arise across its business operations and turn them into new opportunities. The ESG Management Committee is a consultative body joined by BGF and its major affiliates. Led by BGF Retail, the committee reviews mid- to long-term ESG strategies, policies, and risks, analyzes sustainable management performance on a quarterly basis, and discusses improvement measures.

To this end, the committee reviews major ESG issues by strategy, environmental, and social groups. The dedicated organization reports quarterly to the ESG Management Committee on progress made in accordance with ESG strategies and policies.

BGF Group also operates an advisory group with expertise in environmental and social fields to receive advice on ESG risk management and major issues. The ESG Management Committee reports major ESG agenda items discussed by the committee to the Board of Directors, and the Board reviews and approves them, thereby overseeing BGF Group's ESG management activities.

In particular, BGF Retail links environmental management performance to compensation by reflecting it in the evaluation indicators for the heads of relevant departments, ensuring that these decisions and activities lead to tangible performance.

2025–2026 ESG-Related Agenda Items

Category	Date	Agenda Item	Resolution Status
Board of Directors	February 11, 2025	• Report on 2024 Board evaluation results and 2025 improvement plan	Reported
	March 6, 2025	• Review and approval of material ESG issues for 2025	Approved
	November 6, 2025	• Payment of donations to the foundation	Approved
	December 4, 2025	• Report on the implementation of the 2025 Board evaluation	Reported
	January 15, 2026	• Approval of the 2026 in-kind donation plan	Approved
	February 25, 2026	• Report on 2025 Board evaluation results and improvement plans, including future plans	Reported
	March 26, 2026	• Approval of the identification and results of material ESG issues	Approved

Stakeholder Engagement

Stakeholder Classification and Engagement

To achieve its vision of 'Be Good Friends with the Earth and Society', BGF Group identifies and classifies diverse stakeholders across its business operations. The Group continuously gathers feedback through communication channels tailored to the characteristics of each stakeholder group, and strives to identify and respond to key issues of interest for each group. BGF Group will continue to pursue sustainable growth based on communication with stakeholders.

Customers

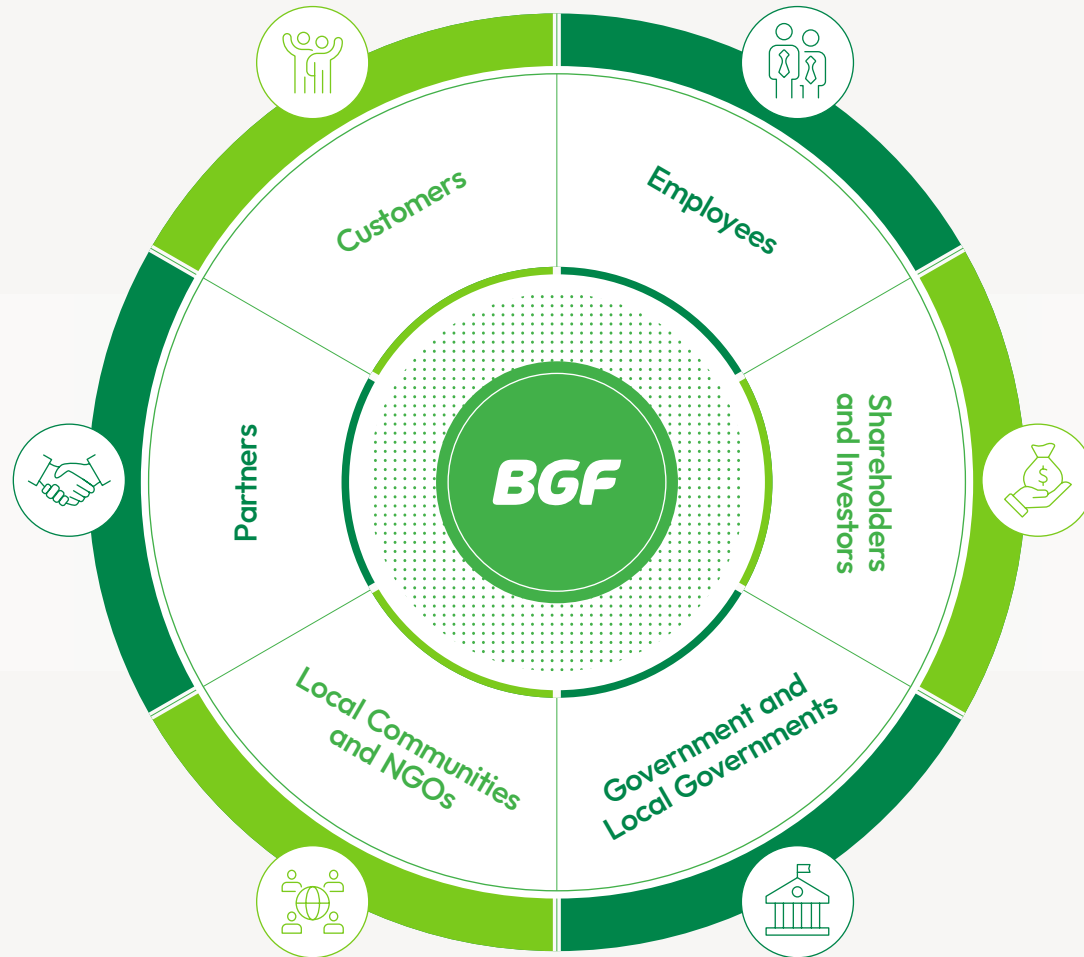
Stakeholder Classification	Communication Channels
- Customers of BGF Group's Materials Sector, including clients receiving supplied products - External stakeholders who purchase or use products and services at CU stores	- CU Customer Center - CU Customer Center Chatbot - Website - BGF Live and YouTube - Pocket CU

Partners

Stakeholder Classification	Communication Channels
- Partners of BGF Group's Materials Sector - Suppliers of products and services for CU store operations	- Website - Telephone and mail contacts - In-person feedback 'Hanmaeum Healing Day' - Open SME consultation, etc.

Local Communities and NGOs

Stakeholder Classification	Communication Channels
- Local residents near headquarters and business sites - All global citizens affected by BGF Group's business activities	- Website - Social contribution activities - Volunteer activities - Social media, etc.



Employees

Stakeholder Classification	Communication Channels
Internal stakeholders, including all members of BGF Group's holding company and affiliates, who serve as the foundation for business activities and overall management activities through the Group's core capabilities	- BGF Live - Newsletter - Labor-Management Council - Talk Talk bulletin board - Internal reporting system

Shareholders and Investors

Stakeholder Classification	Communication Channels
- Corporations or individuals holding shares of BGF Group - Stakeholders who provide capital to BGF Group through various financial instruments	- Website - General Meeting of Shareholders - Disclosure activities, etc.

Government and Local Governments

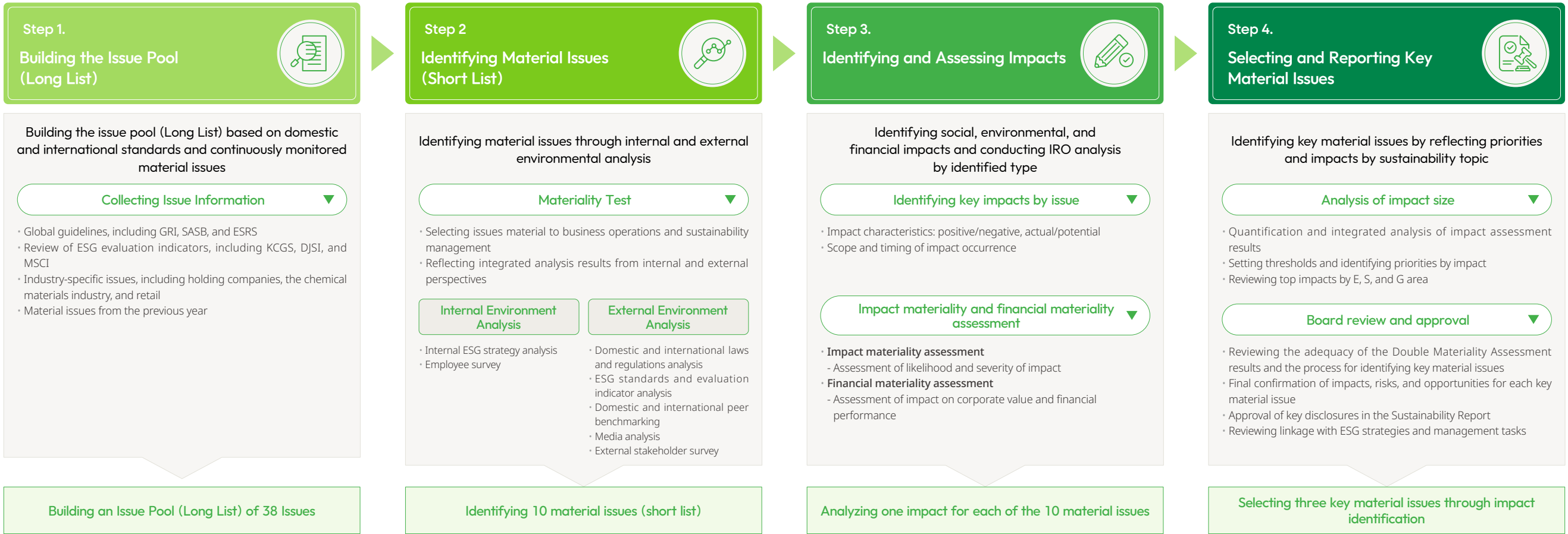
Stakeholder Classification	Communication Channels
Stakeholders who establish laws and regulations or determine regulatory standards related to relevant industries, including the chemical materials, retail, and franchise industries	- Meetings - MOU, etc.

Double Materiality Assessment

Double Materiality Assessment Process

BGF Group conducted a Double Materiality Assessment to identify issues that affect both corporate sustainability and business operations. The assessment considered both impact materiality and financial materiality. Impact materiality focuses on BGF Group's impact on the environment and society, while financial materiality focuses on the impact of external factors on BGF Group's financial performance. For the identified material issues, BGF Group analyzed their impacts on the environment, society, and stakeholders, as well as financial risks and opportunities for the company. The Group also conducted an IRO analysis, covering Impact, Risk, and Opportunity, with internal and external stakeholders, and identified three key material issues. BGF Group reflects the identified key material issues in its risk management and strategy development processes and discloses the results transparently to stakeholders through its Sustainability Report.

Double Materiality Assessment Process



Double Materiality Assessment

Double Materiality Assessment Results

BGF Group identified key issues in the retail and materials industries and conducted surveys of various internal and external stakeholders. The Group selected key material issues by prioritizing the identified material issues based on the level of impact. In particular, the analysis of both social and environmental impact and financial impact showed that Sustainable Supply Chain Management, Establishing an Environmental Management System, and Establishing an Ethical Management System were the most material issues, in that order. BGF Group plans to continue managing all material issues, including these three key material issues. BGF Group does not treat materiality assessment as a one-time analysis. Instead, the Group seeks to embed the Double Materiality Assessment results as a core process integrated into sustainability strategy development and risk management, and has submitted the results to the Board of Directors for resolution. Going forward, BGF Group will set strategic priorities based on the key material issues identified through the materiality assessment, comprehensively considering their impact across the Group's overall management activities. The Group will continue to respond through a company-wide management system.

Double Materiality Assessment Results

Scale/Magnitude of Impact: ●●● High impact level ●● Medium impact level ● Low impact level

Category	Issue	Social and Environmental Impact	Impact Materiality					Financial Impact (Risk / Opportunity)	Financial Materiality		
			Scale of Impact	Nature of Impact		Scope of Impact	Time Horizon		Magnitude of Financial Impact	Nature of Impact	Time Horizon
Key Material Issue	Sustainable Supply Chain Management	・ Potential weakening of supply stability if environmental and social risks within the supply chain are not sufficiently managed	●●●	Negative	Potential	Partners, the Company, and business sites	Medium term	・ Revenue loss and penalties due to supply disruptions and delivery delays	●●●	Risk	Short term
	Establishing an Environmental Management System	・ Environmental risk management and fulfillment of social responsibility through response to environmental regulations	●●●	Positive	Actual	The Company, business sites, and local communities	-	・ Mitigation of legal risks and enhancement of corporate image through systematic environmental risk management	●●	Opportunity	Medium term
	Establishing an Ethical Management System	・ Reduced likelihood of misconduct through the establishment of an ethical management foundation	●●●	Positive	Actual	Entire value chain	Short term	・ Reduced risk of business suspension through fair decision-making	●●	Opportunity	Short term
Material Issue	Climate Change Response	・ Reduction of GHG emissions and mitigation of climate change through low-carbon management	●●	Positive	Actual	Entire value chain	-	・ Energy cost savings through improved energy efficiency and fuel transition	●●	Opportunity	Short term
	Product Safety and Quality	・ Potential accidents and damage if quality and safety are not properly managed across manufacturing, production, and distribution	●●	Negative	Potential	Customers, partners, the Company, and business sites	Medium term	・ Increase in direct costs and inventory losses due to product recalls, withdrawals, and remanufacturing	●●	Risk	Short term
	Product Development Considering Environmental and Social Factors	・ Fulfillment of social responsibility through expanded application of alternative materials, including biodegradable and recycled materials	●●	Positive	Actual	Customers, Partners, the Company, and business sites	-	・ Increased risks due to rising eco-friendly certification costs and stronger greenwashing regulations	●●	Risk	Medium term
	Worker Safety and Health Management	・ Potential occupational accidents if the workplace safety and health management system is insufficient	●●	Negative	Potential	Partners, the Company, and business sites	Medium term	・ Revenue loss due to productivity decline and operational disruptions caused by accident investigations and work stoppages	●●	Risk	Short term
	Waste Discharge Management	・ Raw material savings and mitigation of resource depletion through resource circulation	●●	Positive	Actual	Partners, the Company, and business sites, and local communities	-	・ Increased operating cost burden due to higher waste treatment costs	●	Risk	Short term
	Employee Competency Development and Training	・ Enhanced corporate competitiveness through strengthened employee expertise	●	Positive	Actual	the Company, and business sites	-	・ Increased response costs due to expanded regulatory and legal risks	●●	Opportunity	Short term
	Compliance	・ Potential harm to fairness across the market in the event of non-compliance with fair trade principles	●	Negative	Potential	Entire value chain	Medium term	・ Increased response costs due to expanded regulatory and legal risks	●	Risk	Medium term

ESG Performance

- 22 PART 1. Retail Sector
- 68 PART 2. Materials Sector
- 99 PART 3. Group Sector

PART 1.

Retail Sector

CONTENTS

- 23 Planet
- 32 People
- 50 Partner
- 63 Governance



Planet

Environmental Management System

Governance

BGF Retail operates an environmental management governance system to respond to climate change and environmental risks and to build management infrastructure based on low-carbon practices and resource circulation. The ESG Management Committee, composed of C-level executives, including the CEO, and heads of major departments, is held quarterly to review environmental strategies, policies, and performance and discuss directions for improvement. Key environmental issues reviewed by the Committee are reported to the Board of Directors for review and approval. In 2025, BGF Retail reviewed environmental management performance and action plans with a focus on climate change response and plastic waste reduction as key agenda items. The company also assigns environmental KPIs to the executive in charge of ESG strategy and heads of major departments, thereby clarifying accountability for the implementation of environmental management.

Key Environmental Management Agenda Items

Category Status	Date	Agenda Item	Resolution
Board of Directors	March 6, 2025	• Review and approval of ESG material issues	Approved
	December 4, 2025	• Approval of 2025 performance and 2026 plans for climate change response activities • Approval of 2025 performance and 2026 plans for plastic and waste reduction	Approved
ESG Management Committee	February 26, 2025	• Materiality assessment results and selection of major ESG issues • Partner ESG risk assessment and improvement support	Reported
	August 6, 2025	• Publication of the 2025 Sustainability Report and response to ESG evaluations • Eco-friendly initiatives at logistics centers, including smart IoT adoption and renewable energy status	Reported
	December 17, 2025	• Sharing of performance and plans for plastic and waste reduction, including packaging material transition and removal of neck labels from PB bottled water • haring of GHG emissions reduction performance and plans, including Eco-fan installation, smart IoT lighting systems, and solar power generation performance at logistics centers	Reported
	April 16, 2026	• Institutionalization of sustainability disclosure • Report on materiality assessment results and selection of major ESG issues • Plastic and waste reduction, including PLA transition, expanded use of eco-friendly materials, and transition to label-free packaging • Eco-friendly initiatives at logistics centers, including delivery route optimization and mid- to long-term solar power plans • Report on direct biodiversity activities	Reported

BGF Retail has established implementation organizations for each environmental area to ensure the practical execution of environmental management, with each department carrying out activities according to its respective responsibilities. In particular, the company has built a company-wide system for managing environmental management performance through collaboration with major affiliates, including BGF Foods and BGF Logis.

Environmental Management Governance Structure



Planet

Environmental Management System

Policies and Strategies

BGF Retail and its Retail Sector affiliates recognize the climate crisis and environmental pollution as significant management risks. Based on their environmental management policies and ISO 14001 certification, they are carrying out systematic company-wide environmental management activities, including building an eco-friendly value chain, managing environmental risks, and making eco-friendly investments.

Environmental Management Guidelines

[Environmental Management Guidelines](#) [Environmental Management Policy](#)

BGF Retail recognizes the climate crisis and environmental pollution as significant management risks and has set building an eco-friendly value chain as a key strategic priority, carrying out company-wide activities to reduce environmental impacts. BGF Retail regards environmental management not merely as a response to regulations, but as a core element of sustainable business operations. Accordingly, the company has established environmental management policies and regularly reviews domestic and international environmental laws, regulations, and global standards to continuously refine its strategies. BGF Retail will continue to identify key environmental tasks and make practical efforts to support the transition to a carbon-neutral society.

Environmental Management Policy

- 1 We comply with laws and establish the industry-leading, both international and nationwide, environmental goals
- 2 To provide eco-friendly services, we seek continuous innovation in the entire process of our business.
- 3 As corporate citizens, we proactively work for the environmental improvement of the local community based on our social responsibility
- 4 We disclose our information transparently and communicate with stakeholders earnestly
- 5 We prioritize the environment in all our business activities to follow these policies

BGF Retail has established an environmental management system aligned with global standards by becoming the first in the industry to obtain ISO 14001 certification. The certification scope covers the development and operation of the convenience store chain business, as well as the merchandising of convenience store products. Centered on its environmental management implementation organization, BGF Retail carries out activities aligned with company-wide environmental goals. The company regularly reviews and evaluates environment-related laws at least once a year and continues activities to reduce environmental risks. BGF Retail's overall environmental management activities are reviewed and approved annually by top management, and their reliability is secured through third-party verification by an external professional institution.



▲ ISO 14001 Certificate

Environmental Training

BGF Retail operates systematic environmental training tailored to each position and job function to strengthen employees' ESG and environmental management capabilities. In 2025, the company provided training on waste and the circular economy, legal compliance training for ISO 14001 practitioners, mandatory environmental management training for new employees, and greenwashing ESG training for management. BGF Retail plans to continue embedding environmental management through customized training programs.

Environmental Training Programs

Program	Description	Targeted Participants	Training Date	Participants	Training Hours
Employee environmental training	• Waste and circular economy	All employees	December 2025	555 persons	0.3 hours
Executive leadership training	• Understanding greenwashing	Executives and Executive Directors	December 2025	20 persons	2 hours
New employee environmental training	• Understanding environmental management	New employees	March and July 2025	101 persons	0.5 hours
Advanced practitioner training	• Environmental management and legal compliance	Environmental Management TF	April 2025	12 persons	1 hours

Environmental Training Status

Category	Unit	2023	2024	2025
Total number of attendees	Persons	44	559	688
Total training hours	Hours	128	298	269
Training hours per person	Hours	2.9	0.53	0.39

BGF Foods operates a company-wide environmental protection campaign on an ongoing basis to raise employee awareness of environmental protection and embed a culture of environmental practice. The company reduces resource waste by minimizing the use of disposable items, including paper cups, avoiding unnecessary printing for internal work, and actively using the company messenger. These practices are continuously promoted among all employees. Through these activities, BGF Foods is raising employees' awareness of environmental protection and plans to expand its environmental protection campaigns in stages going forward.



▲ Environmental Protection Campaign

Planet

Environmental Management System

Strategy

BGF Retail continues to expand environmental investments to reduce carbon emissions and improve energy efficiency across its business operations. In 2025, the company invested approximately KRW 169 million in logistics centers to install Eco-fans, LED lighting, and smart IoT LED lighting systems. BGF Retail also invested approximately KRW 2.19 billion to improve the energy efficiency of store fixtures by replacing the existing R134A, or Freon gas, refrigerant with R290, a low-carbon and eco-friendly refrigerant using propane. In total, the company invested approximately KRW 2.357 billion in building eco-friendly infrastructure across logistics bases and stores. BGF Retail will continue to pursue facility investments and operational improvements to enhance environmental performance.

Environmental Investment Performance

Category	Unit	2023	2024	2025
Environmental investment	KRW 100 million	12.22	13.71 ¹⁾	23.57 ²⁾

1) Calculation scope expanded on a consolidated basis in 2024. BGF Retail and BGF Logis were included, reflecting the increased environmental investment amount following the construction of solar power facilities at the Daegu Center.

2) Calculated on a consolidated basis in 2025. (Includes investments in Eco-fans and LED lighting at logistics centers by BGF Retail and BGF Logis, and investments in the transition to eco-friendly refrigerants at stores by BGF Retail.)

Risk Management

BGF Retail continuously monitors environment-related laws and regulatory changes to respond proactively. The company has established a checklist based on 15 major environmental laws and regulations for business areas that generate environmental impacts, including headquarters, stores, and logistics centers. It conducts regular inspections once a year and systematically manages legal compliance. Newly enacted and amended environmental laws and regulations are monitored through the compliance department and shared across the company through the Legal Letter. In response to amendments to the Act on the Promotion of Saving and Recycling of Resources, BGF Retail implements operational policies aligned with relevant regulations, including expanding the use of reusable bags and volume-based waste bags and minimizing the provision of disposable items in stores.

Environmental Laws and Regulations Violation Status

Category	Unit	2023	2024	2025
Number of violations	Cases	0	0	0
Fines and penalties	KRW million	0	0	0

Environmental Regulation Response Strategy

Category	Key ESG Area	Detailed Response Strategy
Framework Act On Carbon Neutrality And Green Growth For Coping With Climate Crisis (or Carbon Neutrality and Green Growth Act)	Climate Change Response	- BGF Retail conducts annual third-party verification of its GHG emissions inventory on a consolidated basis to manage and reduce GHG emissions at major business sites. In 2025, the company also responded to climate-related disclosures based on the TCFD guidelines and the CDP evaluation. - BGF Retail established and reported its GHG emissions targets through 2030 and plans to gradually reduce GHG emissions through reduction activities. In particular, the company will continue expanding energy efficiency facilities at logistics centers and stores, its major business sites, and will expand renewable energy generation by additionally installing solar power facilities at logistics centers.
Energy Use Rationalization Act		
Act on the Promotion of Saving and Recycling of Resources	Waste Management	- To reduce waste generated by PB products and their impacts, BGF Retail is transitioning plastic packaging materials, or PP materials, used for ready-to-eat meals to PLA packaging materials, and has carried out improvement activities such as removing disposable items included with ready-to-eat meal products. - BGF Retail plans to continue improving the environmental attributes of packaging materials, centered on PB and ready-to-eat meal products. In 2026, the company plans to expand efforts such as removing neck labels from PB bottled water and improving the environmental attributes of ready-to-eat meal packaging. Plastic and waste reduction plans and performance are reported to the ESG Management Committee every quarter. In December 2025, the company also reported its 2025 performance and 2026 reduction plans for plastics and disposable items to the Board of Directors.
Act on Promotion of Transition to Circular Economy and Society	Expanding Sustainable Packaging	

Planet Climate Change Response

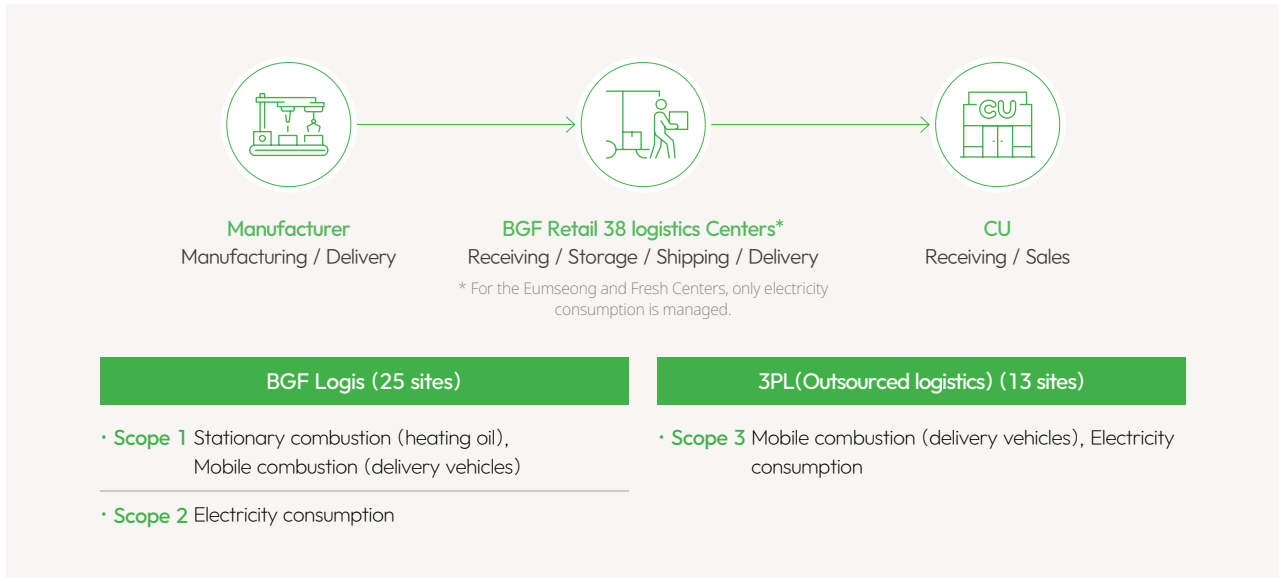
Energy Efficiency

BGF Retail and its Retail Sector affiliates continue to implement energy efficiency initiatives in logistics operations to reduce energy consumption generated during logistics center operations and product delivery. These initiatives include replacing existing lighting with LED lighting, installing Eco-fans, and introducing smart IoT systems.

Status of Major Affiliates

Given the nature of the retail industry, a significant share of GHG emissions comes from logistics center operations and product delivery. Accordingly, BGF Retail places particular focus on improving energy efficiency in logistics operations. As of the end of 2025, BGF Logis and other logistics companies under logistics outsourcing contracts with BGF Retail operated a total of 38 logistics centers. These included 36 regional integrated ambient and low-temperature logistics centers, as well as the Eumseong and Fresh Centers. They also operated approximately 2,500 delivery vehicles. Across the logistics process, these companies closely track and manage energy consumption and GHG emissions. To reduce energy consumption at logistics centers, BGF Retail and BGF Logis installed an additional 25 Eco-fans and 313 LED lighting fixtures in 2025. Going forward, BGF Retail and BGF Logis will continue to identify and implement energy reduction initiatives across logistics operations to reduce the environmental impact of the logistics sector.

Green Logistics Management Scope



Logistics Center Energy Efficiency Facilities

Eco-fans



- Auxiliary heating and cooling fans that circulate air and improve energy efficiency within logistics centers
- A total of 25 units installed at five BGF Retail centers in 2025: Namsa, Bucheon, Yangsan, Sejong, and Gijang

* Energy-saving effect equivalent to approximately 50 standing fans per Eco-fan

LED Lighting



- Lower electricity consumption and longer service life compared to conventional lighting fixtures
- A total of 313 units installed in 2025 at one BGF Retail center, Naju, and one BGF Logis center, Hwaseong

* Reducing regular electricity consumption at logistics centers
* Hwaseong Introduced as smart IoT LED lighting, enabling brightness control by time slot and zone

BGF Logis is expanding the application of its smart IoT LED system to improve energy efficiency at logistics centers. The system allows illuminance to be adjusted separately by workplace location and zone, enabling efficient energy use according to on-site conditions such as natural lighting. BGF Logis is reviewing a phased rollout of the system, taking into account factors such as the depreciation of existing LED lighting. Through these efforts, the company plans to further enhance energy savings across its logistics centers.



Daegu Center

Installation date November 2024

Number of units installed 395EA

Estimated annual electricity savings

kWh	✓	tCO ₂	✓
42,180		19	



Hwaseong Center

Installation date June 2025

Number of units installed 269EA

Estimated annual electricity savings

kWh	✓	tCO ₂	✓
33,005		16	

Planet

Climate Change Response

Renewable Energy Management

BGF Retail and **BGF Logis** generate renewable energy by installing solar modules in idle rooftop spaces at the Jincheon CDC in Chungcheongbuk-do, and at the Jinju and Daegu RDCs. The revenue from electricity sales is reinvested into the convenience store business, creating both environmental benefits and business value. BGF Retail also plans to install a self-consumption solar power generation facility at the Busan Logistics Center, which is currently under construction and scheduled to begin operations in 2026, to save energy and reduce GHG emissions. In addition, to offset GHG emissions generated during business operations, BGF Retail purchased 30 MWh of renewable energy, or RECs, through the Korea Energy Agency's renewable energy platform in 2025. BGF Retail will continue to expand the use of renewable energy and contribute to realizing low-carbon management.



▲ Renewable Energy Usage Certificate

Renewable Energy Generation

Category		Unit	2023	2024 ¹⁾	2025 ²⁾	2026 ³⁾
Renewable Energy Generation	Target	MWh	1,308	1,659 ⁴⁾	2,520	2,532
	Actual	MWh	1,376	1,819	2,630	-
Carbon emissions reduction	Target	tCO ₂ eq	626	762 ⁴⁾	1,158	1,163
	Actual	tCO ₂ eq	632	836	1,208	-

1) 2024 calculation basis: Based on power generation at BGF Retail Jincheon CDC from January to December and Jinju from June to December.
2) 2025 calculation basis: Based on power generation at BGF Retail Jincheon CDC and Jinju from January to December.
3) 2026 calculation basis: Based on power generation at BGF Retail Jincheon CDC, Jinju, and BGF Logis Daegu from January to December, and Busan Center from July to December.
4) Data correction due to a change in the calculation basis from existing inverter-based generation volume to KEPCO electricity bill data and retroactive application.

Renewable Energy Purchase

Category	Unit	2024	2025
Renewable energy use	MWh (TJ)	36 (0.347)	30 (0.288)
Carbon emissions reduction	tCO ₂ eq	17	14

* Values in parentheses indicate TJ-converted values.

BGF Retail systematically manages energy consumption at major business sites, including headquarters, logistics centers, and stores, to reduce GHG emissions and improve energy efficiency. The company continues to reduce energy consumption through various initiatives, such as introducing high-efficiency equipment, applying store-level energy-saving solutions, and improving logistics efficiency. Although total energy consumption has increased due to the expansion of the calculation scope, BGF Retail has set energy intensity as a key management indicator and is pursuing efficient reduction management.

General Energy Use (Separate Basis)

Category	Unit	2023	2024	2025
Total general energy consumption	TJ	156.1	165.6	160.7
Direct energy consumption	TJ	31.8	38.2	37.4
Indirect energy consumption	TJ	124.2	127.4	123.3
- Steam	TJ	0	0.1	0.1
- Electricity	TJ	124.2	127.3	123.2
Intensity	TJ/KRW 100 million	0.0019	0.0019	0.0018

* Electricity consumption for general energy, both separate and consolidated basis, is calculated excluding renewable energy, or REC, purchases.
** Due to a change in the general energy calculation method, from including renewable energy, or REC, purchases to excluding them, 2024 energy consumption data has been corrected.
*** Due to truncation of decimals, the total energy consumption may differ slightly from the sum of sub-items.

General Energy Use (Consolidated Basis)¹⁾

Category	Unit	2023	2024	2025
Total general energy consumption	TJ	1,072.5	1,121	1,149.7
Direct energy consumption	TJ	603.2	620.2	578.1
Indirect energy consumption	TJ	469.3	500.8	571.7
- Steam	TJ	0	0.2	0.9
- Electricity	TJ	469.3	500.6	570.8
Intensity	TJ/KRW 100 million	0.0131	0.0129	0.0127

1) Expanded calculation scope from 2023
- 2022: BGF Retail, including headquarters, regional offices, and company vehicles; BGF Logis, including logistics centers
- 2023: BGF Retail, BGF Logis, BGF Foods
- 2024: BGF Retail, BGF Logis, BGF Foods, BGF Networks (BGF Networks was included in the consolidated scope in July 2024, and emissions were calculated for July–December 2024)
- 2025: BGF Retail, BGF Logis, BGF Foods, BGF Networks, BGF Humannet

* Electricity consumption for general energy, both separate and consolidated basis, is calculated excluding renewable energy, or REC, purchases.
** Due to a change in the general energy calculation method, from including renewable energy, or REC, purchases to excluding them, 2024 energy consumption data has been corrected.
*** Due to truncation of decimals, the total energy consumption may differ slightly from the sum of sub-items.

Planet

Climate Change Response

Greenhouse Gas Emissions Management

BGF Retail voluntarily establishes GHG inventories for major business sites, including headquarters, logistics centers, manufacturing centers, and directly operated stores, to systematically manage GHG emissions and set reduction targets. The company also secures the reliability of its data through external verification. Centered on logistics centers, manufacturing plants, and stores operated by its subsidiaries, BGF Retail carries out a range of emissions reduction activities, including the introduction of high-efficiency energy facilities, renewable energy generation, and waste reduction. The company also shares its ESG management direction with partners and provides ESG self-assessments and consulting to understand the status of their GHG management. To identify GHG emissions characteristics across the value chain, BGF Retail calculates Scope 3 emissions, or other indirect emissions, and transparently discloses the data after external verification. Based on these efforts, the company continues to expand the scope of its emissions reduction management.

Detailed 2030 Climate Change Response Strategy

Setting Medium-Term GHG Emissions Reduction Targets

- (2030) Setting a 2030 target to reduce GHG emissions intensity by 10% compared to 2020
- Achieving the 2030 target through decision-making on reduction plans, including equipment replacement, participation in pilot projects, and environmental investments

Logistics Center Energy Efficiency

- [BGF Retail/BGF Logis] Applying energy optimization facilities
- [BGF Retail/BGF Logis] Ongoing replacement with Eco-fans, LED lighting, and other equipment
- [BGF Retail/BGF Logis] Improving delivery efficiency through the application of a delivery route optimization model (Reducing delivery distances)

Expanding Solar Renewable Energy Generation Facilities

- (Renewable energy generation using idle space at logistics centers (Jincheon, Jinju, and Daegu)
- Additional installation at one BGF Retail center, Busan [200 kW self-consumption solar power facility (Phase 1) Expected in July 2026]
- Additional solar power generation facility (Phase 2) planned at one BGF Retail center, Busan (planned for 2027, with a capacity of 1,800 kW)

Scope 1 & Scope 2 Emissions

Category		Unit	2023	2024	2025
Emissions (Separate basis)	Total emissions(location-based)	tCO ₂ eq	8,063	8,657	8,393
	Total emissions(market-based) ¹⁾	tCO ₂ eq	-	8,640	8,380
	- Direct emissions(Scope 1)	tCO ₂ eq	2,118	2,544	2,480
	- Indirect emissions(Scope 2, location-based)	tCO ₂ eq	5,945	6,113	5,913
	- Indirect emissions(Scope 2, market-based) ¹⁾	tCO ₂ eq	-	6,096	5,900
	GHG emissions intensity(location-based)	tCO ₂ eq/KRW 100 million	0.099	0.101	0.095
	GHG emissions intensity(market-based)	tCO ₂ eq/KRW 100 million	-	0.101	0.095
Emissions (Consolidated basis) ²⁾	Total emissions(location-based)	tCO ₂ eq	63,778	66,364	67,026
	Total emissions(market-based) ¹⁾	tCO ₂ eq	-	66,347	67,013
	- Direct emissions(Scope 1)	tCO ₂ eq	41,319	42,387	39,667
	- Indirect emissions(Scope 2, location-based)	tCO ₂ eq	22,459	23,977	27,360
	- Indirect emissions(Scope 2, market-based) ¹⁾	tCO ₂ eq	-	23,960	27,346
	GHG emissions intensity(location-based)	tCO ₂ eq/KRW 100 million	0.78	0.76	0.74
	GHG emissions intensity(market-based) ¹⁾	tCO ₂ eq/KRW 100 million	-	0.76	0.74

1) Market-based emissions: Emissions calculated by reflecting the use of renewable energy, or RECs, purchased in the market and offsetting this amount from location-based emissions.
2) Expansion of the consolidated calculation scope - 2023: BGF Retail, BGF Logis, BGF Foods
- 2024: BGF Retail, BGF Logis, BGF Foods, BGF Networks (BGF Networks was included in the consolidated scope in July 2024, and emissions were calculated for the period from July to December 2024.)
- 2025: BGF Retail, BGF Logis, BGF Foods, BGF Networks, BGF Humannet
* Note: Total GHG emissions follow the Guidelines on Reporting and Certification of Emissions under the GHG Emissions Trading Scheme, and may differ from the sum of detailed emissions.

Scope 3 Emissions

Category		Unit	2023	2024	2025
Other indirect emissions (Scope 3) ¹⁾ (Separate basis) ²⁾	CAT 1 Purchased goods and services	tCO ₂ eq	2,270,431	2,312,975	1,572,265
	CAT 2 Capital goods	tCO ₂ eq	35,476	19,792	17,850
	CAT 3 Fuel- and energy-related activities not included in Scope 1 & 2	tCO ₂ eq	617	1,017	992
	CAT 4 Upstream transportation and distribution	tCO ₂ eq	24,667	27,670	26,558
	CAT 5 Waste generated in operations	tCO ₂ eq	2,071	1,586	1,134
	CAT 6 Employee business travel	tCO ₂ eq	3,233	3,062	3,162
	CAT 7 Employee commuting	tCO ₂ eq	2,845	2,863	520
	CAT 12 End-of-life treatment of sold products	tCO ₂ eq	113	230	303
	CAT 14 Franchises	tCO ₂ eq	446,126	538,087	592,809

1) Changes in 2025 compared to the previous year
- CAT 4, Upstream transportation and distribution: Emissions from certain centers, including the Eumseong Center and Fresh Center, were reclassified as Scope 1 and 2 emissions due to a revision of the organizational boundary.
- CAT 7, Employee commuting: The number of employees was revised to reflect the Scope 3 organizational boundary, covering BGF Retail headquarters and regional offices, excluding Scope 1 emissions.
- CAT 14, Franchises: For overseas stores opened in 2025, annual electricity consumption was calculated on a monthly prorated basis, excluding electricity use before store opening, when calculating based on electricity consumption intensity per area.
2) Separate-basis calculation scope: BGF Retail headquarters and regional offices.

Planet

Waste Discharge Management

Waste Discharge Management Activities

BGF Retail and its Retail Sector affiliates minimize resource waste and contribute to the realization of a circular economy through the systematic integrated management of raw materials, as well as waste recycling and treatment.

Status of Major Affiliates

Since January 2026, **BGF Retail** has established and operated an integrated raw material management system for ready-to-eat meals. This system is designed to prevent the unnecessary expansion of raw materials and suppliers, improve inventory management efficiency, and reduce waste. BGF Retail organizes information on ready-to-eat meal raw materials and subsidiary materials, including usage volume, manufacturers, and material characteristics. The company classifies materials into large, medium, and small categories according to their characteristics and manages them through a coding system. BGF Retail has also established management standards for major raw materials and checks whether they meet specifications. Through these efforts, the company reduces duplicate use of similar raw materials, operates inventory management more efficiently, and streamlines raw material suppliers for more focused management.

Packaging Raw Materials¹⁾

Category		Unit	2023	2024	2025
Raw material use	Total raw material use	ton	4,555	2,834	2,929
	PET bottles	ton	974	748	675
Use of non-renewable raw materials	Composite and film-type packaging	ton	529	455	516
	Glass bottles	ton	115	84	100
	Other single-material containers	ton	1,689	1,508	1,604

1) Calculated based on EPR recycling contribution records.

BGF Foods recycles waste generated from its food manufacturing operations. The company treats such waste through recycling methods, including use in agricultural production activities, use for soil improvement, and production of intermediate processed waste.

BGF Retail and its subsidiaries strive to minimize environmental impacts by properly treating waste generated across their business activities and supply chain and expanding recycling. Waste generated at manufacturers and logistics centers is fully treated by contractors. BGF Retail and its subsidiaries continuously review whether waste is properly treated by checking contracts with waste treatment companies and collection certificates. Waste storage areas are regularly assessed using a separate checklist. Based on the evaluation results of waste treatment records, incentives or penalties are applied to partners. BGF Retail continues to advance related standards and monitoring systems. Through these efforts, the company strengthens transparency and accountability in the waste treatment process and enhances waste reduction across the supply chain.

Waste Discharge(Separate basis)

Category		Unit	2023	2024	2025
Total waste generated		ton	81	51	48
Waste reduction rate		%	-	37	5
Domestic waste		ton	59	26	25
General waste (treated by contractors)	Recycled	ton	22	25	23
	Incinerated	ton	-	-	-
	Other	ton	-	-	-
Waste recycling rate		%	27	49	47
Intensity(based on revenue)		ton/KRW billion	0.010	0.006	0.005

Waste Discharge(Consolidated basis)¹⁾

Category		Unit	2023	2024	2025
Total waste generated		ton	3,622	2,953	3,599
Waste reduction rate		%	- 6	18	-22
Domestic waste		ton	59	26	25.5
General waste (treated by contractors)	Recycled	ton	1,071	1,307	1,551
	Incinerated	ton	2,490	1,617	2,022
	Other	ton	2	3	-
Waste recycling rate		%	30	44	43
Intensity(based on revenue)		ton/KRW billion	0.42	0.32	0.38

1) Calculation scope: BGF Retail headquarters, BGF Logis logistics centers, and BGF Foods.

Planet

Resource Use and Environmental Impact Reduction

Green Product Management

BGF Retail has established a green purchasing policy and operates a green product purchasing process that structures the entire process from product identification, review, and purchase to follow-up management. The company carries out various activities to create a virtuous cycle that connects the production and consumption of green products. At the same time, it works to encourage consumers to choose green products and spread a culture of environmental practice in everyday life.

Green Purchasing Policy

01

We implement our environmental management vision and policies by encouraging the purchase of green products.

02

We minimize resource waste and environmental pollution by encouraging the purchase of green products

03

We fulfill our corporate social responsibility by encouraging the purchase and consumption of green products

Green Purchasing Performance

Category	Unit	2023	2024	2025
Amount spent on Green Products ¹⁾	KRW thousand	14,520	22,898	36,483

1) Green products refer to products certified with the Eco-label, Low-Carbon Product certification, or Excellent Recycled Product certification under the Framework Act on Low Carbon, Green Growth. Green purchasing is calculated based on the total purchase amount of products that meet BGF Retail's definition of green products among items available for purchase on MRO, or Maintenance, Repair, and Operations, sites. The purchase amount is based on costs paid by the company to MRO providers, and the annual total purchase amount is reflected.

* Green purchase ratio to total purchase amount
2023: Approximately 5% of the total purchase amount, KRW 289,094 thousand
2024: Approximately 9% of the total purchase amount, KRW 248,578 thousand
2025: Approximately 15% of the total purchase amount, KRW 244,957 thousand

Green Purchasing Process



BGF Retail contributes to the spread of a green consumption culture by systematically managing and tracking the sales history of green products. Green products are defined to include products certified by the Ministry of Climate, Energy and Environment, such as Eco-label products, Environmental Product Declaration products, and Low-Carbon Products, as well as other products certified for their environmental attributes. Based on these criteria, BGF Retail classifies and manages sales data. By expanding green product sales, BGF Retail encourages greater consumer environmental awareness and promotes eco-friendly consumption practices. The company will continue to strengthen its distribution strategies to support these efforts.

Green Product Assortment and Sales Status

Category		Unit	2023	2024	2025
Assortment	Total number of product items	Items	81	69	72
	Eco-label	Items	20	12	13
	Environmental Product Declaration	Items	56	43	49
	Low carbon product	Items	5	10	10
Sales amount	Total Sales Amount	KRW million	407,606	216,012	372,218
	Eco-label	KRW million	2,706	2,032	2,196
	Environmental Product Declaration	KRW million	381,841	177,461	339,591
	Low carbon product	KRW million	23,059	34,480	30,432
Environmentally certified produce		KRW million	-	2,039	-

Planet Resource Use and Environmental Impact Reduction

Biodiversity Conservation

BGF Retail carries out various biodiversity conservation activities to protect terrestrial and marine ecosystems. In particular, the company directly participates in activities to conserve the populations and habitats of nationally protected species. In 2025, BGF Retail carried out a habitat creation project for Vesper iris, a Class II endangered wild plant, in collaboration with the Korea National Park Service. Based on the Korea National Park Service's analysis of candidate native habitats, the company transplanted 100 plants across an area of 100 m² on an uninhabited island in Taeanhaean National Park. BGF Retail's dedicated ESG department also directly participated in propagation support activities at the National Center for Plant Conservation. Even after creating the habitat, BGF Retail continues to monitor the site, prevent potential threats, and assess environmental conditions such as the habitat climate. In addition, employees and their families participate every year in urban forest care activities, 'Adopt-a-Beach' ecosystem protection activities, and various plogging activities through volunteer programs. In the first half of 2026, as part of an urban forest care activity, BGF Retail employees directly planted 150 Siberian ginseng plants, a Class II endangered wild plant listed due to indiscriminate harvesting, and helped form a habitat cluster. BGF Retail also, in principle, excludes biodiversity conservation areas from project sites when establishing new logistics centers. Where necessary, the company plans to conduct environmental impact assessments in advance and implement conservation measures to identify and mitigate potential impacts on ecosystems. In addition, BGF Retail continues to participate in social discussions on biodiversity conservation through cooperation with public and nonprofit organizations, including the Biz N Biodiversity Platform (BNBP).



Propagation Support for Transplanted Vesper Iris Plants



Transplanting Vesper Iris to an alternative habitat (uninhabited island in Taean)



Urban forest care activity (planting Siberian ginseng)

Water Resource Management

BGF Retail recognizes the importance of water resource risk management in response to worsening droughts and heat waves caused by climate change and increasing water demand. Accordingly, the company carries out activities to use water efficiently and prevent water pollution. BGF Retail identified the possibility that food waste generated during the manufacturing processes of its subsidiary, BGF Foods, could cause water pollution. The company also reviewed the water stress levels of the regions where BGF Foods' manufacturing facilities are located. Considering that BGF Foods' Jincheon Center and Jeonbuk Center are located in areas with relatively high water stress levels, BGF Foods increased the composting rate of food waste and set raw material waste reduction targets for management. Through these efforts, BGF Retail aims to prevent water pollution in advance and contribute to the sustainable use of water resources and the protection of local environments.

Status of Water Resource Risk Areas

Category		Unit	2023	2024	2025
BGF Foods(Wanju, Jeollabuk-do) * Water stress ¹⁾ : High	Water Use	ton	52,046	60,293	58,167
	Sewage and Wastewater Discharge Volume	ton	42,137	45,656	36,542
BGF Foods(Jincheon, Chungcheongbuk-do) * Water stress ¹⁾ : High	Water Use	ton	117,379	167,714	173,682
	Sewage and Wastewater Discharge Volume	ton	106,024	140,078	140,452

1) Based on the Aqueduct Water Risk Atlas

Water Use

Category	Unit	2023	2024	2025
Total Water Use ¹⁾	ton	258,247	316,721	317,819
BGF Retail	ton	5,281	5,453	6,648
BGF Foods	ton	190,911	251,832	253,982
BGF Logis ²⁾	ton	62,055	59,436	57,189
Water Use Intensity ³⁾	ton/KRW billion	30	35	34

1), 2) Water use data for the three-year period from 2023 to 2025 has been corrected due to data aggregation errors.

3) Water intensity has been corrected following the correction of BGF Logis data. For intensity calculation, revenue is based on the combined revenue of BGF Retail, BGF Foods, and BGF Logis.

People

Realizing GWP(Great Work Place)

Securing and Developing Key Talent

BGF Retail and its Retail Sector affiliates recognize talent acquisition and development as a key foundation for sustainable growth. They operate fair and transparent recruitment processes, as well as customized training and employee benefits programs, to create an environment where all employees can enjoy equal growth opportunities.

Status of Major Affiliates

BGF Retail has established a flexible recruitment system based on its annual workforce planning. The company expands contact points with applicants through various channels, including online and offline information sessions, a dedicated recruitment platform, hands-on internship programs, and industry-academia cooperation programs. Through these channels, BGF Retail provides applicants with practical opportunities to understand job roles. In particular, BGF Retail operates the ‘Career Talk’ program for university students who have limited access to job information. The program allows students to communicate directly with employees in each job group and provides practical information on actual job duties, required competencies, and career development paths. BGF Retail also operates a Staff Preferential Program, under which staff members who have worked at CU for an extended period are exempted from document screening if they meet certain requirements. Through this program, the company actively promotes the recruitment of talent with on-site experience.

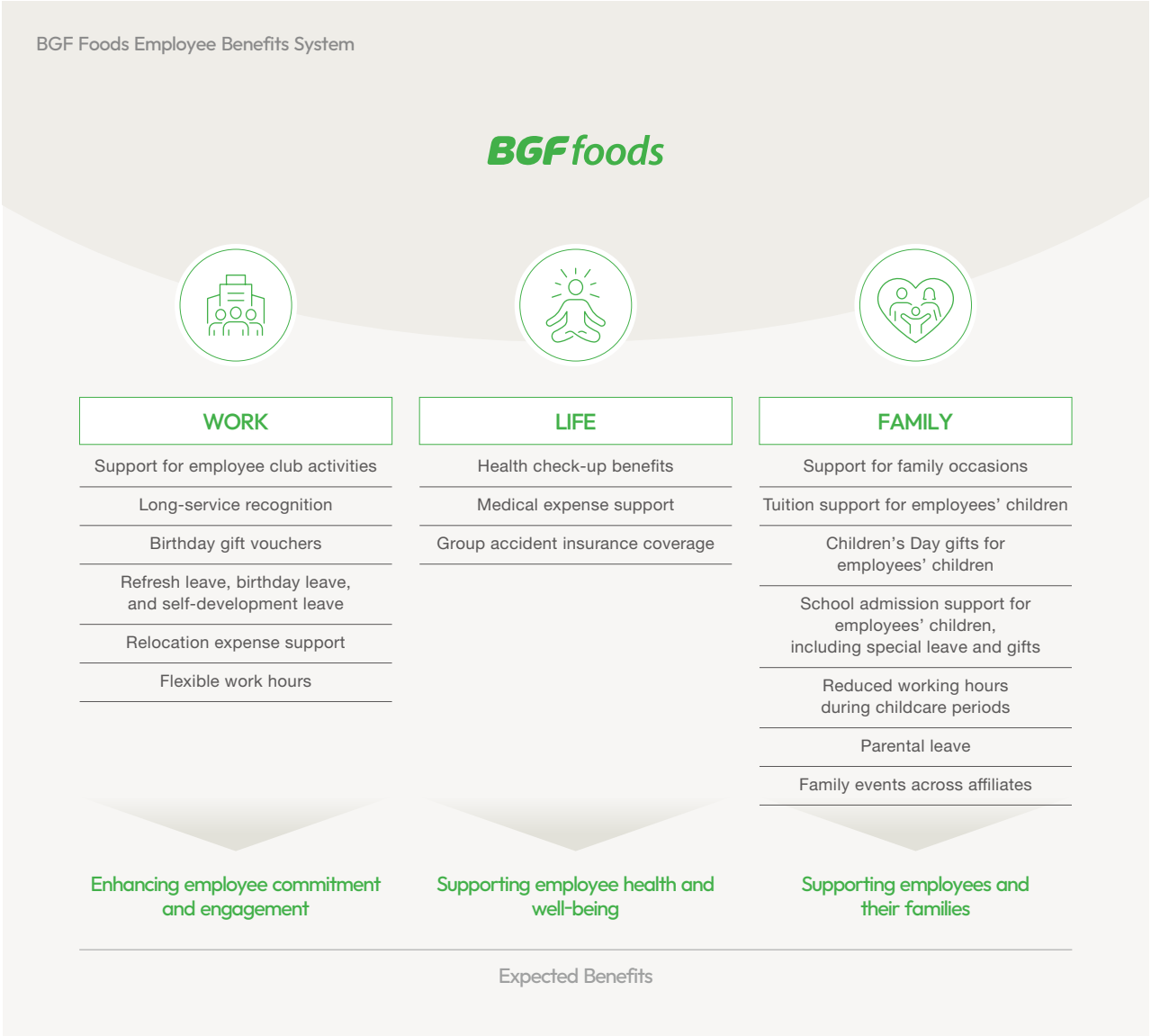
BGF Humannet recognizes the importance of securing and retaining key talent for sustainable corporate growth and operates relevant plans accordingly. The company selects outstanding talent through a recruitment process based on fairness and transparency, and provides recruitment-related information through the dedicated BGF recruitment website. Through these efforts, BGF Humannet provides applicants with recruitment information in a more systematic manner and works to build an open recruitment environment.

Employee Benefits System

BGF Retail and its Retail Sector affiliates operate lifecycle-based, customized employee benefits programs to support employees’ work-life balance. They also support all employees in growing within a stable work environment through fair performance evaluations and a reasonable compensation system. In addition, the companies actively reflect employees’ opinions in management activities through various communication channels, including the Labor-Management Council.

Status of Major Affiliates

BGF Foods operates an employee benefits system across three areas — Work, Life, and Family — to support employees’ work-life balance. In the Work area, BGF Foods promotes employee engagement through support for in-house club activities, long-service awards, and flexible commuting hours. In the Life area, the company supports employee health management through health check-ups, medical expense support, and group accident insurance. In the Family area, BGF Foods provides a broad support system that extends to employees’ families, including children’s tuition and school admission support, reduced working hours for childcare, parental leave, and affiliate family events.

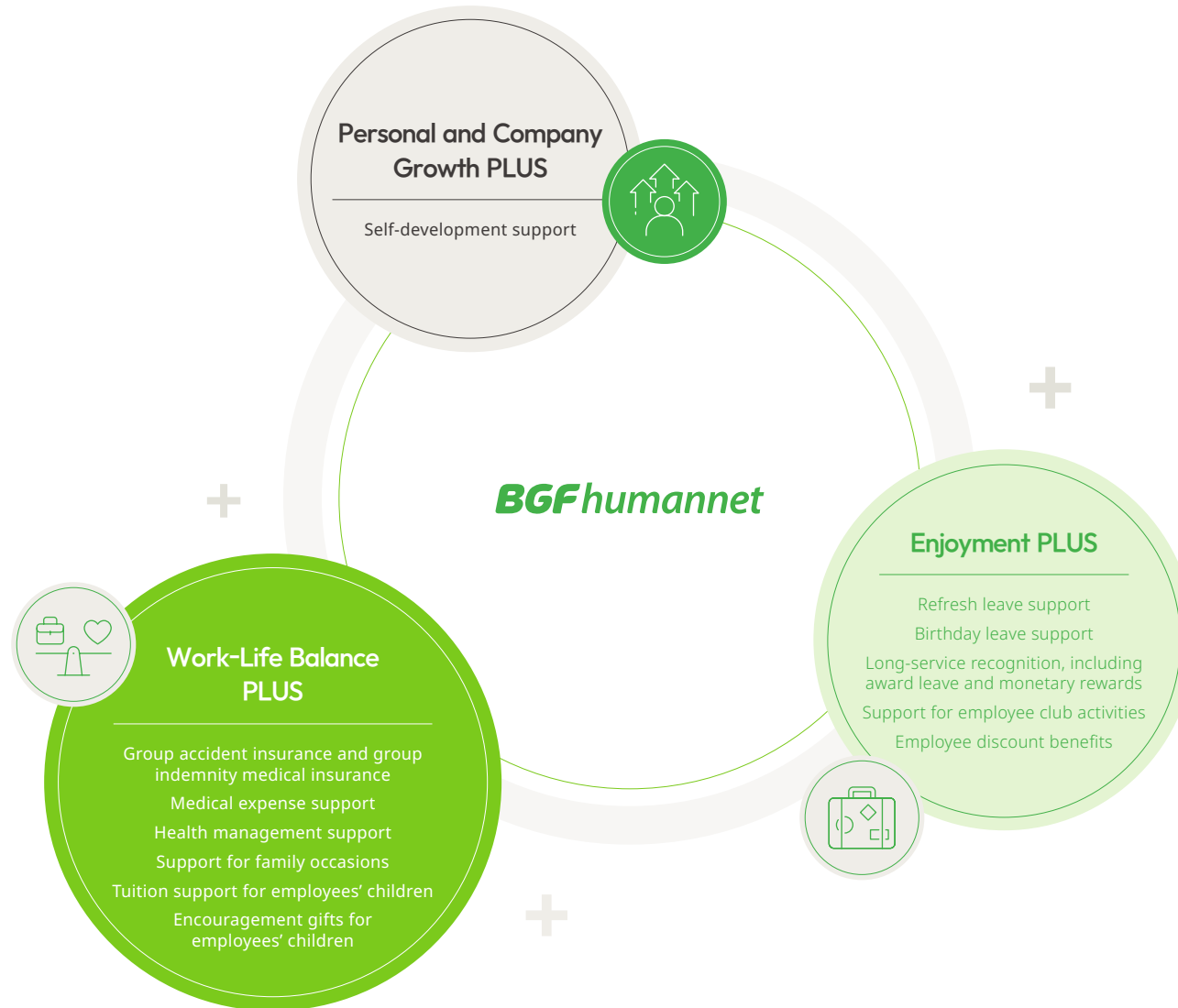


People

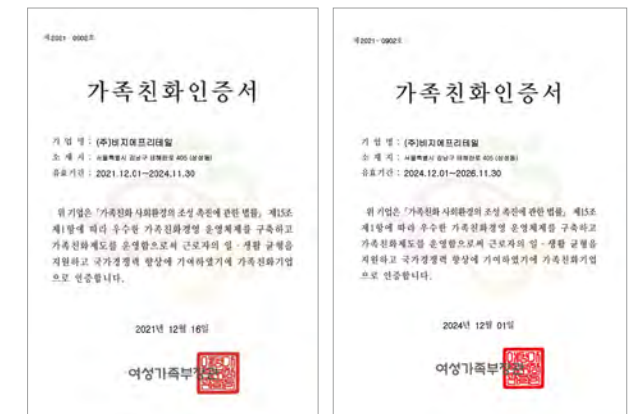
Realizing GWP(Great Work Place)

Employee Benefits System

BGF Humannet operates various employee benefits and family-friendly programs to improve employees' quality of life and support work-family balance. The company provides basic benefits equally to both regular and non-regular employees, without distinction. These benefits include health check-ups, group accident insurance, and flu vaccinations. BGF Humannet also operates support programs such as reduced working hours during pregnancy and childcare, maternity and paternity leave, paid parental leave, and tuition support for employees' children. Through these programs, the company helps employees balance work and family in a stable environment.



BGF Retail places work-life balance as a key value and operates various systems and policies to create a family-friendly organizational culture. Through practical support that goes beyond legal requirements, including additional parental leave, flexible work hours, fertility treatment leave, and spouse miscarriage or stillbirth leave, BGF Retail helps all employees, including working mothers and fathers, continue their careers with stability. In recognition of these efforts, BGF Retail obtained Family-Friendly Company Certification from the Ministry of Gender Equality and Family and continues to strengthen its foundation as a sustainable workplace.



▲ Family-Friendly Company Certificate

People

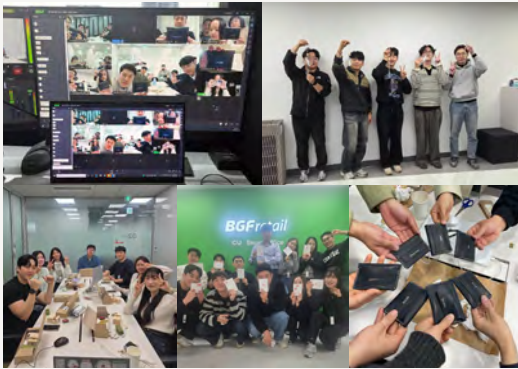
Realizing GWP(Great Work Place)

Employee Benefits System

BGF Retail operates various refresh programs to help employees enhance their psychological well-being and life satisfaction while maintaining a healthy organizational culture. The company believes that employee well-being can lead to sustainable corporate performance. Based on this belief, BGF Retail provides benefits programs that support emotional stability, self-development, and communication among colleagues.

BGF Culture Cafe

- Online classes held twice a month
- Support for hobbies and self-development (Participation available with family members and acquaintances, Team-based participation to be expanded from 2026)



▲ BGF Culture Cafe

EAP Program

- Available to employees and their immediate family members, including spouses, children, and parents
- Professional counseling content across various fields to help relieve everyday stress and support employees' mental health
- Big data-based counseling center recommendations
- Improved user convenience through the introduction of an EAP mobile platform

My Heart Report Event

- Online professional psychological assessment based on the concept of 'a one-of-a-kind personal storybook made just for me'
- Personalized psychological analysis report provided in booklet format, approximately 118 pages

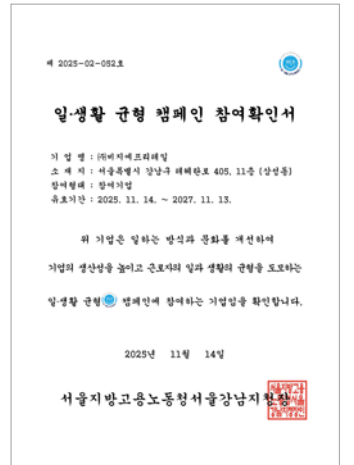


▲ My Heart Report Event Promotional Image

Mental Health Check-up

- Support for understanding one's mental health status and appropriate self-care methods through an online psychological assessment
- Diagnosis based on stress, resilience, depression, anxiety, and other factors

BGF Retail operates various support policies to help employees work in a stable environment and achieve harmony between their personal lives and organizational growth. The company provides lifecycle-based, customized benefits, including reduced working hours during pregnancy and childcare periods, fertility treatment leave and leave of absence, spouse maternity leave and miscarriage or stillbirth leave, parental leave, congratulatory support for childbirth, school admission and graduation support, and tuition support for employees' children. Since 2024, BGF Retail has also introduced refresh leave, providing three days per year, so that employees can take time off freely when they need to recharge. The company also operates an EAP, or psychological counseling service, to support emotional stability and stress management. In 2025, BGF Retail participated in the Work-Life Balance Campaign led by the Ministry of Employment and Labor, promoting work-life balance for employees by improving work practices and organizational culture.



Certificate of Participation in the Work-Life Balance Campaign

Work-Life Balance

Category		Unit	2023	2024	2025
Flexible work arrangement	Flexible work arrangement participation rate ¹⁾	%	60.0	73.8	71.6
	Work from home (WFH) participation rate	%	54.0	65.0	62.0
	Staggered work hours participation rate	%	6.0	7.8	8.8
Psychological counseling	Users	Persons	299	279	304
	Number of sessions	Sessions	1,394	1,220	1,330

1) Flexible work arrangement participation rate : Ratio of employees who participated in at least one flexible work arrangement, including work from home (WFH) and staggered work hours.

People

Realizing GWP(Great Work Place)

Performance Evaluation and Compensation

BGF Retail and its Retail Sector affiliates create a work environment that supports employees’ sustainable growth by operating a fair, performance-based evaluation and compensation system.

Status of Major Affiliates

BGF Retail establishes job-specific KPIs each year in alignment with its management strategies and goals, and operates a performance management system based on MBO, or Management by Objectives(MBO). Employees set individual goals and self-development plans, followed by interim reviews through first-quarter performance interviews and first-half performance evaluations. At year-end, final evaluations are conducted through a three-step process consisting of self-evaluation, first-level evaluation, and second-level evaluation. In addition, BGF Retail conducts separate leadership competency assessments for executives, position holders, and employees at the senior manager level or above. To enhance the reliability of evaluation results, the company also operates procedures for filing objections and adjusting evaluation ratings through the evaluation office.

Performance Evaluation

Category		Unit	2023	2024	2025
Competency development type evaluation system	Applicable employees ¹⁾	Persons	2,310	2,400	2,463
Management By Objective (MBO)	Implementation rate	%	100	100	100

1) Based on the number of employees subject to evaluation in the relevant year who meet internal evaluation criteria.

BGF Retail's compensation system is based on performance-oriented principles. Annual salaries and incentives are determined by comprehensively considering each employee's roles and responsibilities, as well as the level of performance achievement. There is no salary difference based on gender, and actual compensation is differentiated according to individual performance. Each year, BGF Retail determines salary increase rates by comprehensively reflecting inflation, market wage levels, and indicators compared with competitors. When the organization achieves its performance targets, the company also operates an incentive payment system based on labor-management agreement. As of 2025, the starting salary for university graduates was approximately 181% of the statutory minimum wage. The average salary of all employees was approximately 280% of the same standard. In addition, in the event of significant changes in business operations, BGF Retail requires prior notice at least 50 days in advance in accordance with the Labor Standards Act, thereby protecting employees’ employment stability.

Salary

Category		Unit	2023	2024	2025
Average salary	Total	KRW million	65	68	70
	Male	KRW million	70	74	77
	Female	KRW million	52	54	56
Starting salary for new employees relative to the minimum wage ¹⁾	Male	%	181	179	181
	Female	%	181	179	181
Average salary relative to the minimum wage ²⁾		%	269	274	280

1) Basis for calculating the starting salary for new employees relative to the minimum wage: Ratio of the starting salary for new employees, based on total compensation, to the statutory minimum wage for each year.

2) Basis for calculating average salary relative to the minimum wage: Ratio of total employee compensation to the statutory minimum wage for each year.

Equal Pay¹⁾

Category		Unit	2023	2024	2025
All employees	Base salary	%	73	74.9	74.7
	Base salary + Incentive	%	59	73.1	73.1
Administrator	Base salary	%	93	90.1	82.6
	Base salary + Incentive	%	93	90.0	82.9
Position holder	Base salary	%	98	87.8	99.1
	Base salary + Incentive	%	98	88.9	100.6
Manager	Base salary	%	86	78.5	86.5
	Base salary + Incentive	%	88	79.5	86.2
Professional	Base salary	%	80	81.6	81.2
	Base salary + Incentive	%	79	81.1	81.0
Assistant	Base salary	%	90	96.8	99.2
	Base salary + Incentive	%	90	96.8	99.2

1) Basis for calculating equal pay: Ratio of female employees' wages, including base salary and incentives, to male employees' wages within the same job grade.

BGF Humannet has established and operates an objective and transparent evaluation and compensation system. Performance evaluations are conducted twice a year, in the first and second half of the year, based on MBO, or Management by Objectives. Final evaluations are completed through a three-step process consisting of self-evaluation, first-level evaluation, and second-level evaluation. To ensure fairness in the evaluation process, BGF Humannet conducts performance interviews and operates procedures for filing objections and adjusting evaluation results, thereby strengthening objectivity. The wage system is designed and operated by comprehensively considering performance-based compensation, the roles and level of responsibility required for each job, and the operational efficiency of the compensation system. Through this approach, BGF Humannet aims to establish a fair compensation culture and support the organization's continued growth.

People

Realizing GWP(Great Work Place)

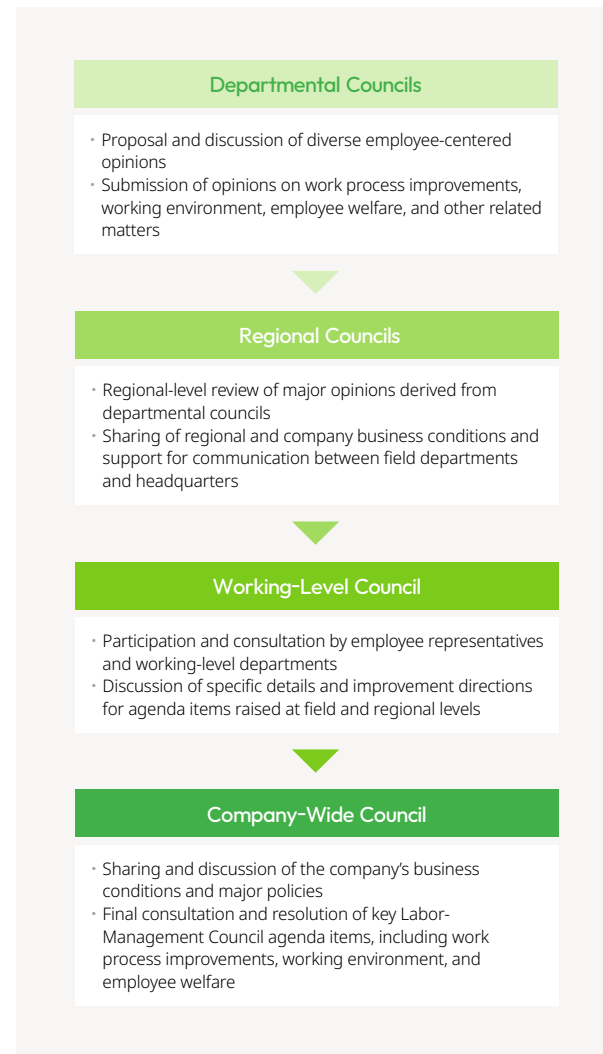
Labor-Management Council

BGF Retail and its Retail Sector affiliates operate a Labor-Management Council, an employee representative body, at each affiliate to promote shared interests between the company and employees, foster a win-win labor-management culture, and strengthen communication.

Status of Major Affiliates

BGF Retail has established Labor-Management Council operation rules in accordance with the Act on the Promotion of Workers' Participation and Cooperation, and operates the Labor-Management Council in compliance with relevant procedures. When electing employee representatives, BGF Retail announces the election plan and candidacy information to all employees so that any employee may run as a candidate. Representatives are elected through a direct, secret, and anonymous vote in which a majority of all employees participate, in accordance with the operating guidelines established by the Election Management Committee. The Labor-Management Council consists of five management representatives and five employee representatives. The representatives hold a regular company-wide council meeting every quarter to discuss and resolve various agenda items based on mutual understanding and cooperation, with the aim of promoting shared interests and building a sound labor-management culture. In addition, considering the characteristics of regional offices located across the country, BGF Retail operates a four-step meeting structure every quarter, consisting of Departmental Councils, Regional Councils, Working-Level Council, and Company-Wide Council. Through this structure, the company encourages active participation by field employees and gathers diverse opinions. BGF Retail also conducts orientations, workshops, and activity satisfaction surveys for all Labor-Management Council members, including employee representatives and departmental representatives, totaling 55 members. Through these efforts, the company strengthens members' awareness of their roles and continues to make various attempts to improve council operations. In 2025, BGF Retail collected employee feedback and resolved and implemented a total of 12 agenda items, including 10 related to workplace environment improvements and two related to employee welfare improvements.

Labor-Management Council Operation Process



Labor-Management Council Meetings

Category	Unit	2023	2024	2025
Number of meetings held	Times	4	4	4
Number of agenda items	Cases	23	10	12
- Agenda items related to workplace environment improvements	Cases	10	3	10
- Agenda items related to employee welfare improvements	Cases	13	7	2
Agenda items resolved	Cases	23	10	12
Agenda item resolution rate	%	100	100	100

BGF Retail established a labor union in 2024 and signed a collective agreement and wage agreement in 2025. During the bargaining process, both labor and management fully shared their respective positions and continued discussions, resulting in the first collective agreement since the company's founding. The signing of this collective agreement is significant in that it clearly defines the rights and obligations of labor and management and lays an institutional foundation for stable labor-management relations. In addition, despite the rapidly changing internal and external business environment, BGF Retail reached a wage agreement without major labor-management disputes. This further strengthened the foundation for a mature labor-management culture based on mutual understanding and trust. BGF Retail also signed a wage agreement in 2026. Going forward, the company plans to continue smooth communication and cooperation between labor and management and maintain sound labor-management relations that all employees can trust.



▲ 2025 Collective Agreement Signing Ceremony



▲ 2026 Wage Agreement Signing Ceremony

People Realizing GWP(Great Work Place)

Labor-Management Council

BGF Networks holds quarterly Labor-Management Council meetings to improve employee benefits, the office environment, and organizational culture systems. The contents of discussions are transparently disclosed to all employees through groupware.



BGF Humannet operates a Labor-Management Council, an employee representative body, to build a win-win labor-management culture in which the company and employees grow together and to strengthen smooth communication channels. Through quarterly regular meetings, the Labor-Management Council discusses various issues, including employee benefits, the working environment, organizational culture, and system improvements. BGF Humannet continues consultations to ensure that employees’ opinions lead to actual improvements in systems. In addition, the results of discussions and key matters addressed are shared with all employees through internal notices, thereby fostering transparent communication and a trust-based organizational culture.



People

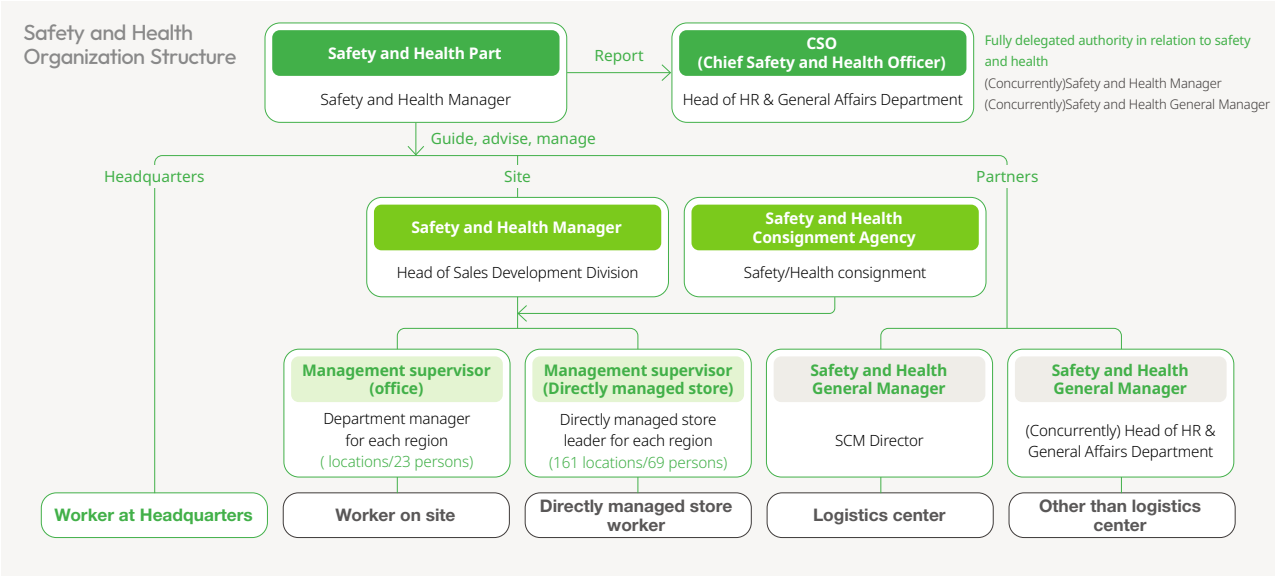
Safety and Health Management

Governance

BGF Retail and its Retail Sector affiliates have established dedicated safety and health organizations to protect the safety and health of employees and stakeholders. They operate a Safety and Health Management system by designating responsible personnel at each business site and systematically allocating roles. With safety and health governance tailored to the characteristics of each business, the companies strive to create a safe working environment through continuous organizational refinement and capability enhancement.

Status of Major Affiliates

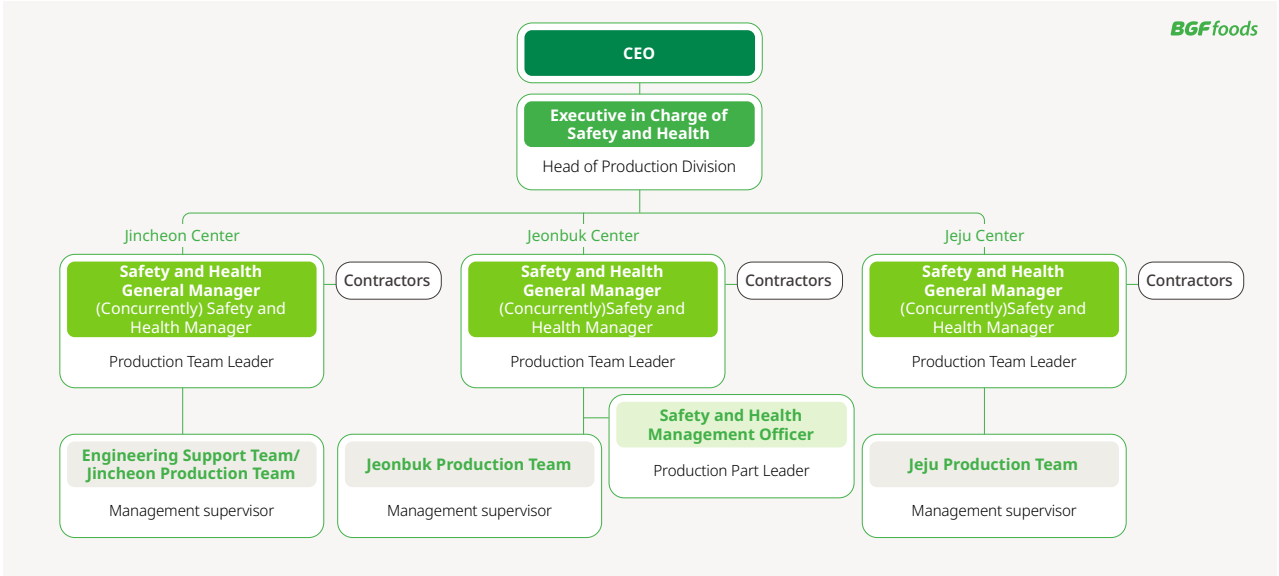
BGF Retail has appointed the Head of the HR & General Affairs Department as the Chief Safety Officer (CSO) and established a dedicated organization to operate a company-wide Safety and Health Management system to protect the health and safety of employees and stakeholders. The CSO establishes plans related to the company's safety and health and regularly reports them to the Board of Directors. The Board of Directors is responsible for reviewing and approving relevant legal requirements and implementation plans. At each business site, including headquarters, site offices, and partners' logistics centers, BGF Retail designates Safety and Health Managers and Safety and Health General Managers to carry out activities such as ensuring compliance with safety and health laws and regulations, embedding everyday safety awareness, and promoting health enhancement activities. In addition, BGF Retail assigns clear roles and responsibilities to all members, from the Board of Directors to site management supervisors, establishing an organic cooperation system across the entire process of safety and health planning, implementation, inspection, and reporting.



Safety and Health Execution Organization

Category	Responsibilities and Major Activities
Board of Directors	· Approval of safety and health plans
CSO	· Reporting safety and health plans and performance to the Board of Directors · Overall management of the company-wide safety and health system
Safety and Health Part	· Implementation of company-wide safety and health activities and risk assessment
Safety and Health Manager	· General manager for safety and health at major business sites
Management supervisor	· Performance of safety and health duties at business sites and reporting of industrial accident details

BGF Foods has established a safety and health organization by appointing the Head of the Production Division as the executive in charge of safety and health, and designating the production team leaders at each production center — Jincheon, Jeonbuk, and Jeju — as Safety and Health General Managers to carry out safety management duties at each center. In addition, BGF Foods designates Management Supervisors in working-level departments and performs duties related to the Industrial Safety and Health Act and the Serious Accidents Punishment Act through communication with contractors. For the Jincheon Center, the company entrusts the duties of the safety manager and health manager to specialized external agencies.

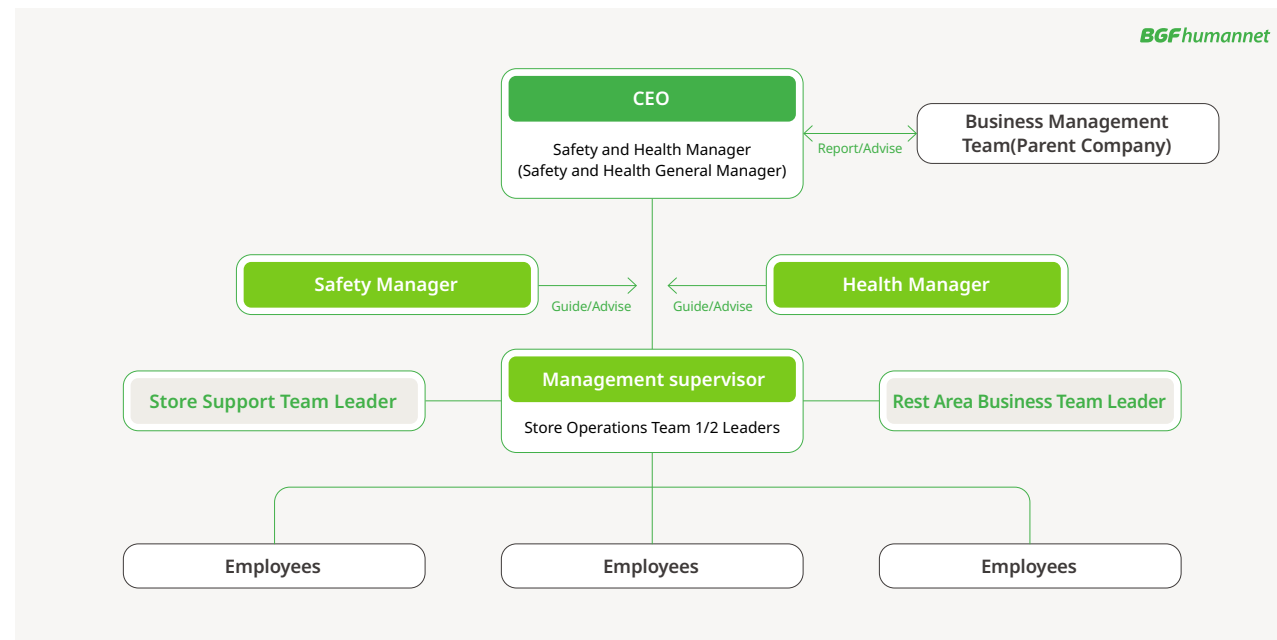


People

Safety and Health Management

Governance

BGF Humannet reorganized its Safety and Health Management organization from March to April 2026 in order to respond to the growing internal and external importance of safety and health management. Through this reorganization, the Team Leader of Store Operations Team 2 was newly appointed as Management Supervisor, strengthening the supervision and oversight structure over store managers, SVs (Supervisors), and site working-level staff, and one additional Safety Manager and one additional Health Manager were appointed. In addition, regular training was conducted concurrently for the existing 3 Management Supervisors. Through this, the company has put in place a dedicated personnel structure capable of directly carrying out safety and health management, laying the foundation for a mid-to-long-term, systematic practice of Safety and Health Management.



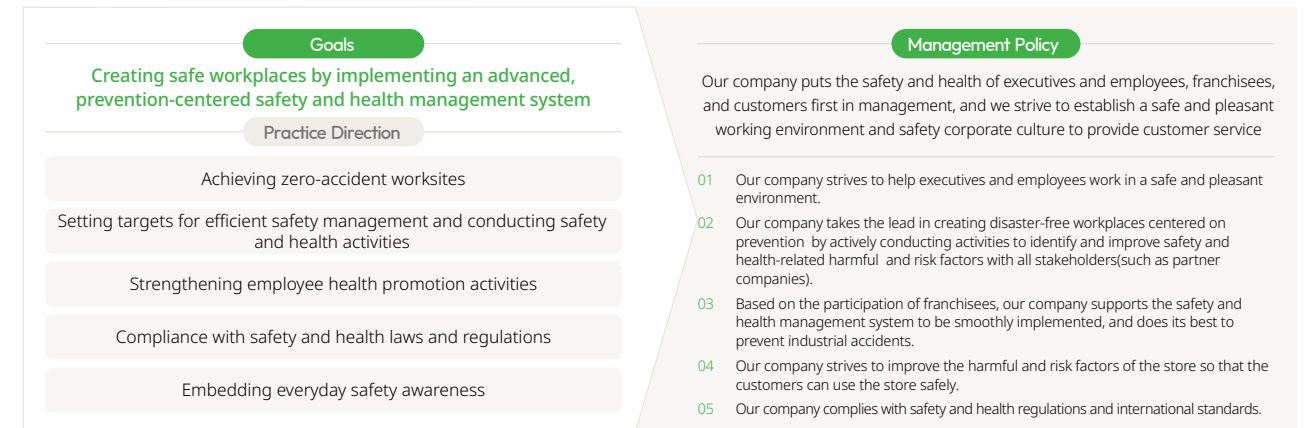
Strategy

BGF Retail and its Retail Sector affiliates operate a systematic safety and health management system for all stakeholders, including employees, franchisees, and customers. Through ISO 45001 certification and the operation of the Occupational Safety and Health Committee, they continue to enhance their safety and health standards and strive to prevent industrial accidents through various activities, including statutory training, job training, and safety awareness assessments.

Status of Major Affiliates

[Safety and Health Management Policy](#)

BGF Retail operates a systematic safety and health management system for all stakeholders, including employees, franchisees, and customers, to create a safe and healthy working environment. Across its business operations, including headquarters, stores, and logistics centers, the company establishes clear safety and health goals and management policies to promote employee health and prevent industrial accidents. Based on this foundation, BGF Retail continues to carry out practical implementation and improvement activities.



BGF Retail obtained ISO 45001 certification for its headquarters building in 2022 to comply with global safety and health standards. In 2025, the company completed the renewal audit and maintained its certification. Each year, BGF Retail undergoes audits by an external verification body to closely analyze safety and health risks, regularly review improvement activities and target management status, and continuously enhance its safety and health management level.



▲ ISO 45001 Certificate

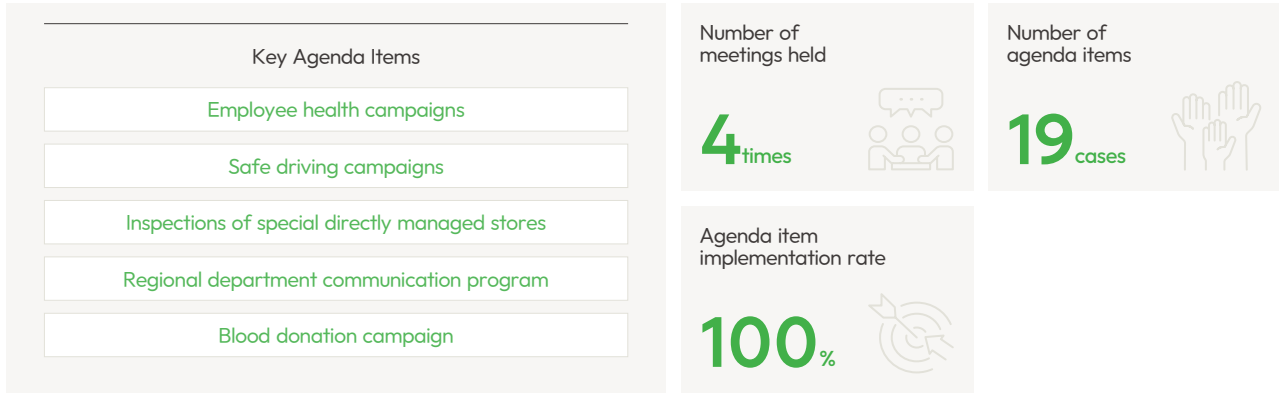
People

Safety and Health Management

Strategy

BGF Retail holds an Occupational Safety and Health Committee meeting once every quarter to strengthen safety and health management at its business sites and to deliberate and resolve key safety and health matters. The Committee consists of five management representatives and five employee representatives. Employee representatives propose safety and health hazards and risk factors identified at business sites to the Committee, and the risk factors discussed are linked to improvement actions. The matters discussed and decisions made are shared with all employees through the intranet. In addition, BGF Retail has established relevant regulations to ensure that finalized agenda items can be applied not only to headquarters employees but also equally to in-house contractor workers, thereby operating a practical Safety and Health Management system.

2025 Occupational Safety and Health Committee Performance



Industrial Accidents

Category		Unit	2023	2024	2025
Employees	Work-related deaths	Persons	0	0	0
	Lost Time Injury Frequency Rate (LTIFR)	Cases per million working hours	1.62	0.77 ¹⁾	1.94
	Number of industrial accidents	Cases	8	4	10
	Accident rate	%	0.30 ¹⁾	0.15 ¹⁾	0.38
Directly managed store staff	Work-related deaths	Persons	0	0	0
	Lost Time Injury Frequency Rate(LTIFR)	Cases per million working hours	5.74	5.69 ¹⁾	4.62
	Number of industrial accidents	Cases	8	6	4
	Accident rate	%	1.20 ¹⁾	0.82 ¹⁾	0.81

1) Data corrected due to a change in the calculation basis for the number of regular employees.

BGF Foods has established and operates a safety and health consultative body with its production contractors. The consultative body holds meetings once a month to conduct joint inspections, patrol inspections, and ad-hoc risk assessments. A total of 36 consultative body meetings were held, with 12 meetings conducted annually at each production center in Jincheon, Jeonbuk, and Jeju.

BGF Humannet carried out activities from March 2025 to June 2026 to identify employees subject to safety and health training and prevent industrial accidents. Key activities included reviewing the scope of employees subject to safety and health training, including employees at rest areas and gas stations, and discussing fire extinguisher inspections and the establishment of measures to prevent recurring industrial accidents. Through these activities, the company helped improve employees’ understanding of fire extinguisher locations and management rules and strengthened its industrial accident prevention system.

BGF Humannet places the highest priority on promoting employees’ safety and health and preventing industrial accidents at its business sites, and establishes and implements necessary plans for the safety and health of each member. It places the highest priority on promoting employees’ safety and health and preventing industrial accidents at its business sites, and establishes and implements necessary plans for the safety and health of each member. The company strictly complies with the Industrial Safety and Health Act and safety and health-related laws and regulations, implements safety and health activities, and maintains an open approach by actively reflecting the opinions of its employees and other stakeholders when establishing plans for workplace safety and health activities and safety and health training. In addition, both the company and its members take a positive attitude toward all safety and health activities and actively cooperate with government policies to prevent industrial accidents, thereby making every effort to put safety and health management into practice through continuous improvement and proactive support.

Safety and Health Management Policy

BGFhumannet

Our company strives to promote employees’ safety and health and prevent industrial accidents at business sites, and makes every effort to ensure continuous improvement and proactive support in faithfully putting this commitment into practice.

- 01

Our company establishes the plans necessary for the safety and health of each member and makes every effort to implement them.
- 02

To carry out these matters, our company complies with the Industrial Safety and Health Act and safety and health-related laws and regulations, and implements safety and health activities.
- 03

Each member of our company takes a positive attitude toward safety and health activities.
- 04

When establishing workplace safety and health activities and safety and health training plans and supporting related matters, our company listens openly to the opinions of its employees and other stakeholders.
- 05

Our company actively cooperates with government policies to prevent industrial accidents.

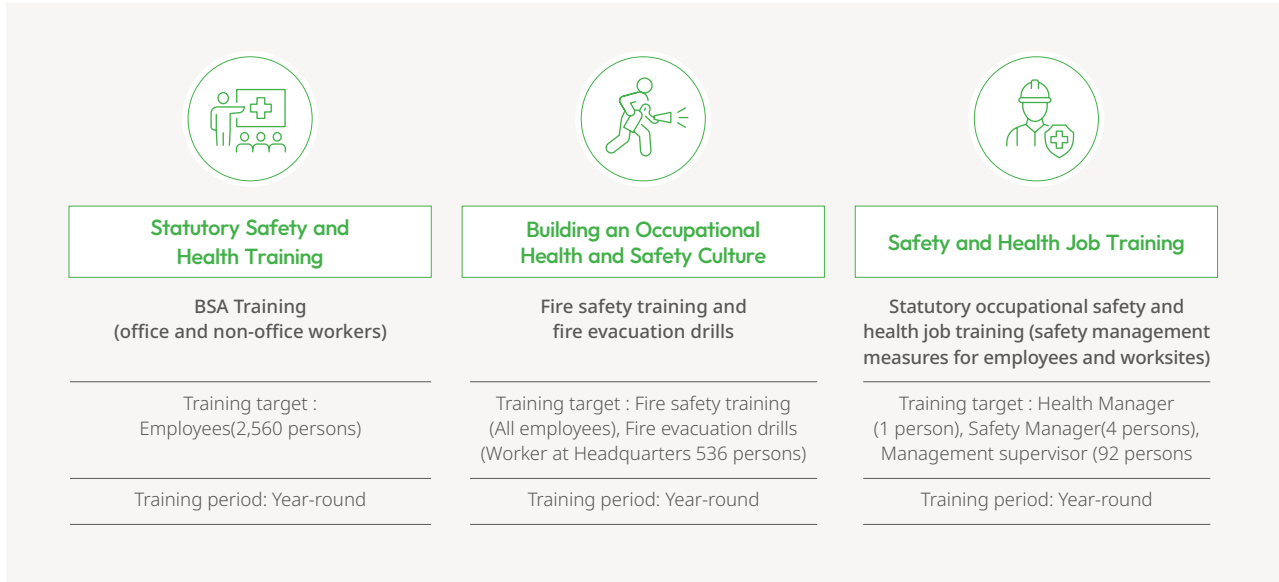
Eung-seon Lee
CEO, BGF Humannet Co., Ltd.

People Safety and Health Management

Strategy

BGF Retail provides safety and health training materials for franchisees every year through in-store PCs and smartphone applications to raise safety and health awareness among employees and franchisees. The company also provides statutory safety and health training for employees. In addition, to strengthen safety and health awareness among employees and franchisees, BGF Retail displays safety and health screensavers on PCs and POS screens used in stores and offices, helping employees and franchisees naturally embed safety and health concepts in everyday work. BGF Retail also conducts an annual safety awareness assessment to review the current status of safety and health awareness and improve areas requiring attention. Based on the assessment results, the company carries out various activities to raise employees’ safety and health awareness, including safe driving campaigns, health campaigns, and safety and health communication programs. Reflecting the results of the safety and health awareness assessment conducted in the second half of 2025, BGF Retail plans to continue improving areas with lower scores and making ongoing efforts to enhance employees’ safety and health awareness.

Safety and Health Training Performance



BGF Humannet systematically operates statutory safety and health training and safety and health job training for all employees, achieving a high training completion rate. Through continuous safety management activities, the company minimizes the occurrence of industrial accidents and maintains a safe working environment.

2025 BGF Humannet Safety and Health Training

BGFhumannet



BGF Humannet Industrial Accident Rate

	Category	2023	2024	2025
	Accidents	0.19	0	0.17
BGF Humannet	Occupational diseases	0.09	0	0

2025 BGF Humannet Safety and Health Assessment

BGFhumannet

Category	Details	Remarks
Position Holder Assessment	・ Evaluation of training completion and duty performance by the Safety and Health Manager and Management Supervisors, once every half year	Safety and Health Manager (1 person) Management supervisor (3 persons)
Legal Compliance Assessment	・ Evaluation of compliance with safety and health-related laws and regulations	Once every half year
Risk Assessment	・ Assessment of workplace hazardous factors and establishment of reduction measures, once a year	Total number of reviews: 57 cases

People Safety and Health Management

Risk Management

BGF Retail and its Retail Sector affiliates conduct regular risk assessments, semiannual assessments, quarterly joint inspections, and patrol inspections in accordance with their risk assessment manual to systematically manage risk factors at business sites. They establish and implement improvement measures for identified risk factors, thereby creating a safe working environment.

Status of Major Affiliates

BGF Retail conducts quarterly opinion-gathering through the Occupational Safety and Health Committee and annual risk assessments to systematically manage risk factors at its business sites and identify safety and health risks and opportunities. For risks identified during inspections, the company establishes and implements mitigation and improvement measures, evaluates the effectiveness of improvements after the measures are taken, and reports the results.

Safety and Health Risk Assessment

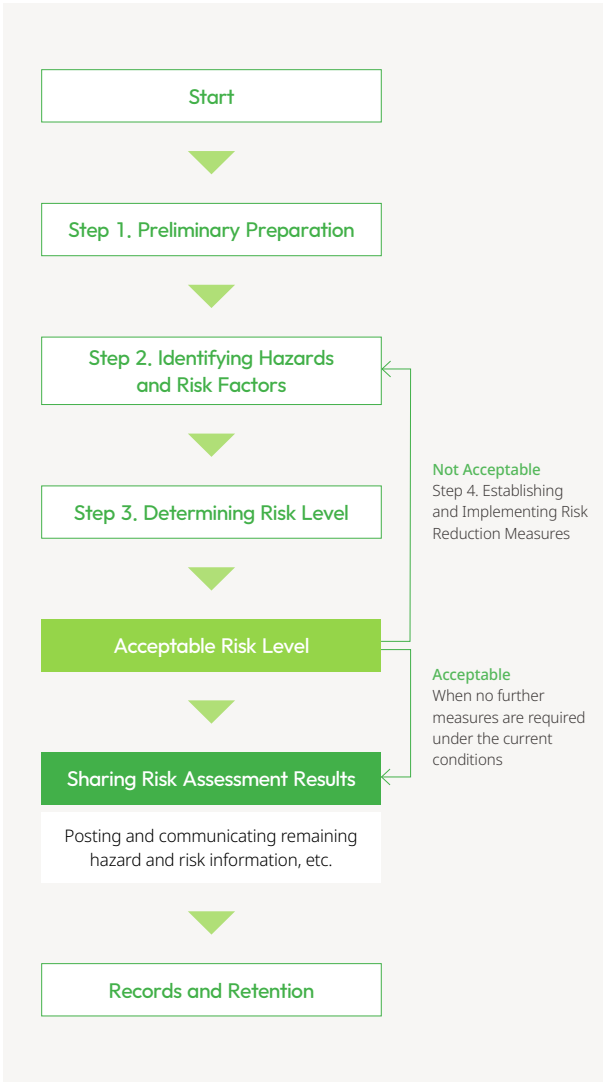


BGF Retail conducts regular annual Risk Assessments, as well as semiannual assessments, quarterly joint inspections, and patrol inspections, in accordance with its internal Risk Assessment Manual to identify risk factors arising from work activities at its business sites. When hazardous and risk factors are identified during the assessment process, the company determines their significance through risk assessment. For matters identified as having a material impact, BGF Retail establishes and implements improvement plans, and subsequently reports the results of effectiveness assessments that include improvement indicators. For risk factors identified through Risk Assessments, BGF Retail requires improvement plans to be prepared so that 100% of the risks can be improved. Risk factors identified through the opinion-gathering process are discussed with employee representatives at the Occupational Safety and Health Committee, where solutions are developed.

Risk Assessment Status

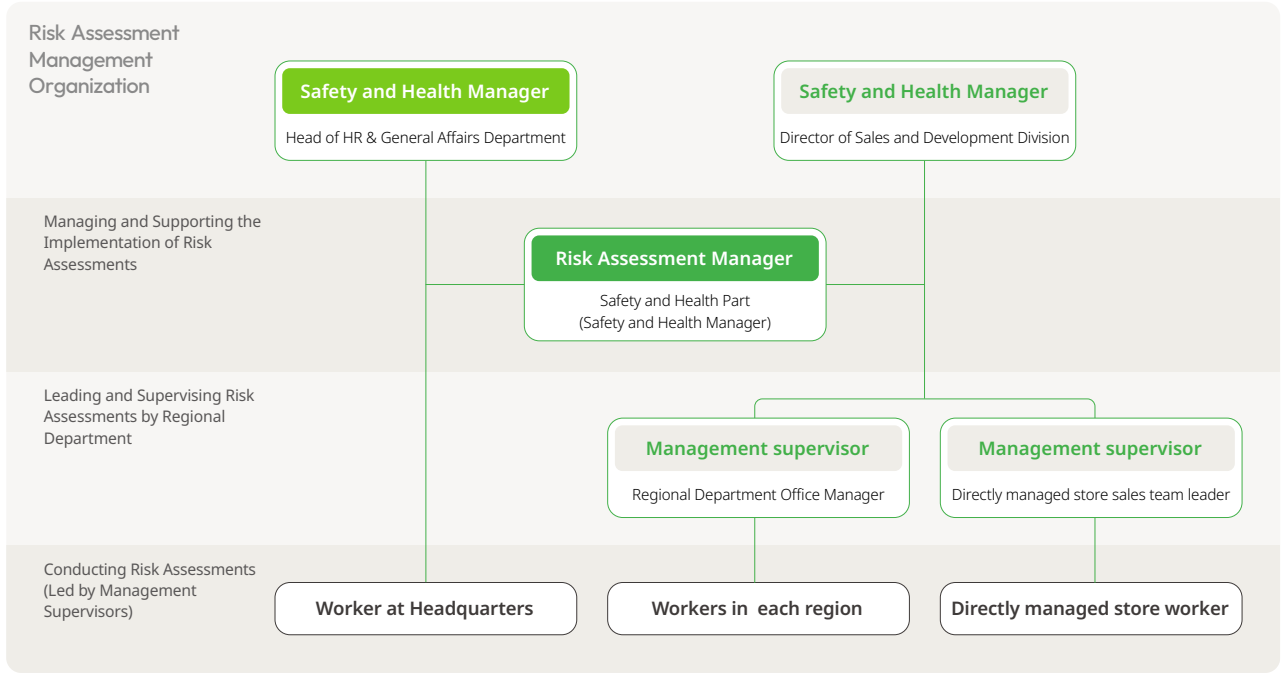


Risk Assessment Process



People Safety and Health Management

Risk Management

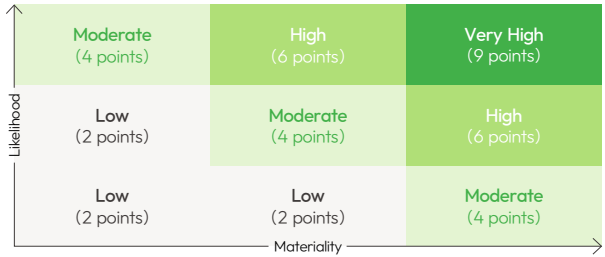


BGF Retail reviews identified risk factors and quantitatively calculates risk levels based on likelihood and severity. Improvements are prioritized in descending order of risk level. As a result of the 2025 Risk Assessment conducted for all business sites and directly managed stores, BGF Retail identified three risk factors, established risk reduction measures, and completed improvement actions. In particular, by posting visual guidance materials, the company enhanced employees’ response capabilities in emergency situations. Through these measures, BGF Retail helps employees and visitors evacuate quickly and safely in the event of an emergency, thereby minimizing potential damage.



▲ Guiding safe evacuation

Risk Estimation



Risk Determination

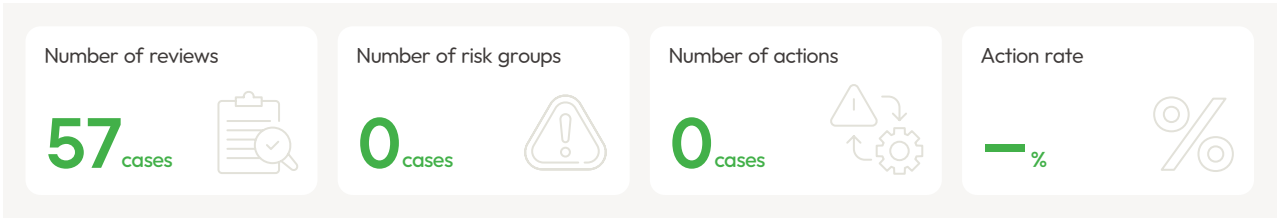
Category	Risk Level	Management Standard	Remarks
9 points	Very High	Immediate improvement	Establish and implement safety and health measures
6 points	High	Improvement	Perform work after identifying safety matters
3-4 points	Moderate	Review and improve if necessary	Maintain current conditions, but improve if necessary
1-2 points	Low	Maintain current conditions	Provide workers with training on risk information

Risk Assessment Improvement Measures

Category	Description	Improvement Action
Office	- Conducted Risk Assessments for headquarters and 24 regional offices - Implemented improvements for musculoskeletal disease risks, a company-wide common risk - Posted caution notices on emergency exit doors at headquarters	- The risk of musculoskeletal diseases caused by prolonged sitting or the use of a mouse and keyboard was assessed at Level 9. To address this, BGF Retail produced stretching posters to prevent musculoskeletal diseases and posted them across company-wide business sites, including regional offices, reducing the risk level to Level 4. - When using the emergency stairs in the headquarters building, the risk of being struck by opening emergency exit doors was identified at Level 6. By attaching caution stickers for opening emergency exit doors, the company reduced the risk level to Level 4.
Directly managed store	Conducted Risk Assessments at 160 stores and implemented improvements for matters requiring corrective action	At certain directly managed stores, work using ladders was being performed by a single worker, resulting in a risk level of Level 6. BGF Retail provided workers with training on proper ladder use and improved practices to ensure safe ladder use, lowering the risk level to Level 4.

BGF Humannet conducted a total of 57 Risk Assessments in 2025. As no risk groups or required actions were identified, the company maintained a stable level of Safety and Health Management.

2025 BGF Humannet Risk Assessment



People

Human Rights and Diversity

Governance

BGF Retail and its Retail Sector affiliates have established human rights policies aligned with global human rights standards to protect the human rights of all stakeholders, including employees. They also prevent human rights risks in advance by conducting human rights impact assessments and operating reporting and handling systems.

Status of Major Affiliates

Human Rights Policy

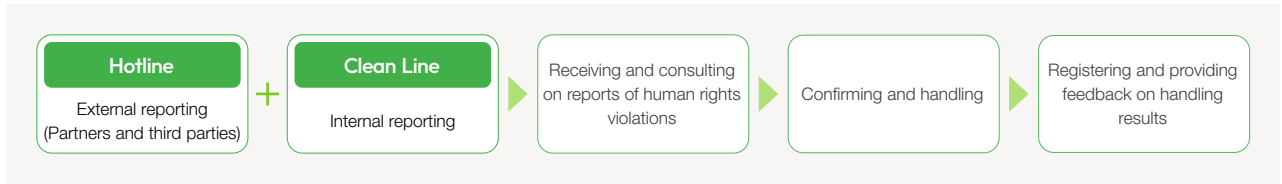
Policy on the Prevention of Workplace Sexual Harassment and Workplace Bullying

BGF Retail has established and implements a human rights policy to protect and respect the rights of stakeholders across all areas of its operations. This policy aligns with global standards, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization (ILO) Constitution. The company encourages the application of this policy not only to employees of BGF Retail and its subsidiaries, but also to diverse stakeholders, including those within its supply chain. In addition, BGF Retail has adopted a separate policy prohibiting discrimination, workplace harassment, and sexual harassment. This policy clearly defines response procedures, measures to prevent recurrence, and mandatory preventive training in the event of such cases. All relevant policies are publicly disclosed on the company's website.

BGF Humannet recognizes the importance of creating an inclusive organizational culture and expanding workforce diversity, and strives to provide equal employment opportunities regardless of gender or background. Of the 113 new hires in 2025, 51 were women, accounting for approximately 45%. In the first quarter of 2026, nine of the 20 new hires were women. BGF Humannet plans to continue creating a work environment where diverse talent can grow together and to continue strengthening diversity and inclusion within the organization.

BGF Retail operates an anonymous reporting system to safeguard employees' human rights and foster a healthy organizational culture. Through the Clean Line System—an independent platform managed by an external professional institution—employees can confidentially report grievances such as sexual harassment, workplace bullying, and human rights violations. Both the identity of the reporter and the details of the report are strictly protected. In addition, BGF Retail runs an Ethical Management Hotline, accessible not only to employees but also to external stakeholders, enabling the early identification of human rights risks and the strengthening of preventive measures. To ensure smooth communication among field employees nationwide, BGF Retail assigns HR support staff to major business sites, allowing HR and labor consultations, as well as grievance hearings, to be conducted directly on site.

Human Rights Reporting System



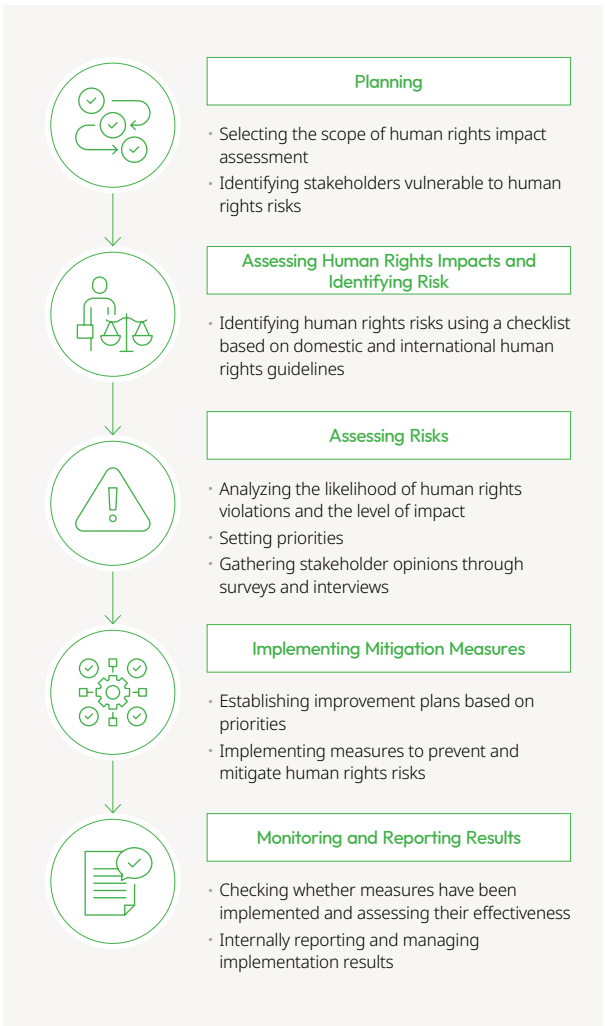
Human Rights Violation Reports Channel

Category	Unit	2023	2024	2025
Number of human rights-related reports ¹⁾	Cases	5	2	11
Number of human rights-related cases handled	Cases	5	2	11

1) Human rights-related report count is calculated based on the number of cases submitted through the Clean Line and Hotline.

BGF Retail conducts human rights impact assessments, also referred to as human rights risk due diligence, to identify and prevent potential human rights violation risks across its business activities. Based on a checklist tailored to the company's business areas, the assessments review implementation status and diagnose the overall effectiveness of human rights management. These assessments are carried out primarily by relevant departments, including the HR Team and ESG Team. Going forward, BGF Retail plans to expand the scope of coverage and institutionalize the process, thereby gradually enhancing the company's human rights management framework.

Human Rights Impact Assessment (Human Rights Risk Due Diligence) Process



People

Human Rights and Diversity

Strategy

BGF Retail and its Retail Sector affiliates regularly conduct statutory training, including sexual harassment prevention, workplace bullying prevention, and disability awareness training, to enhance employees' human rights awareness and sensitivity and foster a mutually respectful organizational culture. They also use online platforms to provide self-directed human rights training, embedding a culture of respect for human rights across the organization.

Status of Major Affiliates

BGF Retail operates various training programs to enhance employees' human rights sensitivity and foster a mutually respectful organizational culture. The company regularly conducts statutory training, including sexual harassment prevention, workplace bullying prevention, and disability awareness training, to help all members develop a sound understanding of human rights. BGF Retail also provides a range of content through the online training platform BSA, enabling employees to participate in human rights training autonomously, regardless of time and place. Through these efforts, the company is embedding and continuously strengthening a culture of respect for human rights across the organization.

Statutory Training Completion Status

Category		Unit	2023	2024	2025
Sexual harassment prevention training	Participants	Persons	2,587	2,592	2,586
Workplace bullying prevention training	Participants	Persons	2,469	2,529	2,579
Disability awareness training	Participants	Persons	2,587	2,592	2,586

BGF Humannet operates a range of human rights training programs to raise employees' human rights awareness and foster a culture of mutual respect. The company regularly provides statutory training, including sexual harassment prevention, workplace bullying prevention, and disability awareness training, to help create a healthy and safe working environment. BGF Humannet also uses the online training platform BSA to enable employees to access human rights training content at any time and from any location. Through these efforts, the company continues to promote a culture of respect for human rights across the organization and build a sound organizational culture.

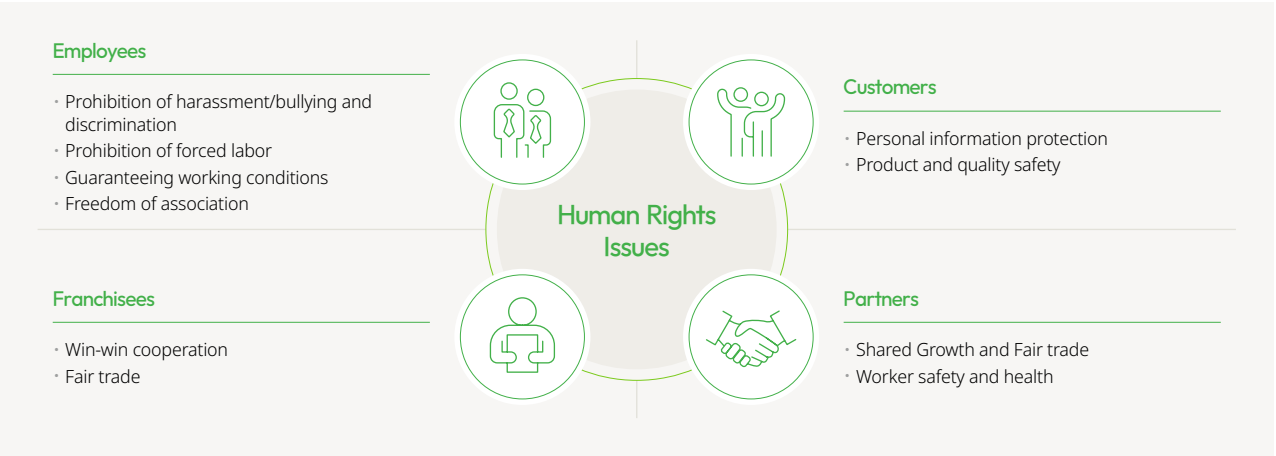
Risk Management

BGF Retail and its Retail Sector affiliates identify and manage human rights risk factors for key stakeholders, including employees, customers, and partners. They pursue risk mitigation and improvement activities through human rights impact assessments and respond promptly to human rights violations by operating reporting and grievance channels.

Status of Major Affiliates

BGF Retail identifies human rights risk factors that may arise in the course of business operations for key stakeholders, including employees, customers, store staff, and partners. Given the nature of the convenience store franchise business, BGF Retail interacts with various stakeholders across multiple stages, including product development, procurement, logistics, store operations, and customer service. Accordingly, the company systematically manages human rights risks by designating responsible departments for each stakeholder group.

Key Stakeholder Human Rights Issues



BGF Retail reviewed the overall operation of its human rights management system in 2025 based on its human rights impact assessment checklist. The review confirmed that BGF Retail has a basic system in place to manage human rights issues involving key stakeholders. However, it also found that further advancement is needed in the areas of establishing a human rights management system, ensuring non-discrimination in employment, prohibiting forced labor, and practicing responsible supply chain management. Based on these findings, BGF Retail implemented measures to mitigate human rights risks and conducted an effectiveness assessment. Going forward, BGF Retail plans to further refine its human rights management policies and implementation system, while strengthening procedures for identifying, preventing, and mitigating human rights risks.

People Human Rights and Diversity

Risk Management

BGF Humannet operates a reporting and whistleblowing system to prevent and promptly respond to conduct that violates its human rights management principles. All stakeholders, including employees, may freely report matters related to human rights violations, misconduct, and other improper acts. The anonymity of reporters and the confidentiality of reported details are strictly protected. For cases received through channels such as the Ethical Management Hotline, BGF Humannet verifies facts and conducts investigations in accordance with relevant procedures. Through fair and responsible handling, the company strives to foster a culture of respect for human rights and ethical management.

BGFhumannet

Reporting Method and Procedure

When wrongdoing or misconduct by internal employees or staff is discovered, please complete the reporting form in accordance with the procedure below and submit it by email to the designated ethical management promotion contact.

The confidentiality of the reporter will be strictly protected, and personal information will be destroyed once the purpose of its collection and use has been fulfilled.

Reports will be forwarded to the personnel responsible for ethical management in accordance with the reporting procedure, and appropriate follow-up actions will be taken.

Your participation contributes to greater transparency and strengthens ethical management at BGF Humannet.

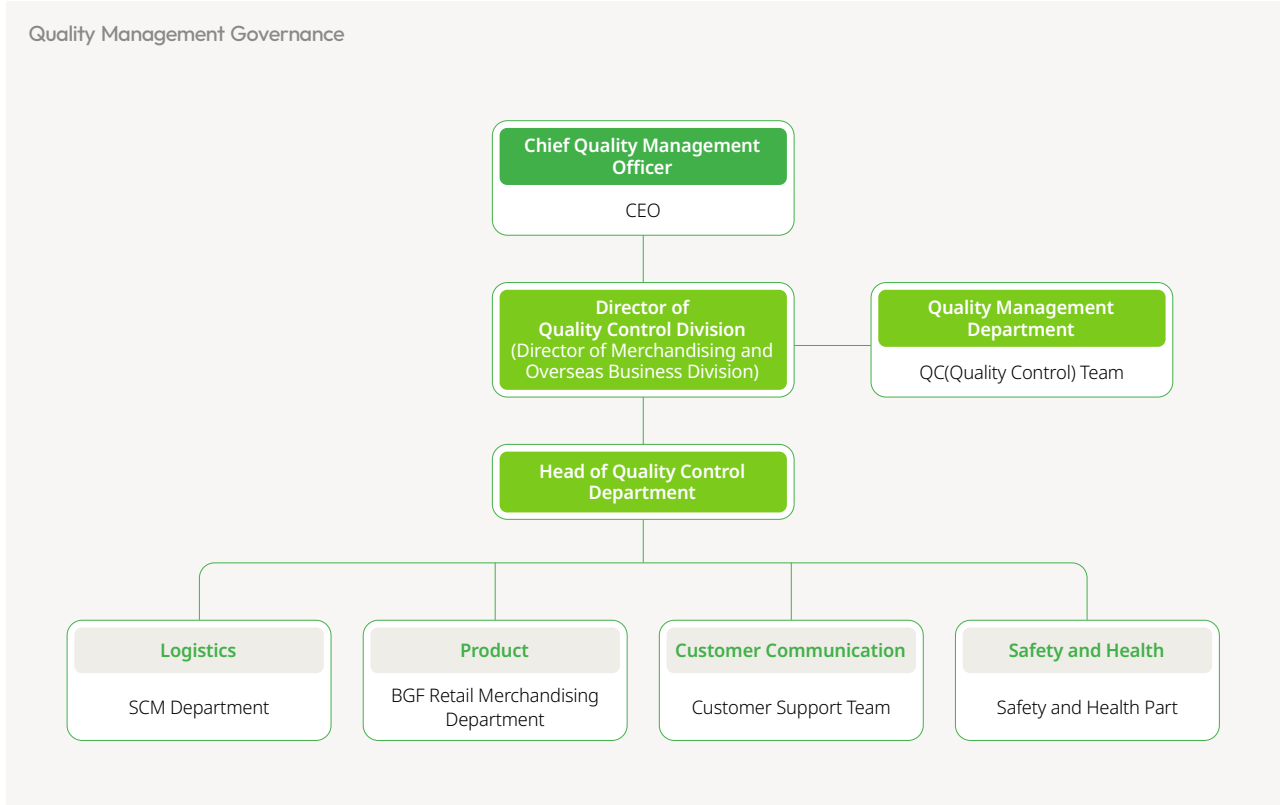
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graph TD; A[Email Submission to the Designated Ethical Management Contact] --> B[Receipt and Follow-up Actions]
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People

Product Safety and Quality

Governance

BGF Retail has designated its CEO as the Chief Quality Management Officer to strengthen accountability for quality management. The company operates a system in which quality-related matters are directly reviewed and decided at the senior management level. Based on a company-wide collaborative structure led by the CEO, BGF Retail has established quality management governance and continues to advance the system. The QC (Quality Control) Team oversees the operation of the quality management system, while responsible departments are designated for each key business area, including merchandising, logistics, and service, to ensure systematic management. Each department actively participates in quality management activities to prevent quality issues that may arise across the business process and continuously carry out practical improvement activities.



Strategy

[Quality Management Policy](#) [Health and Nutrition Policy](#)

BGF Retail operates a rigorous quality management system across the entire product lifecycle, from product planning to sales, so that customers can lead healthier and more sustainable lives. The company continues to conduct food research with a focus on nutritional balance and supports customers’ healthy eating habits by developing ready-to-eat meals that reflect diverse dietary needs, including low-sodium, high-protein, and vegetarian options. BGF Retail also continues to carry out projects to improve the quality of raw materials and advance its quality management system. Based on accurate product information and a systematic quality management system, the company strives to provide products and services that customers can use with confidence.

Consumer Safety Principles

Based on our corporate philosophy, BGF Retail is committed to providing the best quality products and services, at anytime, anywhere, and further realizing customer value.

- 01 We strictly comply with all laws related to the quality of the products and services we provide.
- 02 We prioritize the health and safety of our customers and continuously improve quality throughout our supply chain.
- 03 We actively communicate with stakeholders to ensure the best product and service quality.
- 04 We actively work with our partners to provide the highest quality products and services, leading both domestically and internationally.

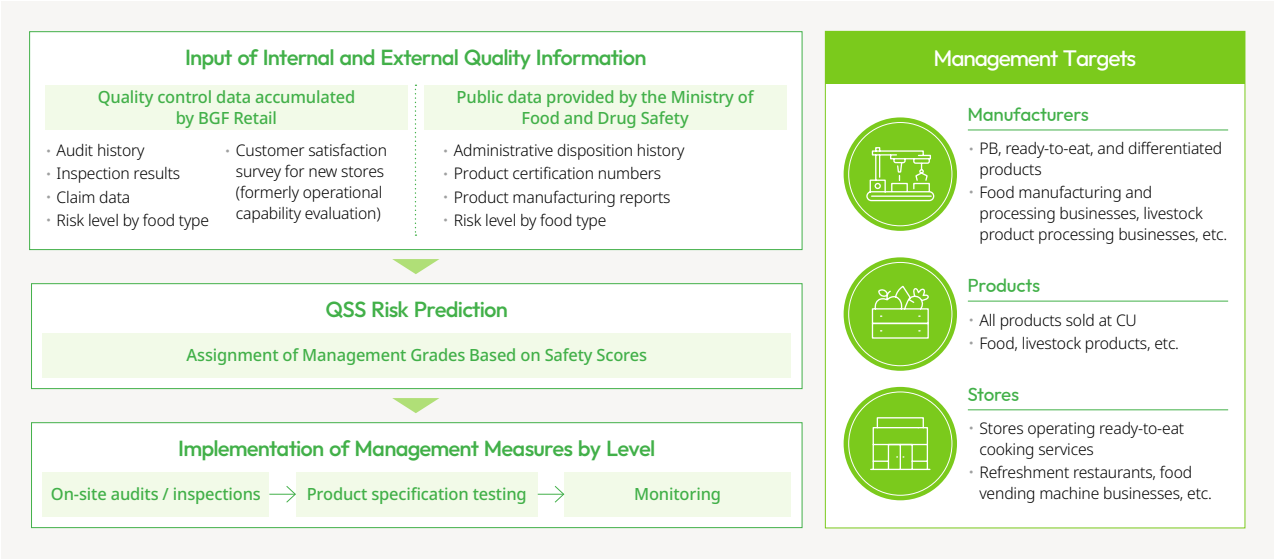
BGF Retail practices quality management in line with international standards across the entire process of developing, introducing, and operating products and services. In recognition of these efforts, the company obtained ISO 9001, the international certification for quality management systems, in 2022. Based on system regulations aligned with the certification requirements, BGF Retail carries out systematic quality control. The company also undergoes annual surveillance audits by an external professional institution to continuously verify the appropriateness of its quality management operations.

Product Safety and Quality

Risk Management

BGF Retail has introduced the QSS (Quality Safety System) to strengthen product safety and operates an integrated quality management system that combines internal quality control data with public data from the Ministry of Food and Drug Safety. The company proactively identifies and manages manufacturers and stores with potential risk factors, and evaluates product-level risks by classifying products into Grades A to C. By applying customized management measures according to each grade, including on-site inspections and specification testing, BGF Retail prevents quality issues before they occur.

Risk Prediction Management Process



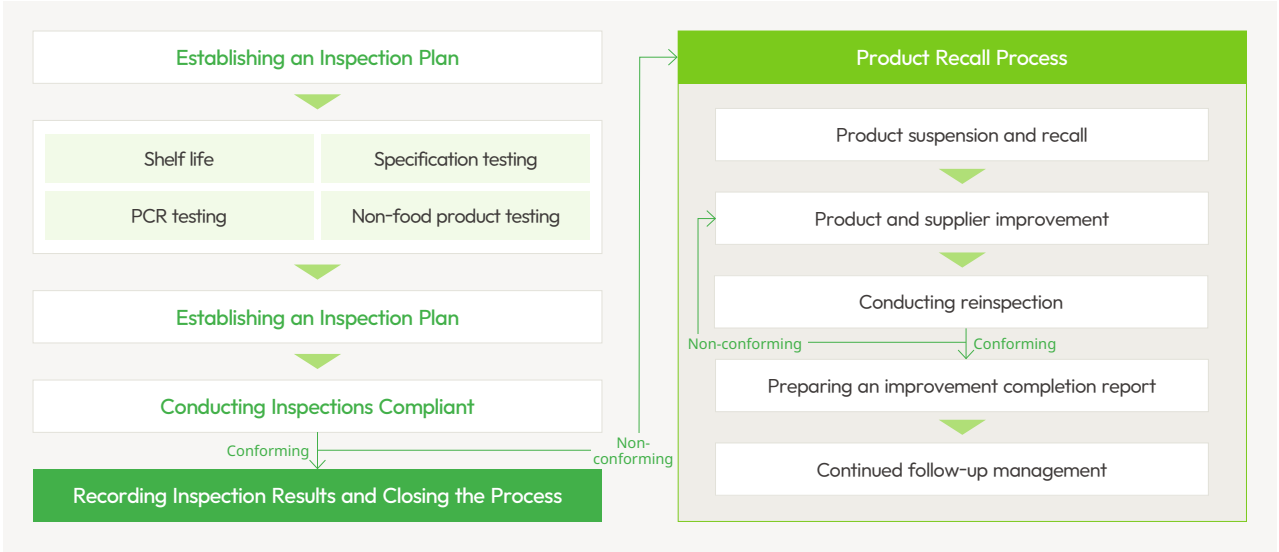
1) PCR: Polymerase Chain Reaction
2) EM: Environment Monitoring

BGF Retail conducts regular product safety assessments in collaboration with external audit institutions to ensure product safety and manage quality history. In 2025, the company conducted a total of 2,575 quality inspections on ready-to-eat meals and PB products, and carried out audits of 369 manufacturers and 108 logistics centers. In addition, BGF Retail conducted hygiene inspections at 770 stores, including stores offering ready-to-eat cooking services and stores located near schools, thereby strengthening the management of on-site hygiene standards.

Safety Assessment

	Category	Number of Inspections	Number of Risk Cases	Risk Occurrence Rate(%)	Action Rate(%)
Products	Ready-to-eat meals	2,224	6	0.27	100
	PB Product	315	7	2.22	100
	Collected ready-to-eat products	36	3	8.33	100
Sites	Manufacturer	369	65	17.62	100
	Logistics center	108	0	0.00	100
	Franchisees	700	5	0.71	100

Product Safety Assessment Process



1) PCR: Polymerase Chain Reaction
2) EM: Environment Monitoring

People

Product Safety and Quality

Risk Management

BGF Retail places food safety as a top priority and works to maintain consumer trust by taking prompt and transparent action when any abnormal signs are detected. When a product issue is identified, the company systematically manages the entire process, from voluntary recall to follow-up measures. It also conducts root cause analysis and improvement activities to prevent recurrence, thereby maintaining proactive and responsible quality management.

Product Recall Process



Recall Status

Category		Unit	2023	2024	2025
Food Safety ¹⁾	Number of recalls	Cases	0	0	0
	Number of recalled products	Items	0	0	0

1) Number of voluntary recalls calculated based on reports to Food Safety Korea for ready-to-eat meals and PB products.

BGF Retail proactively decides to conduct voluntary recalls¹⁾ and takes prompt and thorough action when any signs of quality issues are detected through its internal quality management system. The company continues to implement improvement activities to prevent recurrence, including on-site inspections of manufacturers and reinforcement of process conditions. In 2025, no recall cases occurred.

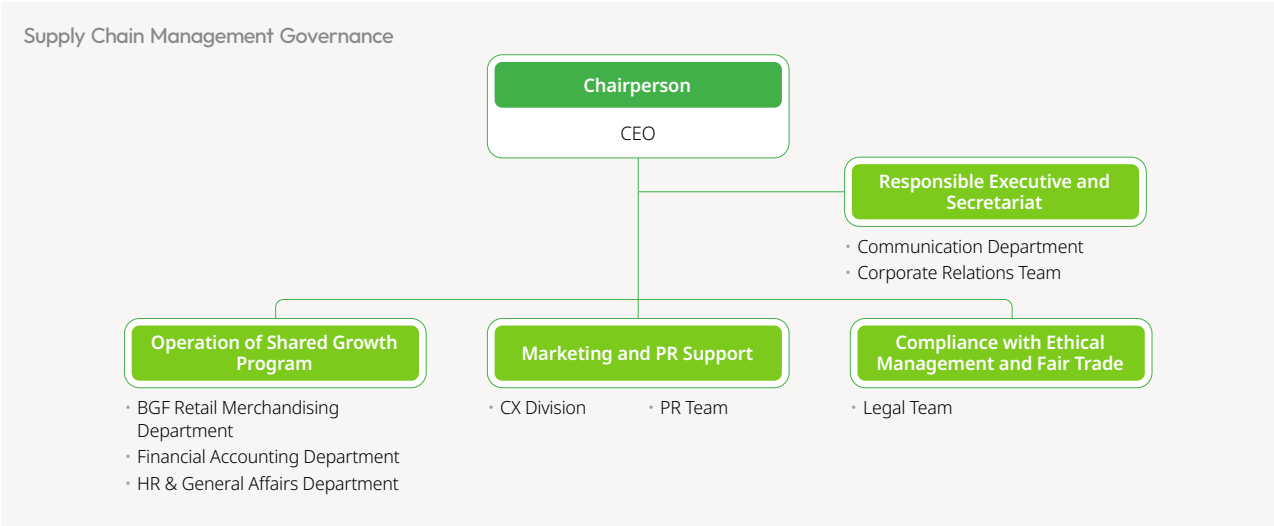
1) Number of voluntary recalls calculated based on reports to Food Safety Korea for ready-to-eat meals and PB products.

Partner

Supply Chain Management

Governance

BGF Retail promotes strategic shared growth activities through the Shared Growth Promotion Committee, which reports directly to the CEO, to achieve sustainable mutual growth with its partners. The Secretariat under the Committee plans and operates shared growth policies and partnership programs that provide practical support, based on close communication with partners. Through these efforts, BGF Retail continues to strengthen the foundation for mutual growth with its partners.



BGF Retail has established and operates an organizational system to manage supply chain risks and opportunities across each area of ESG. Supply chain management is carried out systematically by designating responsible departments for each stage and promoting organic collaboration among departments throughout the process.

Partner Discovery and Contracting	Support for Partners' ESG Management	Quality / Safety and Health	Compliance/Shared Growth
BGF Retail Merchandising Department, General Affairs Team, SCM Department	Communication Department	SCM Department, HR & General Affairs Department,	Communication Department
• Checking partners' ESG status when entering into contracts • Business collaboration with partners	• Providing ESG training content and evaluation support	• Regular checks on partners' quality, safety, and health	• Monitoring partners' fair trade practices • Handling supply chain grievances

Strategy

Code of Conduct for Supply Chain

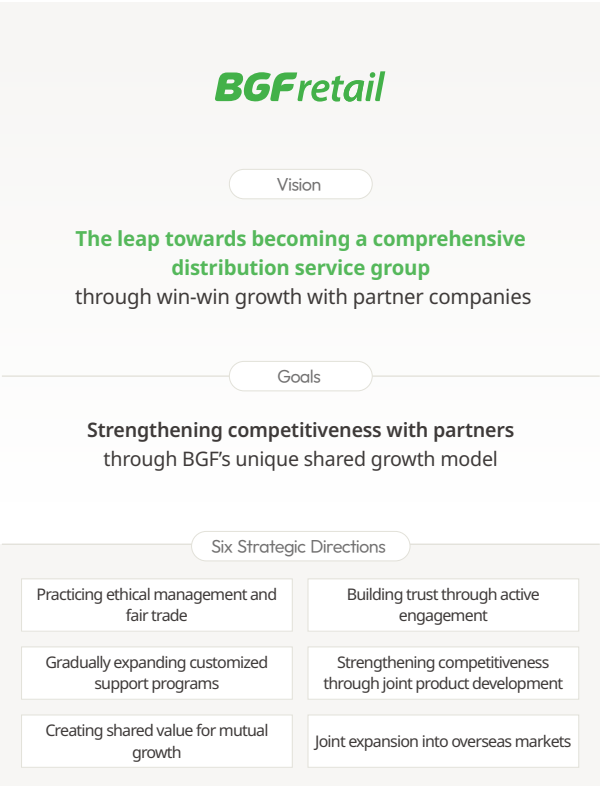
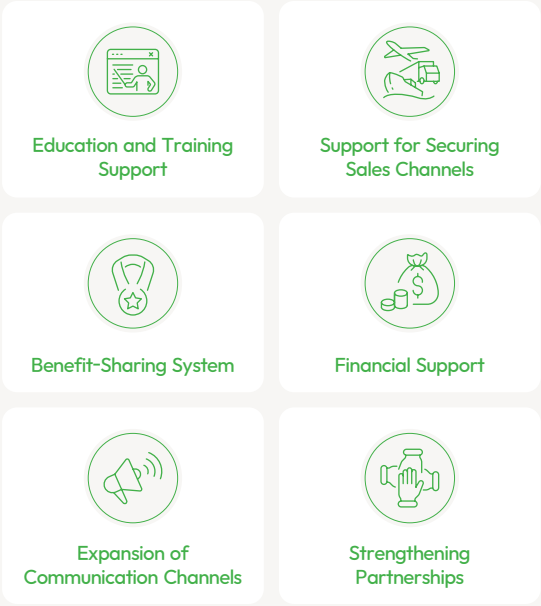
Supply Chain ESG Management Policy

Declaration of Voluntary Compliance for Fair Trade

BGF Retail regards its partners not merely as business counterparties, but as partners for shared growth, and operates support policies based on its six key strategies. To minimize the social and environmental impacts that may arise across its business activities and proactively respond to global supply chain regulations, BGF Retail has established a supply chain strategy aligned with its ESG management strategy. The company has also established and shared a Supply Chain Code of Conduct, covering areas such as environmental protection, safety and health, respect for human rights, and ethical responsibility, thereby actively encouraging partners to practice sustainable management. In 2025, BGF Retail signed fair trade compliance agreements with 160 small and medium-sized suppliers. By embedding fair and transparent business practices, the company continues to enhance the effectiveness of collaboration in various areas, including technological improvement, product competitiveness, and quality enhancement.

Key Policies

BGF Retail operates various policies and programs that provide practical support to small and medium-sized suppliers, including financial support, education and training support, and support for securing sales channels.



Partner

Supply Chain Management

Risk Management

BGF Retail identifies and responds to ESG risks in its supply chain in advance to build a sustainable retail ecosystem. The company manages its partners by classifying them into key first-tier partners and key second-tier partners. It also operates support policies to encourage partners to practice sustainability management, with a long-term focus on improving the ESG level of the entire supply chain.

Partner Status

Partner Status	Definition	Unit	2023	2024	2025
Total partners	Partners directly related to franchise stores	Companies	738	700	873
Number of key first-tier partners	Partners that manufacture PB products and products for franchise stores	Companies	266	177	88 ¹⁾
Number of key second-tier partners	Partners that provide facilities and equipment related to franchise store operations	Companies	45	43	59

1) In 2025, the criteria for key first-tier partners were clearly redefined based on the legal standard for subcontracting contracts, resulting in a decrease in the number of applicable partners.

Supply Chain Risk Management Status

Category		Unit	2023	2024	2025
Supply Chain Risk Management	On-site inspections conducted ¹⁾	Cases	364	299	369
	Number of companies that signed fair trade compliance agreements	Companies	169	162	160
	Number of partners participating in regular supply chain ESG assessments	Companies	97	69	185
	Ratio of partners receiving regular assessments ²⁾	%	13	10	26
	High-risk partners ³⁾	Companies	-	-	13
	Medium-risk partners ³⁾	Companies	-	-	106
	Low-risk partners ³⁾	Companies	-	-	66
	Number of partners receiving supply chain consulting	Companies	-	10	11
	Number of partners receiving advanced environmental/human rights consulting	Companies	-	3	3

1) Basis for calculating on-site inspections conducted: Number of on-site inspections for product and site quality checks.
2) Basis for calculating the ratio of partners receiving regular assessments: Ratio of partners that received ESG assessments among all partners.
3) Classification into high-, medium-, and low-risk partner groups began in 2025.

BGF Retail analyzes partners' self-assessment results based on its internal evaluation criteria to assess their overall ESG performance. Partners are managed by importance tier. High-risk partners are identified through self-assessments, internal evaluations, and on-site due diligence, and are managed through a process of identifying improvement tasks, implementing them, and monitoring progress. The assessment results are reported to the ESG Management Committee as needed, through which major risks and areas requiring improvement are reviewed. The results are also used as reference materials for management decision-making, and key improvement areas are transparently shared with partners once a year.

Supply Chain ESG Assessment Indicators and Results

		2024 (69 Companies)	2025 (185 Companies)
 ESG Management System	- Management attention - ESG management awareness - Participation in ESG diagnosis and assessment - Dedicated ESG organization		
 Environment	- Participation in ESG diagnosis and assessment - ISO 14001 certification - Environmental goals and management items - Climate change response activities - Efforts to improve product environmental performance - Environment-related social contribution activities - Violations of environmental laws and regulations	32.5 points	33.1 points
 Social	- Consumer response organization - External communication channels - Violations of laws and regulations	60.8 points	28.7 points
 Labor and Human Rights	- Employee status, including female ratio, hiring of persons with disabilities, and regular employment ratio - Human rights management policies and guidelines - Improvement of the working environment - Employee satisfaction survey - Grievance handling channels - Human rights training	48.4 points	20.7 points
 Safety and Health	- Safety and health policy - Safety-related organization - ISO 45001 certification - Regular safety-related communication - Activities to promote worker safety and health - Emergency response drills - Occurrence of industrial accidents	47.7 points	22.3 points
 Ethics and Transparency Management	- Ethical management policies and regulations - Ethics-related reporting channels - Information protection and security system - Board of Directors and audit system	34.8 points	18.6 points

*High-risk partners are identified based on due diligence results and are subject to follow-up due diligence; outstanding partners are recognized with awards and incentives.

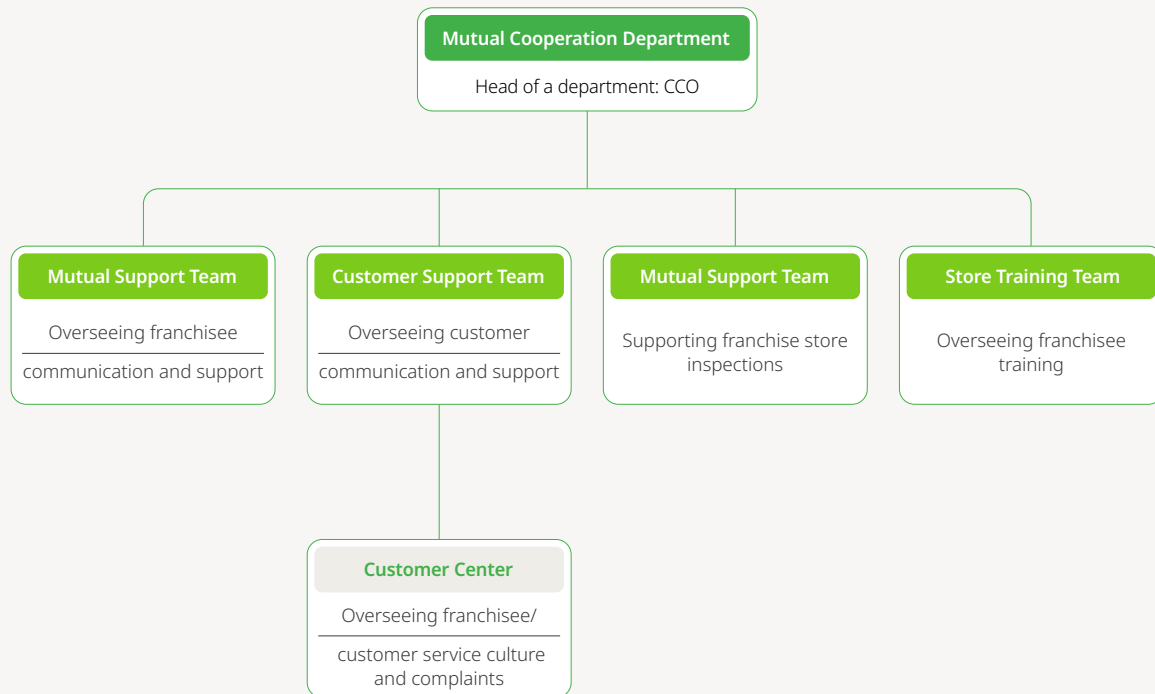
Partner

Customer Satisfaction and Convenience

Governance

BGF Retail operates governance centered on the Chief Customer Officer (CCO) to strengthen its decision-making system for creating customer value. The Head of the Mutual Cooperation Department concurrently serves as the CCO and oversees overall customer strategy, including the establishment of customer-related policies, VOC management, and the implementation of improvement tasks. Under the CCO, BGF Retail has established a dedicated consumer organization to manage customer feedback in an integrated manner, while continuously monitoring key issues based on VOC data. In addition, the company strengthens its company-wide response system and execution capabilities by identifying risks that arise at customer touchpoints at an early stage and promptly sharing them with relevant departments.

Dedicated Organization for Consumer Centered Management



Strategy

[Consumer Rights Protection Policy](#)

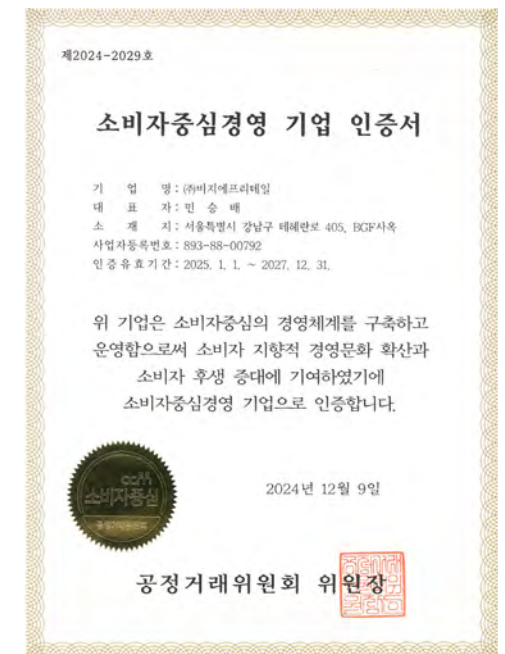
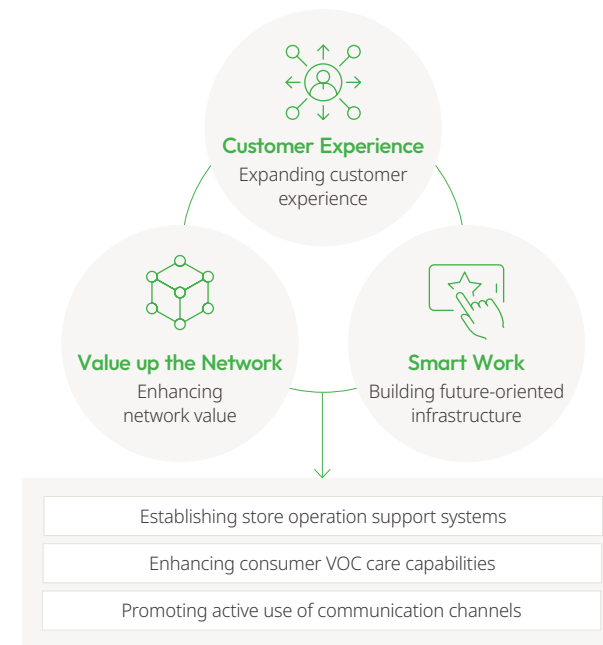
[Consumer Centered Management Strategy](#)

[Consumer-Centric Management Declaration](#)

Based on its corporate philosophy of 'A good friend to customers and society', BGF Retail continues to pursue customer experience-centered management activities. The company operates consumer-centered management as a core strategy to provide products and services that reflect customers' expectations and needs. It also operates support and training systems to maintain consistent service quality at franchise stores, which serve as customer touchpoints. BGF Retail continues to strengthen practical programs that encourage employees to think and act from the customer's perspective. It also keeps the 'Customer Gratitude Pledge' displayed at stores at all times to clarify customer service standards and encourage customer-centered behavior in the field.

BGF Retail operates a management process based on the Consumer Centered Management (CCM) certification system to protect customers' rights and interests and improve service quality. The company puts customer-centered management into practice by using VOC data for preventive activities and identifying improvement tasks. It also analyzes customer complaint data by type and reflects the findings in quality and service improvement activities, thereby continuously improving the overall customer experience. In recognition of these efforts, BGF Retail has obtained CCM certification for seven consecutive cycles and continues to maintain it in a stable manner, while strengthening its service competitiveness based on customer trust.

Customer-Centered Management Strategy System



▲ CCM Certificate

Partner

Customer Satisfaction and Convenience

Strategy

BGF Retail conducts an annual operational capability assessment and customer satisfaction survey for CU stores nationwide to systematically identify store operation quality and areas for improvement from the customer's perspective. In 2025, the operational capability assessment score rose by 3.1 points year on year to 95.1 points, indicating an overall improvement in store operation standards (2024: 92.0 points → 2025: 95.1 points). Among the major categories of the 2025 operational capability assessment, 'Cleanliness' received the highest score, followed by 'Service', 'Product (Quality)', and 'Uniform/Name Tag'. In particular, all major categories except Cleanliness increased by more than one point year on year, with 'Service' showing the largest improvement, rising by 9.0 points from the previous year. In 2025, BGF Retail also conducted a customer survey through the Pocket CU app alongside the operational capability assessment to collect a broad range of customer feedback. The survey results are analyzed mainly around product operation (Quality), customer service (Service), and store cleanliness (Cleanliness). The Pocket CU customer survey also showed a 187% year-on-year increase in participation, while positive evaluations accounted for 95% of all responses, confirming an increase in positive customer feedback. The analysis data and customer feedback are provided in detail by store and used to support practical on-site improvement activities, thereby continuously contributing to higher customer satisfaction and improved store operation quality.

Customer Satisfaction Survey Results

Category	2024	2025	Remarks
Operational capability assessment and customer satisfaction survey	92 points	95.1 points	· Assessment items: - Cleanliness - Service - Product - Uniform/Name Tag

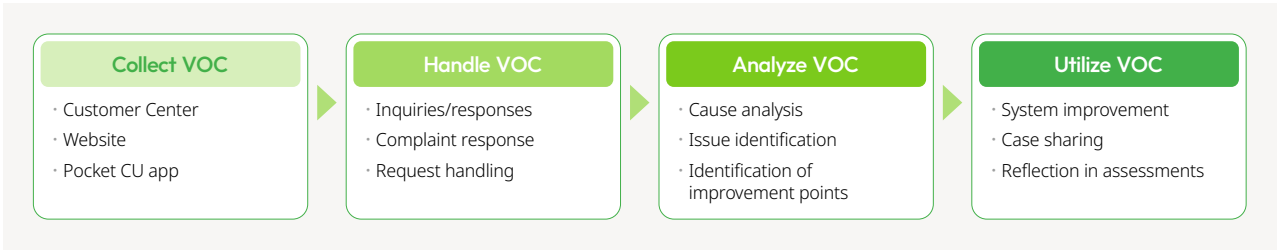
CU Satisfaction Assessment

Category	Unit	2023	2024	2025
CU satisfaction score	points	95.3	95.3	95.1

Risk Management

BGF Retail recognizes customer complaints, suggestions, and various opinions as important management assets, and systematically collects and analyzes them to reflect the findings in service improvement activities. VOC received through the Customer Center is handled promptly based on collaboration between the Customer Support Team and relevant departments, while the company continues to strengthen consistency and response quality throughout the handling process. Major recurring VOC types are analyzed regularly and shared with stores, linking them to field-centered improvement activities and service quality enhancement. In the event of an emergency incident at a store, BGF Retail operates a system that immediately sends automated text messages to relevant departments, establishing a real-time response system. In addition, when consumer damage occurs, the company provides fair and prompt compensation in accordance with the 'Consumer Dispute Resolution Standards', thereby continuously strengthening customer trust.

VOC Handling Process



VOC System Handling Status

	Category	Unit	2023	2024	2025
Complaint handling	Average monthly number of consumer complaints	Cases	165	195	213
	Average monthly number of consumer complaints per store	Cases	0.009	0.01	0.01
	Consumer complaint handling performance	%	93	91	94
Consumer opinion	Number of requests for product launch suggestions	Cases	33	21	19

Partner

Customer Satisfaction and Convenience

Risk Management

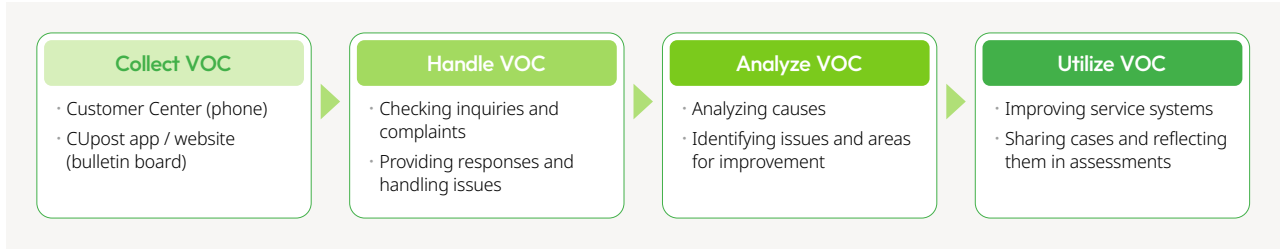
BGF Networks recognizes customer complaints, suggestions, and various other opinions as important management assets, and systematically collects and analyzes them to reflect the findings in service improvement activities.

VOC received through the Customer Center is handled promptly in collaboration with courier companies and relevant departments. Repeated complaints and suggestions are addressed through FAQ updates, thereby continuously improving service quality. BGF Networks also regularly analyzes major VOC types and carries out improvement activities together with courier companies. Going forward, the company plans to further advance its system by introducing AI solutions so that customers can resolve issues on their own without consulting an agent.

BGF Networks has established and operated an integrated Customer Center with BGF Retail since 2024. Through this center, the company provides standardized consultation services for inquiries related to courier services and mobile gift certificates received through the CU Convenience Store Delivery Customer Center and the CU Convenience Store Customer Center. Customers can experience the same level of consultation quality regardless of the channel they use, which has contributed to improving overall service satisfaction.

VOC Handling Process

BGFnetworks



Partner

Information Security

Governance

BGF Retail and its Retail Sector affiliates appoint C-level executives as the highest-level executives responsible for personal information protection and information security, and operate dedicated organizations and committees to strengthen these areas. Based on internal regulations and standardized processes, they systematically carry out activities to respond to cyber threats and protect information assets.

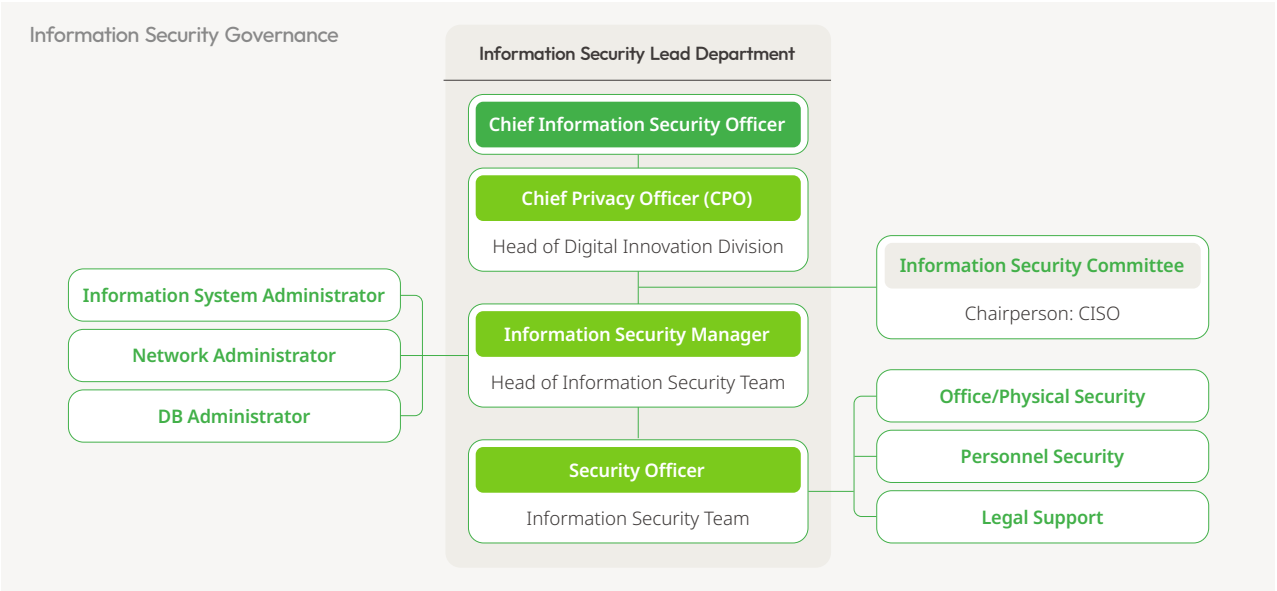
Status of Major Affiliates

BGF Retail has established information security governance to strengthen personal information protection and information security. The company has designated the Head of the Digital Innovation Division, a C-level executive, as the Chief Privacy Officer (CPO) to oversee the relevant organizations and management system. The CPO must have at least four years of total experience in information security, personal information protection, and information technology, including at least two years of experience in personal information protection. As Chairperson of the Information Security Committee, the CPO oversees the establishment and implementation of the company-wide cybersecurity strategy. The Information Security Committee and dedicated organizations carry out security activities based on internal regulations and standardized processes. In the event of a security risk, the Head of the Information Security Team reports the matter to the Risk Management Committee and implements monitoring and follow-up actions in accordance with the response manual. Through this system, BGF Retail systematically protects customers' personal information and the company's information assets, while creating a secure digital operating environment.

BGF Networks operates a systematic and effective information protection management system by establishing detailed operational guidelines for each area based on its internal information protection policy, while proactively responding to increasingly sophisticated cyber threats. The company operates the 'Information Security Committee', which reviews the establishment and revision of key policies and guidelines and sets the direction of company-wide security strategies. Through this committee, BGF Networks thoroughly reviews compliance and ensures management-level accountability. In addition, through the Information Security Working-Level Consultative Body, composed of information security personnel from each department, the company regularly checks field-level security issues and promptly reflects practical needs and improvement areas identified in day-to-day operations in its policies, thereby maintaining a proactive and integrated security management system.

BGF Foods systematically protects information in accordance with its Personal Information Management Regulations and Information Security Management Regulations, and works to prevent the leakage of personal information and information assets. In addition, the company conducts quarterly information security inspections and operates a program to prevent external file transfers at all times, thereby strengthening its information security management.

BGF Humannet requires employees and external partner companies to strictly comply with security rules based on its Information Security Management Regulations, thereby preventing the risk of leakage of personal information and information assets in advance. In addition, when laws and regulations related to information security are revised, the company promptly reflects the changes in its internal regulations. It also continues to strengthen its information security system by continuously monitoring changes in the cybersecurity environment and the latest security trends, and by upgrading its systems accordingly.



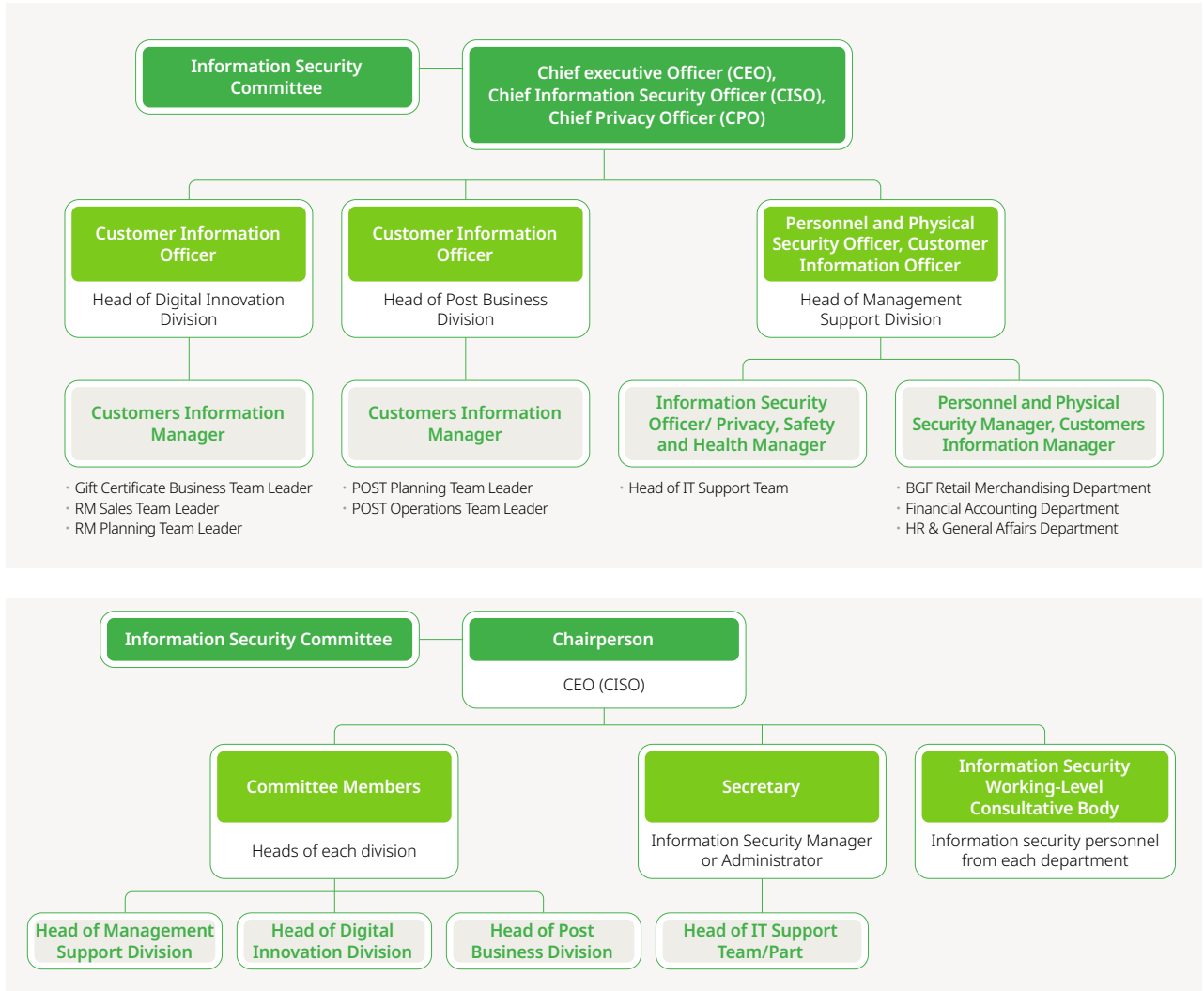
Partner

Information Security

Governance

Information Security Organization

BGFnetworks



BGF Humannet has designated its CEO as the Chief Privacy Officer (CPO) to establish a company-wide information security management system and manage and oversee overall information security activities, including the prevention of security incidents. In addition, the Head of the Management Support Team oversees the cybersecurity strategy and establishes and operates relevant business regulations and processes, thereby ensuring consistency and execution capabilities within the organization's information security system. The Management Support Team, which serves as the department dedicated to security management, continuously monitors information security status in accordance with internal manuals, carries out various activities to prevent information leakage, and works to strengthen the overall level of security.

Strategy

BGF Retail and its Retail Sector affiliates have established a systematic information security management system to securely protect the information assets of customers and employees, and continue to carry out improvement activities.

Status of Major Affiliates [Information Protection Policy](#) [Easy-to-read Personal Information Protection Policy](#)

BGF Retail strives to securely protect various types of information collected at customer touchpoints and safely manage internal information generated and handled across its business operations against external threats. To this end, BGF Retail has established Information Security Management Regulations and Personal Information Management Regulations to ensure the effective operation of its information security management system. Its personal information protection policies and systems are also incorporated into the Group-wide risk management framework and continuously managed across all business operations. In addition, BGF Retail applies its Privacy Policy at all times to manage the overall processing of personal information, and discloses an 'Easy-to-Understand Privacy Policy' on its website so that users can clearly understand its key details.

Information Security Principles

- 01

BGF Retail shall achieve its management goals through continuous information security improvement and enhancement activities.
- 02

Employees shall recognize the importance of information security and comply with relevant regulations.
- 03

In the event of an information security incident, BGF Retail shall respond promptly and work to establish measures to prevent recurrence.

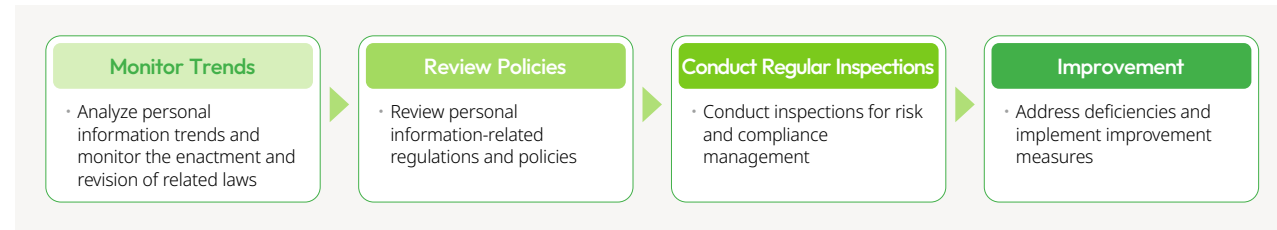
Partner

Information Security

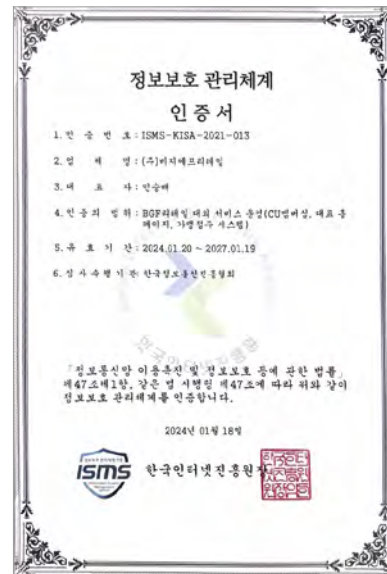
Strategy

BGF Retail has established Personal Information Management Regulations and conducts regular inspections based on these regulations. The company continuously monitors relevant trends, including the enactment and revision of laws and regulations and information security issues across the industry, to review the appropriateness of its policies, while identifying potential risks in advance through internal inspections. For issues identified during inspections, BGF Retail takes improvement measures as needed, thereby continuously enhancing its level of personal information protection.

Personal Information Management Process

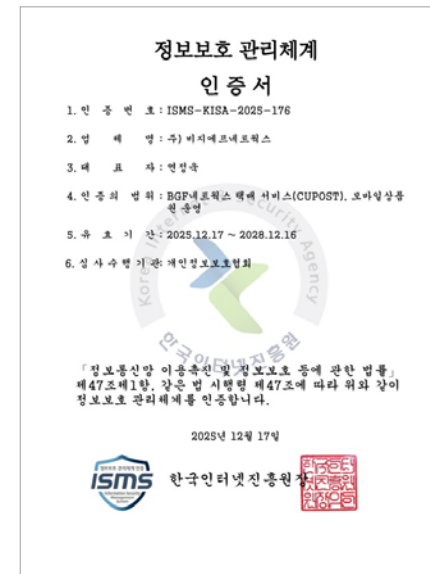


BGF Retail regularly conducts personal information status inspections using its own internal personnel in response to ongoing amendments to the Personal Information Protection Act, and continues to strengthen the related management system. To operate its Information Security Management System (ISMS) certification, the company conducts an annual assessment of the implementation of its customer information security policy for major channels, including CU Membership, the BGF Retail website, and the franchisee system. It also carries out internal audits, system vulnerability analyses, and security issue inspections to enhance its level of information security. Since first obtaining certification in 2019, BGF Retail has continued to renew its certification. In 2025, the company underwent a surveillance audit and had the appropriateness of its ISMS operating system verified.



▲ Information Security Management System Certification

BGF Networks systematically manages information security operations and related procedures based on its Information Security Management System (ISMS) certification. Through regular system vulnerability inspections and follow-up measures, the company identifies and mitigates security risks in advance, thereby maintaining a stable system operation framework. In addition, when external attacks or intrusion attempts against its systems occur, BGF Networks promptly detects abnormal signs through 24-hour remote security monitoring and operates a system that enables immediate initial response and action. In the event of an information security incident, a dedicated incident response organization responds immediately in accordance with the pre-established incident response process and information security incident response guidelines, focusing on minimizing customer damage and preventing the spread of the incident.



▲ Information Security Management System Certification

BGF Retail provides annual personal information protection and information security training for all employees to raise information security awareness and strengthen practical protection capabilities. For departments dedicated to information security, the company separately provides specialized training on the latest security trends, technical protection measures, and cyber threat response strategies, thereby strengthening practical security response capabilities. The company-wide Information Access Control Regulations are made available at all times through the internal system so that all employees can access them. To strengthen security in customer-facing service areas, BGF Retail regularly conducts simulated hacking exercises, disaster recovery drills, and malicious email response drills at least once a year, thereby reviewing its crisis response system. threat response strategies, thereby strengthening practical security response capabilities. The company-wide Information Access Control Regulations are made available at all times through the internal system so that all employees can access them. To strengthen security in customer-facing service areas, BGF Retail regularly conducts simulated hacking exercises, disaster recovery drills, and malicious email response drills at least once a year, thereby reviewing its crisis response system.

Information Security Training

Category	Unit	2023	2024	2025
Employees Training hours per person	Hours	1.22	1.23	1.1

Partner

Information Security

Risk Management

BGF Retail and its Retail Sector affiliates prevent information leakage risks in advance and maintain a stable level of information security management by conducting personal information protection status inspections and operating an information security incident response process.

Status of Major Affiliates

BGF Retail conducts personal information protection status inspections of key systems that hold customer information, using its own internal personnel, to ensure continuous information security management. The inspection results are shared with each responsible department, along with specific response guidelines, and support is provided so that improvements can be completed within the required timeframe. The company also conducts follow-up monitoring rather than limiting inspections to one-time checks, thereby seeking to achieve practical improvements in its level of information security. Through these inspections and improvement activities, no cases of customer information leakage occurred in 2025. BGF Retail plans to continue strengthening prevention-focused information security operations.

Information Security and Personal Information Protection Risk Inspection Status

Category	Unit	2023	2024	2025
Improvement items identified	Cases	42	70	114
Customer information leakage cases	Cases	0	0	0

Personal Information Status Inspection Improvement Results

Category	Items Requiring Improvement (cases)	Score Before Improvement (points)	Score After Improvement (points)	Improvement Result (points)
Main Website	11	73	88	+ 15
Franchise Startup Consultation Management	17	59	76	+ 17
Customer Center Phone Consultation	14	67	73	+ 6
Online Partners	9	70	77	+ 7
Product E-Contract	10	76	93	+ 17
Franchise E-Contract	16	67	78	+ 11
BGF/BGFR Recruitment System	13	71	89	+ 18
CU School	24	44	74	+ 30
	Total 114	Average 65.9	Average 81	+ 15.1

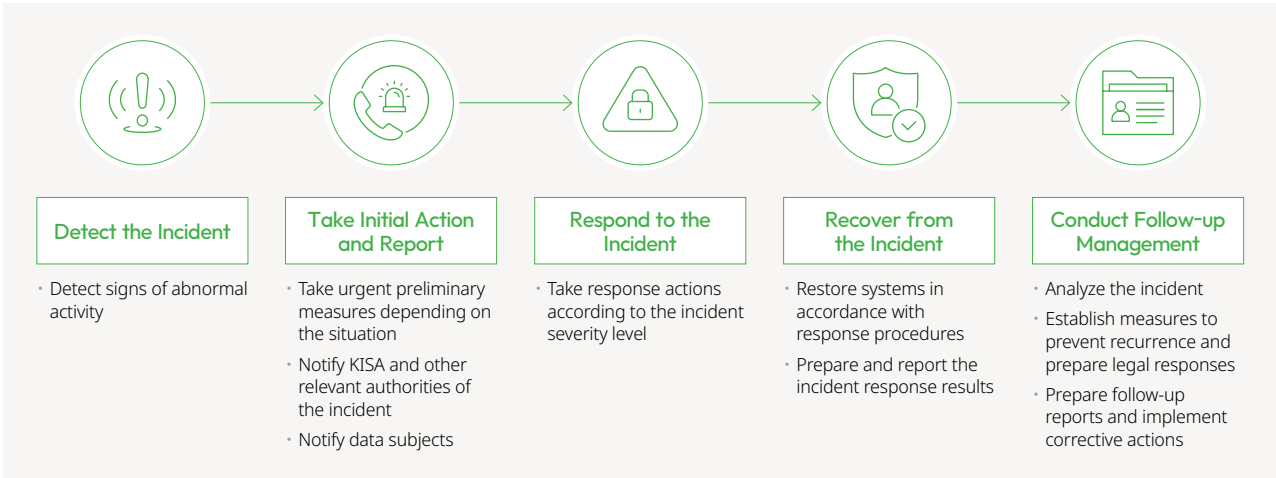
BGF Retail has established an incident response process to ensure prompt and smooth action in the event of an information security incident. If any person connected to the company's information assets, including tangible and intangible assets and trade secrets — such as employees, partner company employees, or visitors — violates the Information Security or Personal Information Management Regulations, disciplinary action through referral to the Rewards and Disciplinary Committee or legal reporting may be taken depending on the severity of the violation, in accordance with the relevant regulations. According to the 2025 monitoring results of the Personal Information Protection Commission, no information leakage cases involving BGF Retail were identified. No information leakage cases related to BGF Retail were also found in the Personal Information Protection Trends Report published by the Korea Internet & Security Agency (KISA).

Partner

Information Security

Risk Management

Personal Information Management Process



BGF Humannet operates its information security incident response system based on management organization regulations so that it can respond promptly and systematically in the event of an information security incident. In the event of a security incident, the response team immediately identifies the situation and takes necessary actions in accordance with the company's internal security incident response guidelines, thereby minimizing the spread of damage. Over the past three years, the company has recorded zero cases of personal information leakage, information security violations, cybersecurity incidents, and related complaints. This demonstrates that BGF Humannet maintains a stable information security management system.

BGFhumannet

Category	Unit	2023	2024	2025
Personal information leakage	Cases	0	0	0
Information security violations	Cases	0	0	0
Cybersecurity incidents	Cases	0	0	0

Information Leakage and Infringement Status

Category		Unit	2023	2024	2025
Information Security Investment	Ratio of investment in information security	%	4.2 ¹⁾	4.9 ¹⁾	4.9
	Total number of complaints	Cases	0	0	0
Customer Complaints	Number of cases substantiated by regulatory authorities	Cases	0	0	0
	Number of customer privacy infringement complaints	Cases	0	0	0
Violations / Leaks ²⁾	Total number of information leakage cases	Cases	0	0	0
	Total number of information security violations	Cases	0	0	0
Infringement	Infringement rate for personally identifiable information (PII)	%	0	0	0
	Number of customers affected by data infringement ³⁾	10,000 persons	613	1,437	1,550

1) Corrected due to data entry error

2) Number of violations/leaks based on records of sanctions by the Personal Information Protection Commission and KISA

3) Until 2023, figures were based on data compiled for the annual ISMS certification audit conducted in June.

4) From 2024, figures are based on December data including BGF Retail's CU-affiliated partners and membership data. Previously, only the number of Pocket CU app subscribers was calculated.

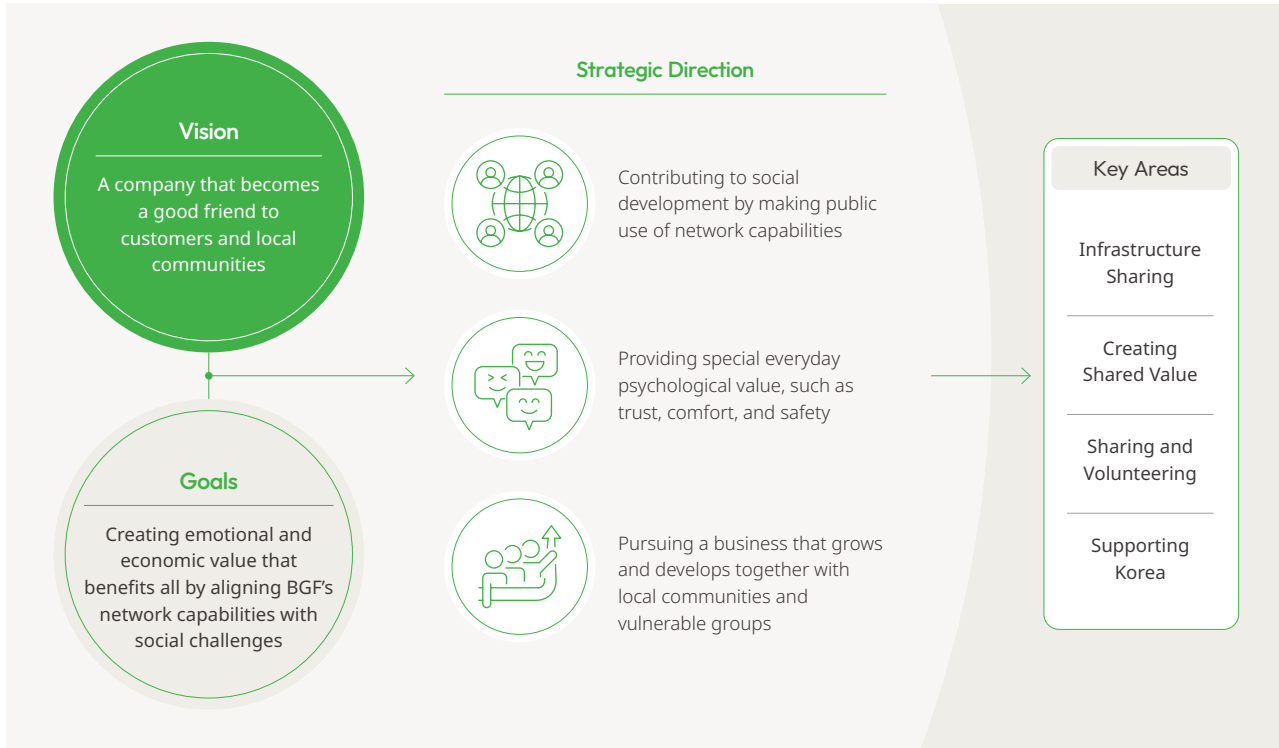
Partner Social Contribution Activities

Governance

Social Contribution Activities in Connection with UN SDGs

Based on its vision of becoming “a good friend to customers and local communities,” **BGF Retail** carries out social contribution activities aimed at growing together and coexisting with local communities. By leveraging its nationwide logistics and store network, the company strengthens alignment with the UN Sustainable Development Goals (UN SDGs) and operates customized support programs for local communities and vulnerable groups. The effectiveness of each program is evaluated regularly, and the direction and performance of social contribution activities are reported quarterly to the ESG Management Committee. Key agenda items related to donation spending are subject to approval by the Board of Directors to ensure transparent and professional decision-making.

Social Contribution Strategy System



Strategy

BGF Retail continues to increase the proportion of domestically sourced ingredients used in convenience store ready-to-eat meal products to strengthen its collaboration with local governments and local farms and contribute to expanding the distribution of domestic agricultural and fishery products. By developing and launching products that use local specialties, BGF Retail seeks to improve consumer awareness of domestic agricultural and fishery products while also generating promotional effects. Through these efforts, the company supports the competitiveness of local farms and the stable growth of the domestic market. In 2025, through business agreements with the Korea Expressway Corporation and the Korea Highway Service Area Association, BGF Retail launched seven convenience store ready-to-eat meal products using regional agricultural and livestock products, including award-winning items from the 2025 Service Area Food FESTA. The company also expanded its dessert and RTD (Ready-to-Drink) alcoholic beverage lineup, made with local agricultural specialties processed into concentrates and fruit pulp, from tangerine to green tangerine, grape, and other varieties. Through these efforts, BGF Retail has established a “local branding” collaboration model that goes beyond simple purchasing and helps enhance the competitiveness of local farms while contributing to the stability of the domestic market.

Domestic Agricultural and Livestock Product Consumption Status

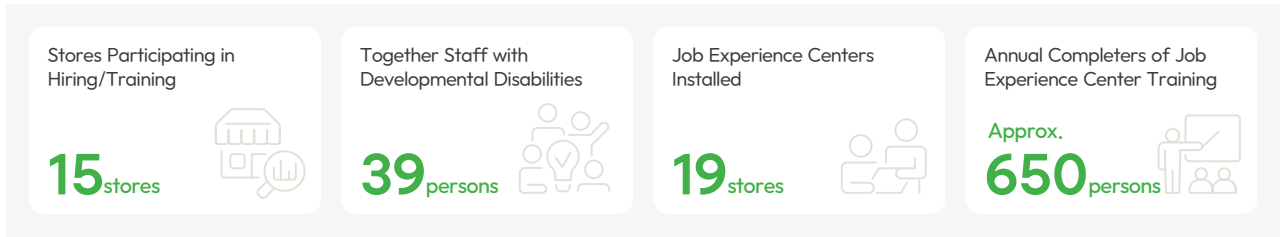
Board of Directors	2021	2022	2023	2024	2025
Region	Jeonnam (Wando)	Gyeongnam (Changnyeong), Gyeongbuk (Pohang), Jeonnam (Jindo), Jeonbuk (Gochang)	Jeonbuk (Gochang), Jeonnam (Jindo, Gangjin)	Jeju, Jeonnam (Goheung, Jindo)	Gimcheon, Muan, Hongcheon
Major Local Specialties	Laver, Saechongmu rice	Onions, garlic, green onions, spinach, bokbunja	Sweet potatoes, green onions, Saechongmu rice	Tangerines, yuja, Saechongmu rice	Walnuts, onions, corn

Partner Social Contribution Activities

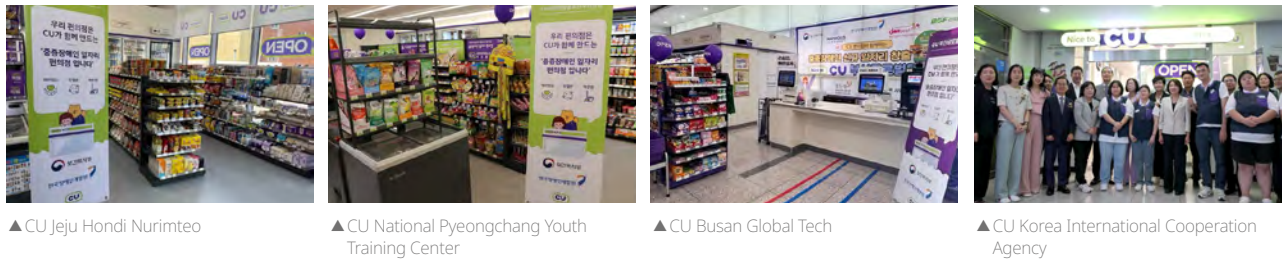
Strategy

BGF Retail became the first company in the industry to sign a business agreement with the Korea Employment Agency for Persons with Disabilities to promote employment for persons with disabilities, and operates the CU Together Program. To increase the participation of persons with developmental disabilities in economic activities, BGF Retail worked with the Employment Development Institute under the Korea Employment Agency for Persons with Disabilities to develop convenience store jobs suitable for persons with developmental disabilities. The company also continues to hire trainees with developmental disabilities at CU stores in special locations, including airports, schools, and hospitals. As of December 2025, 39 Together Staff members with developmental disabilities were working at CU convenience stores. In addition, through cooperation with regional training centers for persons with developmental disabilities, BGF Retail supports career and aptitude development for students with developmental disabilities preparing for employment, while contributing to stable job placement.

Status of Job Opportunities Provided for Persons with Disabilities



BGF Retail operates convenience stores for persons with disabilities under a 2024 business agreement with the Ministry of Health and Welfare and the Korea Disabled People’s Development Institute, with the goal of supporting the independence and broader social participation of persons with severe disabilities. In 2024, the company opened three stores: CU Jeju Hondi Nurimteo Store, CU National Pyeongchang Youth Training Center Store, and CU Busan Global Tech Store. In 2025, it opened its fourth store, the CU Korea International Cooperation Agency Store. Each store incorporates disability-friendly design features, including braille signage, assistance bells, and wide aisles that allow wheelchair access, thereby enhancing accessibility. BGF Retail also provides franchise fee exemptions and interior support, and works with the Korea Employment Agency for Persons with Disabilities to develop and distribute training manuals tailored to persons with disabilities, thereby creating a stable working environment.



BGF Retail recognizes the creation of social value based on its core business as an important responsibility, and carries out a range of social contribution activities from the perspective of Creating Shared Value (CSV). In 2025, BGF Retail expanded its activities to strengthen local community safety nets by collaborating with the Korea Labor Force Development Institute for the Aged to sign an agreement on creating new jobs for seniors, and by operating the Safe Route to and from School Guardian Program with the Seoul Metropolitan Government.

Status of Public-Private Partnership Programs Related to Building Local Community Safety Nets

Category	Unit	Institution
2021	· Identifying welfare blind spots	· 14 local governments
2023	· Installing automated external defibrillators (AEDs)	· Five local governments, including the Seoul Metropolitan Government
2024	· Climate Companion Shelters · Supporting the creation of new jobs for persons with severe disabilities · MOU for the wheelchair ramp project for persons with disabilities · Spreading a culture of respect for uniformed personnel	· Seoul Metropolitan Government · Ministry of Health and Welfare; Korea Disabled People's Development Institute · Seoul Metropolitan Government · Seoul Metropolitan Police Agency Mobile Unit Headquarters
2025	· Supporting the creation of new jobs for seniors · Climate Response Shelters for cold waves and heat waves · Safe Route to and from School Guardian Program	· Korea Labor Force Development Institute for the Aged · Gangwon-do , Gimpo-si · Seoul Metropolitan Government

Local Community Safety Net Activities

	Category	Unit	2023	2024	2025
Disaster Prevention	Promotional campaigns	KRW million	3	3	4
Relief	Relief fund	KRW million	50	50	50
	Relief support	Cases	26	7	13
Child Safety Citizen Awards	Citizen Hero category	Persons	2	0	0
	Child Safety category	Persons	16 ¹⁾	109	347

1) The figure decreased due to the suspension of the Child Safety Citizen Awards program in 2023; the program resumed in 2024.

Partner

Social Contribution Activities

Strategy

BGF Retail executes all donations after a preliminary review process, based on their alignment with its social contribution strategy. Donations exceeding KRW 5 million per institution are subject to approval by the Donation and Sponsorship Review Committee, which consists of key executives, including the CEO. Large-scale donations of KRW 1 billion or more are executed through resolution by the Board of Directors. All donation details are reported quarterly to the Board of Directors to ensure transparency in the management of donation funds.



Local Community Investment Status

Category		Unit	2023	2024	2025
By resource type	Total	KRW 100 million	20.33	22.48	29.86
	Charitable donations	KRW 100 million	0.73	0.76	0.42
	Cash donations	KRW 100 million	9.26	8.77	12.50
	In-kind donations	KRW 100 million	10.34	12.95	16.94
By nationality	Domestic	KRW 100 million	19.98	22.18	29.51
	Overseas	KRW 100 million	0.35	0.3	0.35
Total major sponsored organizations	Total major sponsored organizations	KRW million	1,375	1,739	2,122
	BGF Welfare Foundation	KRW million	499	361	345
	Goodwill Store, Miral Welfare Foundation	KRW million	791	1,293	1,692
	Hope Bridge Korea Disaster Relief Association	KRW million	50	50	50
	UNICEF Korea Committee	KRW million	35	35	35
Intensity, relative to net income ¹⁾		%	1.04	1.15	1.53

1) Basis for calculating intensity: donation amount as a percentage of net income.

BGF Retail carried out a sponsorship event to realize social value in connection with the Korea–Kazakhstan Liberation Day commemorative event. In Korea, donations of Liberation Day lunchboxes require approval from the Donation and Sponsorship Review Committee, which consists of key executives including the CEO, while large-scale donations of KRW 1 billion or more are executed through resolution by the Board of Directors. All donation details are reported to the Board of Directors on a quarterly basis to ensure transparency in the operation of donation funds.



▲ Donation delivered to descendants of independence activists

Governance

Ethical Management and Compliance

Governance

BGF Retail and its Retail Sector affiliates place ethical decision-making as their highest priority, and establish and operate a Code of Ethics and detailed practice guidelines. By requiring all employees to sign the Code of Conduct and conducting regular ethical management diagnostics and audits, they foster a transparent and responsible corporate culture.

Status of Major Affiliates

[Code of Business Ethics](#) [Detailed Practice Guidelines for Code of Business Ethics](#) 

BGF Retail places ethical decision-making as its highest priority and establishes and operates a Code of Ethics and detailed practice guidelines so that all stakeholders can perform their duties in accordance with ethical standards. As a global corporate citizen, BGF Retail recognizes its responsibilities and strives to faithfully fulfill its responsibilities to various stakeholders, including customers, partners, employees, the nation, and society. The Code of Ethics includes provisions on the prohibition of corruption and bribery, non-discrimination, information protection, prevention of conflicts of interest, compliance with fair competition principles, prohibition of money laundering and insider trading, environmental protection, occupational safety and health, and operation of the whistleblowing system. All employees formally express their commitment to practicing ethical management by signing the Code of Conduct, and strive to create a transparent and responsible corporate culture by faithfully complying with relevant laws and regulations as well as all company rules.

BGF Humannet recognizes ethical management as an important foundation of sustainability management, and systematically manages the operation of related policies and compliance status, centered on the Management Support Team.

The responsible department checks the implementation status of the ethical management policy and works to minimize ethics risks through various activities designed to prevent corruption and misconduct in advance.

BGF Humannet also conducts regular diagnostics and audits across its business operations to strengthen the company-wide ethical management system, and supports the stable establishment of ethical standards and internal policies throughout the organization.

Strategy

BGF Retail and its Retail Sector affiliates regard ethical management as a core foundation of sustainability management, and practice trusted management with all stakeholders by establishing anti-corruption, fair trade, and compliance management systems.

Status of Major Affiliates

BGF Humannet practices ethical management and compliance management as core management principles so that all stakeholders can perform their duties in accordance with ethical standards. The company strictly complies with relevant laws and internal regulations, and pursues responsible decision-making based on fairness and transparency in the course of business. BGF Humannet also carries out reasonable and trust-based management activities to enhance the value of various stakeholders, including customers, partners, and employees. It continues to advance its ethical management system and raise awareness so that these principles can naturally take root across its organizational culture.

BGF Retail conducts the Employee Code of Conduct Compliance Pledge for all employees, including those of its subsidiaries. It also requires integrity pledges when entering into various contracts with partners, thereby sharing awareness of ethical management and expanding its practice. Following 2024, BGF Retail held the BGF Ethical Management Commitment Ceremony again in 2025, expressing employees' commitment to voluntarily practicing ethical management based on trust and fairness and to establishing an ethical management culture. Together with the ceremony, the company reaffirmed company-wide ethical awareness and commitment to practice by providing guidance on employee misconduct and financial transactions with stakeholders.

Seven Principles of Code of Ethics

- 01 We provide good products and services in a timely manner for customer satisfaction, and do our best to satisfy customers' needs and expectations.
- 02 We make legal and ethical compliance the top priority in all management activities, and strictly separate public and personal affairs.
- 03 We give equal opportunities to all partners based on a spirit of mutual trust, recognize them as our strategic business partners, and pursue common development.
- 04 We reject illegal solicitations concerning all stakeholders, such as partner companies and public officials, do not demand or provide immoral acts, such as money, entertainment, and payment, and do not take any unfair advantage.
- 05 We do not use the company's property or position to promote personal interests or engage in any illegal acts, such as embezzlement, breach of trust, or misappropriation.
- 06 We strive to generate stable profits for the company through sound management activities, respect the rights of shareholders, and provide long-term benefits.
- 07 We strive to form a clean organizational culture based on mutual trust and respect and to improve the relaxed and rich quality of life for all executives and employees.

Governance

Ethical Management and Compliance

Strategy

BGF Humannet has established and operates a Code of Ethics and detailed conduct guidelines that reflect the changing business environment and social demands, and has built an ethical management system across its corporate activities, including anti-corruption, fair competition, and information protection.

BGF humannet

Code of Ethics and Code of Conduct



BGF Humannet has established and operates a Code of Ethics and detailed conduct guidelines so that employees can make sound judgments and decisions based on ethical standards in the course of performing their duties. The company also continues to strengthen its responsibilities and roles toward diverse stakeholders. BGF Humannet operates its Code of Ethics by reflecting the changing business environment and social demands, and has thereby established a more systematic ethical management framework. The Code of Ethics includes standards of conduct across corporate activities, including anti-corruption and anti-bribery, non-discrimination, information protection, management of conflicts of interest, compliance with fair competition, prevention of money laundering and insider trading, environmental and safety management, and operation of a whistleblowing system.

[Anti-Corruption/Bribery Policy](#)

[Fair Player Club Participating Companies Information](#)

BGF Retail has established an anti-corruption policy to build a corruption-free management environment based on honesty and integrity, and applies the policy to all employees and partners. All improper conduct is prohibited, and the company operates an internal reporting system, together with specific implementation guidelines, to ensure effective prevention and response. Political sponsorships and lobbying-related donations are, in principle, not permitted. BGF Retail also participates in the Fair Player Club, a public-private anti-corruption partnership, to help establish a fair and transparent corporate culture. BGF Retail recognizes ethical management as a core foundation of a sustainable company, and continues to strengthen a responsible organizational culture that puts ethical management into practice.

BGF Retail has obtained ISO 37001 certification, the international standard for anti-bribery management systems, establishing an anti-corruption management system aligned with global standards. In the certification process, the company analyzed and assessed corruption risks together with relevant departments, reviewed the effectiveness of control measures, and established a continuous monitoring system. Based on its systematic anti-corruption system, BGF Retail plans to prevent corruption risks in advance and strengthen the trust of domestic and overseas stakeholders through transparent and responsible management activities.



▲ ISO 37001 Certificate Award Ceremony



▲ ISO 37001 Certificate

Governance

Ethical Management and Compliance

Strategy

Fair Trade Policy

BGF Retail has introduced and operates the Fair Trade Compliance Program (CP) as an internal compliance framework to establish a fair transaction order and embed a culture of fair trade across the company. To provide employees with proper decision-making standards and behavioral guidelines, BGF Retail conducts regular training and consultations, distributes related materials, and continues its efforts to comply with relevant laws and regulations through risk inspection activities. In addition, the company complies with the eight key requirements recommended by the Korea Fair Trade Commission, and operates the Compliance Council to prevent fair trade risks and implement effective follow-up measures. In its franchise business, BGF Retail places fair trade and mutual cooperation as top priorities. Based on the standard franchise agreement presented by the Korea Fair Trade Commission, the company develops a win-win model and maintains sound and fair transaction relationships with franchisees.

Fair Trade Compliance Agreement

Category	Unit	2023	2024	2025
SME partners that signed fair trade compliance agreements	Companies	169	162	160

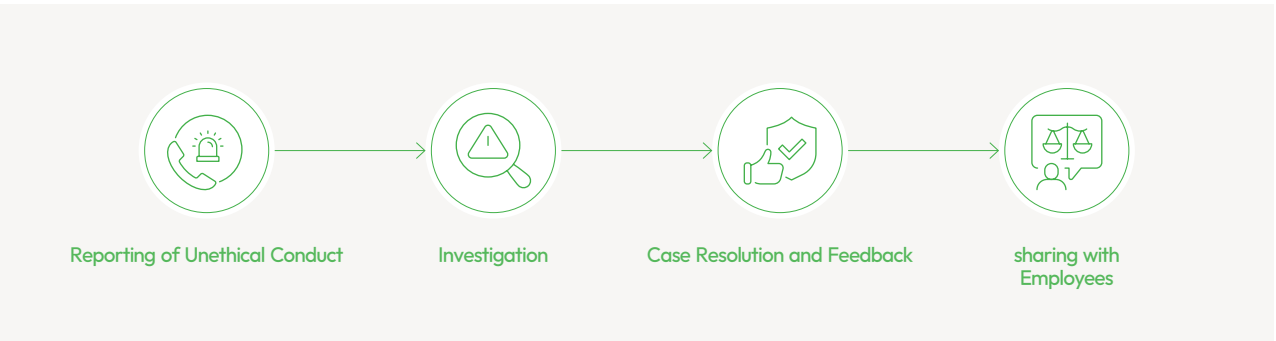
BGF Retail conducts various ethics training programs every year for all employees, including those of its subsidiaries, to support the everyday practice of ethical management. These programs include ethical management, sexual harassment prevention, workplace bullying prevention, and disability awareness training. In 2025, BGF Retail conducted a total of 27 ethical management training sessions for position holders by job level, and shares key matters related to ethical management by sending an ethics letter every quarter. The company also holds ethical management workshops for subsidiary employees to unify BGF's ethical management culture across the Group.

Employee Ethical Management Training

Category	Unit	2023	2024	2025
Number of training sessions	Sessions	28	23	27

BGF Retail operates Clean Line, a reporting channel dedicated to employees, and the Ethical Management Hotline, a reporting channel dedicated to external parties, for reports and whistleblowing related to ethical management. Both channels serve as control systems for reporting and correcting unethical conduct by employees, such as corruption and misconduct, through online, telephone, and postal channels. The identity of the reporter is strictly protected, and investigations may be conducted confidentially upon request. The department dedicated to promoting ethical management conducts fact-finding investigations, provides the handling results to the reporter, and shares relevant cases to help embed a culture of ethical management within the company.

Ethical Management Hotline



Reporting and Consultation

Category		Unit	2023	2024	2025
Total		Cases	15	16	22
Reporting Channel	Reports received through the Ethical Management Hotline	Cases	2	6	3
	Reports received through Clean Line	Cases	6	10	16
	Others	Cases	7	0	3
Reporting Party	Employees	Cases	13	10	19
	Business partners	Cases	2	6	3
	Customers	Cases	0	0	0

Governance

Ethical Management and Compliance

Strategy

BGF Retail manages company-wide legal risks centered on its Legal Team to implement systematic compliance management. The company proactively responds to changes in major laws and regulations, and regularly provides legal advisory support and compliance training for employees. In addition, relevant departments in each area, including environmental and social matters, directly respond to legal and regulatory issues and operate compliance systems tailored to the nature of their work. Through these efforts, BGF Retail strives to embed a culture of legal compliance across the company and realize responsible corporate operations that serve as the foundation for ESG management.

BGF Retail has obtained ISO 37301 certification, an international standard related to compliance, and established a compliance management system aligned with global standards. Since March 2025, the company has formed a TFT centered on the Legal Team and carried out a project to establish its compliance system. Through this project, BGF Retail has built a systematic management foundation, including the establishment of a company-wide compliance management policy, risk identification, compliance goal-setting, and employee training. The company also conducts effective compliance activities, including proactive inspections of risks related to the franchise business, to raise employees' compliance awareness and embed compliance management across the organization.



▲ ISO 37301 Certificate Award Ceremony



▲ ISO 37301 Certificate

Ethical Management Reporting and Whistleblowing System

BGFhumannet

BGF Humannet operates an ethical management reporting center to foster an ethical corporate culture and practice transparent management. This system is an internal management framework designed to receive reports of unethical cases, such as employee misconduct, corruption, and violations of regulations, through online and telephone channels, and to make prompt improvements. Reports received are carefully reviewed by the responsible department to verify the facts and are then handled in accordance with relevant procedures. The results are communicated to the reporter. In addition, the reporter's personal information and identity are protected under strict security principles, and confidentiality standards are thoroughly observed throughout the investigation process. Major cases and improvement matters are also shared internally to raise employees' ethical awareness, prevent similar cases from recurring, and help establish a healthy organizational culture.

Spreading a Culture of Ethical Management Practice

BGF Humannet builds consensus on ethical management based on the Code of Conduct compliance pledge signed by all employees, and continues to work to promote a sound corporate culture. In particular, to strengthen employees' ethical awareness, the company strictly restricts the acceptance of all forms of money, gifts, entertainment, and hospitality, including holiday gifts. To share its commitment to ethical management with partners and stakeholders, BGF Humannet sends ethical management guidance letters during the Lunar New Year and Chuseok holiday periods. When cases involving the acceptance of money or gifts occur, appropriate measures are taken in accordance with internal regulations and procedures. Items that are difficult to return are donated to social welfare institutions or underserved groups in local communities.

Ethical Management Training

BGF Humannet provides various ethics and human rights training programs every year for all employees and subsidiaries to establish an ethical management culture and create a healthy organizational culture. The training includes sexual harassment prevention, workplace bullying prevention, and disability awareness training, with a focus on strengthening employees' ethical awareness and a culture of mutual respect.

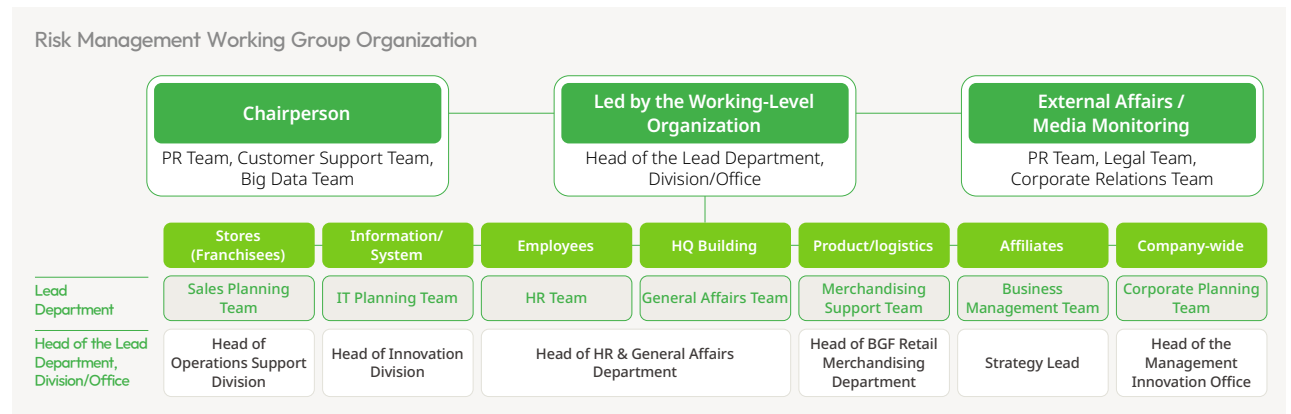
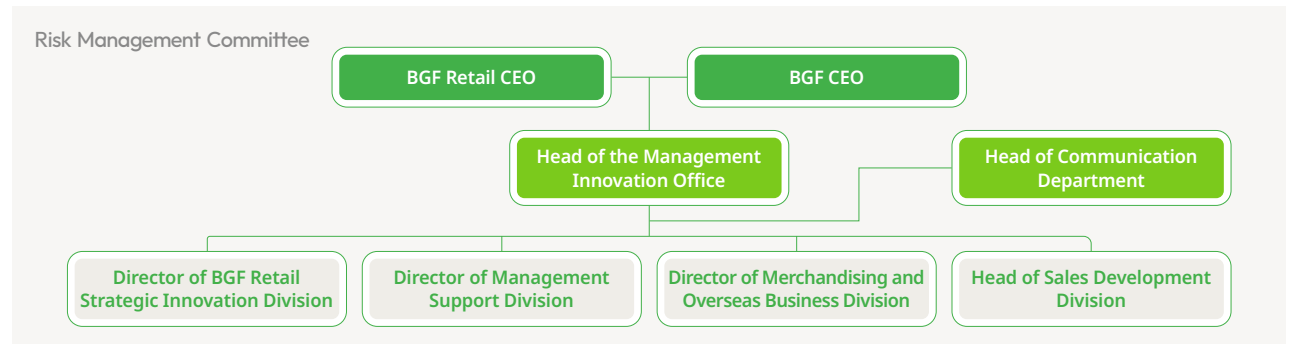
Governance

Ethical Management and Compliance

Risk Management

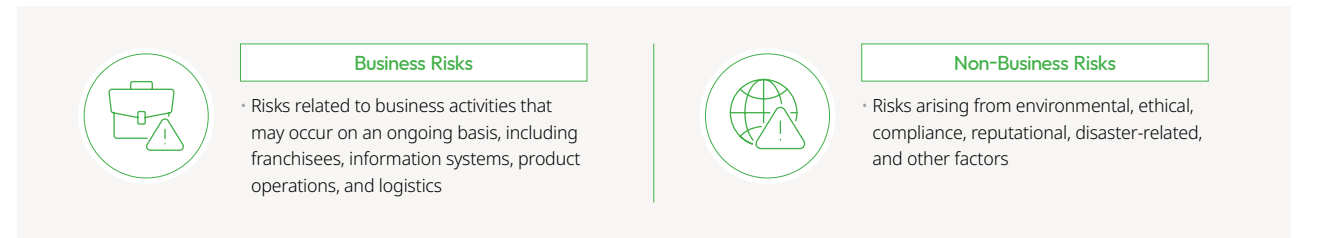
BGF Retail designates departments responsible for crisis management by risk type and operates a systematic risk response framework to respond quickly and effectively to various risks that may arise across its business activities. When a major risk requiring a company-wide response occurs, BGF Retail convenes the Risk Management Committee, chaired by the CEO and attended by the heads of all divisions and the Head of the Management Innovation Office, to ensure a comprehensive assessment of the situation and a prompt company-wide response. In addition, to strengthen the objectivity and independence of risk management, BGF Retail has established a dual monitoring system between the execution organization and the Audit Committee within the Board of Directors. The Audit Committee performs an independent oversight role over the overall risk management system. It reviews financial statements and external audit results on a quarterly basis and provides opinions to management, thereby continuously checking the adequacy and effectiveness of internal controls.

Risk Management Organization Chart



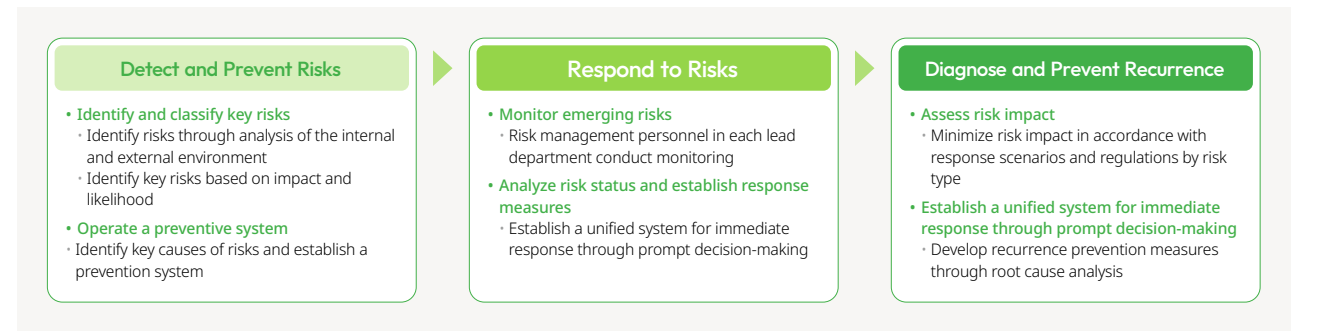
BGF Retail operates a policy-based risk management system to comprehensively recognize financial and non-financial risks embedded across its business activities, identify them in advance, and respond to them systematically. Risks are defined across a total of seven categories and 59 items. For each risk, BGF Retail establishes clear judgment criteria and response standards to enable proactive risk management.

Risk Category



BGF Retail establishes crisis management scenarios and operates a continuous monitoring system to identify and effectively respond to company-wide risks, including strategic, operational, financial, legal and regulatory, and reputational risks. The company designates lead departments and sub-departments for key risk areas, including franchisees, information and systems, product operations, logistics, employees, disaster safety, legal affairs, operations, and reputation, and clearly defines the responsible organizations for each risk type. BGF Retail also systematizes response procedures and decision-making structures to ensure consistent action in each situation. Through these efforts, the company strengthens its risk response capabilities and continues to enhance organizational resilience.

Risk Management Process



PART 2.

Materials Sector

CONTENTS

- 69 Planet
- 79 People
- 94 Partner
- 98 Governance



Planet

Environmental Management System

Governance

BGF Ecomaterials and its Materials Sector affiliates have designated responsible personnel and organizations to systematically promote environmental management. They regularly review environmental agenda items and make related decisions. They also participate in the ESG Management Committee led by BGF, and report environmental management performance and goals when major environmental issues arise.

Status of Major Affiliates

BGF Ecomaterials has designated the Head of Production/Quality Division as the person responsible for environmental management, and has organized the Safety and Environment Team as a dedicated organization to systematically promote environmental management. The company regularly reviews environmental agenda items and makes related decisions. It also participates in the ESG Management Committee led by BGF, and reports environmental management performance and goals when major environmental issues arise.

KNW designates its CEO as the highest-level executive responsible for environmental management. Departments including production, research, and administration are responsible for detailed environmental areas at each site, and carry out and report on environmental management activities.



Strategy

BGF Ecomaterials and its Materials Sector affiliates have established and operate common environmental management policies to continuously improve environmental performance and systematically manage environmental risks. The Materials Sector affiliates have obtained ISO 14001 certification for environmental management systems aligned with global standards, and regularly undergo third-party verification by external institutions, thereby ensuring the credibility of their environmental management. Through these efforts, they aim to contribute to the realization of a sustainable society by proactively identifying environmental risks across the manufacturing process and carrying out continuous improvement activities.

Status of Major Affiliates

Environmental Management Guidelines [↗](#)

BGF Ecomaterials and its Materials Sector affiliates have established and operate a common Environmental Management Policy to enable affiliates to continuously improve environmental performance and systematically manage environmental risks across the entire course of their business activities. This policy was established based on the Group's corporate philosophy. BGF Group aims to contribute to the realization of a sustainable society by providing products and services that contribute to the global environment and by using all management resources efficiently.

Environmental Management Policies

- 01 We comply with laws and establish the industry-leading, both international and nationwide, environmental goals.
- 02 To provide eco-friendly services, we seek continuous innovation in the entire process of our business.
- 03 As corporate citizens, we proactively work for the environmental improvement of the local community based on our social responsibility.
- 04 We disclose our information transparently and communicate with stakeholders earnestly
- 05 We prioritize the environment in all our business activities to follow these policies

Planet Environmental Management System

Strategy

BGF Ecomaterials has obtained ISO 14001 Environmental Management System certification for its domestic Hwaseong site and major overseas sites in the United States and China in relation to its engineering plastic compound manufacturing activities. In addition, centered on the Safety and Facility Operations Team, which is responsible for environmental affairs, BGF Ecomaterials regularly reviews and evaluates manufacturing-related laws and regulations, including those on air, noise, waste, and water resources, through a monthly consultative meeting.

KNW has obtained Environmental Management System certification for the entire process of manufacturing industrial specialty films, centered on its key domestic site, the Paju Plant.

BGF Ecospecialty holds Environmental Management System certification covering the entire process, including the manufacturing of fluorinated specialty gases, centered on its key domestic site, the Ulsan Plant.

Environmental Management System

	Certified Sites
BGF Ecomaterials	Domestic: Hwaseong / Overseas: United States, China
KNW	Paju Plant
BGF Ecospecialty	Ulsan



▲ BGF Ecomaterials ISO 14001 Certificate ▲ BGF Ecospecialty ISO 14001 Certificate

Performance

BGF Ecomaterials and its Materials Sector affiliates view environmental management as a core value of corporate sustainability, and are advancing their company-wide management systems. While continuing to provide training to strengthen employees’ professional capabilities, they are also taking the lead in maximizing resource efficiency and minimizing environmental impact through smart environmental facilities integrated with Internet of Things (IoT) technology and systematic investment in pollution prevention facilities. In addition, to proactively respond to the rapidly changing environmental regulatory environment, they operate a thorough compliance evaluation system and contribute to realizing a sustainable circular economy by implementing responsible manufacturing sites.

Status of Major Affiliates

BGF Ecomaterials conducts regular in-house environmental training once a year under the supervision of the Safety and Environment Team. Considering the characteristics of the manufacturing industry, where environmental management is particularly important, the company has completed statutory training related to environmental technologies, including air, water quality, waste, and noise and vibration.

KNW conducts environmental training every year for personnel responsible for environmental affairs, and has completed specialized training on air and waste management.

BGF Ecosolution requires responsible personnel to periodically complete statutory training to comply with environmental laws and regulations related to air, wastewater, waste, and other areas.

BGF Ecospecialty conducts regular in-house environmental training once a year under the supervision of the Environment and Safety Team. In the manufacturing industry, where environmental management is highly important, the company provides statutory environmental training for personnel in charge of environmental affairs. In particular, ahead of obtaining integrated environmental permitting, the company completed a specialized course for integrated environmental management personnel.



▲ BGF Ecomaterials Environmental Training Activities

BGF Ecomaterials

Training Program (2025)	Unit	Participants
Electricity Charges and Energy Saving Training (2 sessions)	Persons	67

BGF Ecosolution

Training Program (2025)	Unit	Participants
Air Environmental Engineer Training	Persons	1
Water Quality Environmental Engineer Training	Persons	2
Waste Discharger Training	Persons	1

KNW

Training Program (2025)	Unit	Participants
Hazardous Chemical Handling Personnel Training	Persons	3
Chemical Leak Emergency Response Drill	Persons	36
Chemical Handling Workplace Employee Training	Persons	35
Hazardous Chemical Manager Training	Persons	2

BGF Ecospecialty

Training Program (2025)	Unit	Participants
Hazardous Chemical Handling Workplace Employee Training	Persons	118
Hazardous Chemical Handling Personnel Training	Persons	30
Hazardous Chemical Manager Training	Persons	3
Specialized Training Course on Chemical Accidents	Persons	1
Chemical Leak Emergency Response Drill	Persons	16

Planet

Environmental Management System

Performance

BGF Ecomaterials manages a total of 17 laws and regulations related to its industry, including the Clean Air Conservation Act, the Soil Environment Conservation Act, the Chemicals Control Act, and the Act on Promotion of Transition to Circular Economy and Society. To prevent environmental risks, the company conducts a regular compliance assessment once a year.

Environmental Regulation Response Strategy

Applicable Laws and Regulations	Key ESG Area	Detailed Response Strategy
Act on Promotion of Transition to Circular Economy and Society	 Waste Management	• BGF Ecomaterials works to practice waste management and expand sustainable packaging, which have been identified as part of BGF Group's ESG management strategy and as key material issues. • In response to environmental regulations, the company strives to legally manage waste generated at its worksites and reduce waste through resource circulation activities. In particular, BGF Ecocycle and BGF Ecosolution, affiliates of BGF Ecomaterials, have business models centered on the development and production of biodegradable and bioplastics, as well as the collection of waste plastics and their production into recycled materials. The company also continues activities such as applying recycled raw materials to certain products and obtaining GRS certification, and plans to report these activities annually through its Sustainability Report.
Waste Management Act	 Expanding Sustainable Packaging	

BGF Ecospecialty manages a total of 15 laws and regulations related to its industry, including the Clean Air Conservation Act, the Soil Environment Conservation Act, the Chemicals Control Act, and the Act on Registration and Evaluation of Chemicals. To prevent environmental risks, the company conducts a regular compliance assessment once every six months.

Environmental Regulation Response Strategy

Applicable Laws and Regulations	Key ESG Area	Detailed Response Strategy
Clean Air Conservation Act	 Management of Pollutant Generation	• In accordance with environmental regulations, BGF Ecospecialty works to reduce pollutants by legally managing the generation of air pollutants at its worksites. In particular, the company has installed a telemonitoring system for smokestacks that enables real-time monitoring of pollutants generated at its worksites, and manages the status of air pollutant emissions.
Special Act on the Improvement of Air Quality in Air Control Zones		
Act on the Integrated Control of Pollutant-Discharging Facilities		• In addition, following the expansion of new process facilities, the worksite will become subject to integrated environmental permitting. Accordingly, BGF Ecospecialty plans to obtain integrated environmental permits in 2026, enabling integrated management of overall environmental matters, including air, water quality, waste, and soil.

Environmental Management Performance Indicators

Environmental Training

Company	Unit	2023	2024	2025
BGF Ecomaterials	Persons	55	55	67
BGF Ecosolution	Persons	1	1	4
BGF Ecocycle	Persons	0	0	0
KNW	Persons	1	1	1
BGF Ecospecialty	Persons	149	149	150

Environmental Investment Costs

Company	Unit	2023	2024	2025
BGF Ecomaterials	KRW million	303	164	34
BGF Ecosolution	KRW million	21	28	43
BGF Ecocycle	KRW million	24	8	40
KNW	KRW million	7.3	17.4	17.6
BGF Ecospecialty	KRW million	895	0	24

* Basis: Investments in facility improvements for environmental improvements, including energy reduction and air pollution reduction.

Environmental Law Violations

Company	Unit	2023	2024	2025
BGF Ecomaterials	Cases	0	0	0
BGF Ecosolution	Cases	0	0	0
BGF Ecocycle	Cases	0	0	0
KNW	Cases	0	0	0
BGF Ecospecialty	Cases	0	0	1

Planet

Climate Change Response

Performance

BGF Ecomaterials and its Materials Sector affiliates recognize climate change response as a key priority for corporate growth, and are advancing their eco-friendly management system company-wide. Through investments in high-efficiency facilities and the introduction of advanced environmental purification technologies, they are improving energy efficiency and actively building a resource circulation value chain to achieve carbon neutrality. In addition, they manage pollutant emissions in real time based on smart monitoring systems, and proactively prevent environmental risks through thorough compliance assessments. Going forward, they will continue to establish transparent and responsible manufacturing sites that fulfill their environmental responsibility, and present a new standard for environmental management for a sustainable future.

Status of Major Affiliates

BGF Ecocycle operates its business with the goal of reducing carbon emissions through waste plastic recycling, in line with carbon neutrality policies and tighter regulations implemented by governments around the world. As the first step in building a plastic recycling value chain, the company established an automated waste plastic sorting facility in Seo-gu, Incheon in 2024, modernizing its sorting facilities. As the second step, BGF Ecocycle newly built and is operating a waste plastic recycled raw material plant, a PCR-PP recycled raw material plant, in Yesan, Chungcheongnam-do in 2025. The company plans to continue contributing to carbon neutrality through sustained investment.

BGF Ecomaterials protects the inner surface of the barrel from the high temperature and high pressure generated during the extrusion process by using extruder barrel sleeves, which are components installed inside the barrel. To minimize heat loss from the barrel and maintain product quality, the company pilot-installed insulation on one line of barrel sleeve heaters applied to extruders and verified the energy reduction effect. As the verification confirmed energy use reduction effects from replacing the main motor of the extruder and installing barrel sleeve insulation, BGF Ecomaterials plans to apply the same improvements to the Cheonan Center in 2026.

BGF Ecospecialty, as a specialized company leading environmental protection and greenhouse gas reduction, is actively pursuing a greenhouse gas emissions reduction project using sulfur hexafluoride (SF₆) recovery and plasma decomposition technologies. This project aims to fundamentally reduce greenhouse gas emissions into the atmosphere by controlling fugitive emissions generated from the production and consumption of halocarbons and sulfur hexafluoride, and by recovering and decomposing SF₆ gas generated during testing of gas-insulated electrical equipment. The project is being operated systematically from January 2023 to December 2029 in accordance with the applicable methodology, 11B-004-Ver01. In terms of performance, BGF Ecospecialty achieved greenhouse gas reductions of 63,231 tCO₂eq in the first year, 2023; 46,502 tCO₂eq in the second year, 2024; and 113,094 tCO₂eq in the third year, 2025. The reduction performance generated each year can be sold through the emissions trading exchange, creating economic value in addition to environmental contribution. Through these activities, BGF Ecospecialty faithfully fulfills its corporate social responsibility and continues to practice environmental management for a sustainable future.

Planet

Climate Change Response

Low-Carbon Management Performance Indicators

Greenhouse Gas Emissions Targets and Emissions¹⁾

BGFecomaterials

Category	Unit	2023	2024	2025 ²⁾	Goals	
					2025	2026
Scope1	tCO ₂ eq	0	0	0	0	0
Scope2	tCO ₂ eq	7,586	7,529	8,129	7,453	8,047
Total emissions	tCO ₂ eq	7,586	7,529	8,129	7,453	8,047
Emissions intensity	tCO ₂ eq/KRW 100 million	4.5	4.2	4.35	4.0	4.3

1) Reporting Scope
- 2023 and 2024: Hwaseong site
- 2025: Hwaseong site and Cheonan site, reflecting November–December data

2) Increase in greenhouse gas emissions due to the merger with Daewon Chemical, including the Cheonan site
- Scope 2 emissions based on the 2023 and 2024 reporting scope: 7,344 tCO₂eq
- Total emissions based on the 2023 and 2024 reporting scope: 7,344 tCO₂eq

Energy Consumption¹⁾

BGFecomaterials

Category	Unit	2023	2024	2025 ²⁾	Goals	
					2025	2026
Total energy consumption	TJ	0.0571	0.0567	0.0612	0.0561	0.0606
Direct energy consumption	TJ	0	0	0	0	0
Indirect energy consumption	TJ	0.0571	0.0567	0.0612	0.0561	0.0606
Energy intensity	TJ/KRW 100 million	0.0022	0.0031	0.0033	0.0030	0.0032

1) Reporting Scope
- 2023 and 2024: Hwaseong site
- 2025: Hwaseong site and Cheonan site, reflecting November–December data

2) Increase in energy consumption due to the merger with Daewon Chemical, including the Cheonan site
Indirect energy consumption based on the 2023 and 2024 reporting scope: 0.0553 TJ
Total energy consumption based on the 2023 and 2024 reporting scope: 0.0553 TJ

Greenhouse Gas Emissions Targets and Emissions

BGFecospecialty

Category	Unit	2023	2024	2025	Goals	
					2025	2026
Scope1	tCO ₂ eq	352	340	324	330	356
Scope2	tCO ₂ eq	13,900	12,244	14,335	14,340	15,769
Total emissions	tCO ₂ eq	14,252	12,584	14,659	14,670	16,125
Emissions intensity	tCO ₂ eq/KRW 100 million	21.9	26.3	28.2	-	-

Energy Consumption

BGFecospecialty

Category	Unit	2023	2024	2025	Goals	
					2025	2026
Total energy consumption	TJ	89.35	80.75	102.99	103.08	113.28
Direct energy consumption	TJ	6.28	6.06	5.78	5.78	6.35
Indirect energy consumption	TJ	83.07	74.69	97.21	97.30	106.93
Energy intensity	TJ/KRW 100 million	137.05	168.95	198.04	-	-

Planet

Waste Discharge Management

Strategy

BGF Ecomaterials and its Materials Sector affiliates are building a sustainable manufacturing ecosystem through a resource circulation business that transforms waste resources into high-value materials. By establishing vertical integration across the entire process, from collection and sorting to advanced compounding, they have enhanced the completeness of the resource circulation process and completed a virtuous cycle structure that reduces the carbon footprint of products. This internalization of technologies and infrastructure among affiliates accelerates the eco-friendly transition across the industry, while creating future value that leads a circular economy society.

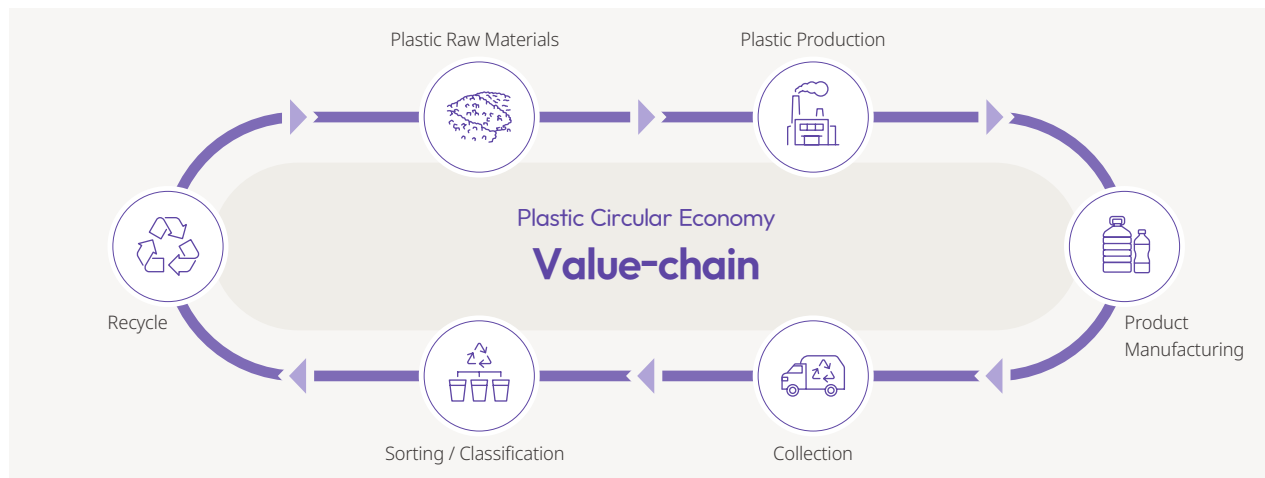
Status of Major Affiliates

BGF Ecomaterials operates a business model for creating a virtuous cycle of resource circulation, based on the recycling and reuse of waste generated throughout the manufacturing process.

BGF Ecocycle provides circular economy solutions based on collected upstream and downstream waste resources.

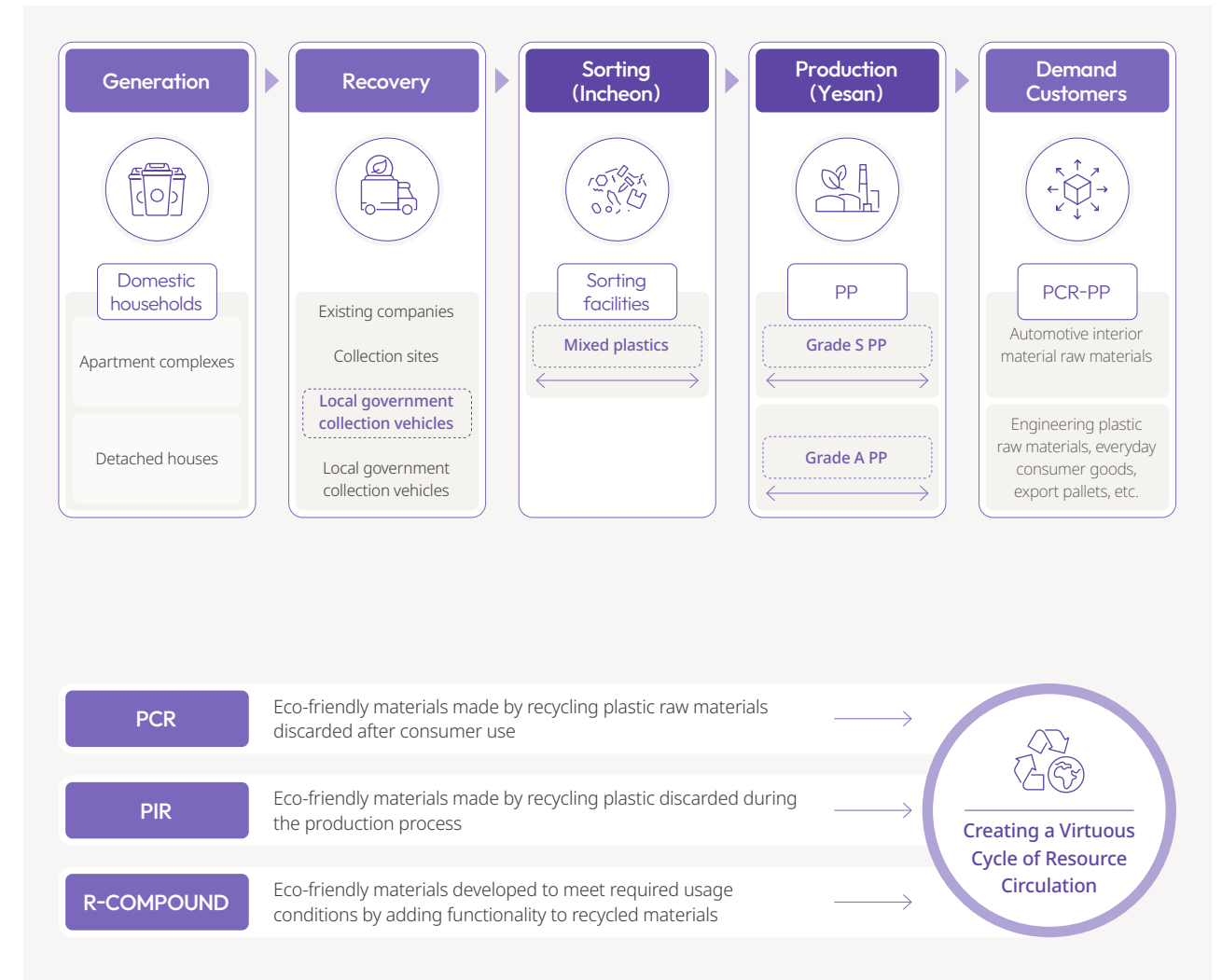
Through a rigorous sorting and separation process, the company develops and supplies high-purity PCR (Post-Consumer Recycled) resin based on household waste, as well as PIR (Post-Industrial Recycled) raw materials based on industrial by-products. The company has demonstrated the LCA-based carbon reduction effect of these materials compared to virgin resin. They are used in a wide range of applications, including automotive interior and exterior materials, electronic and electrical components, furniture, home appliances, and everyday consumer goods.

Waste Recycling



Value-up Process

BGF Ecomaterials BGF Ecocycle



Planet

Waste Discharge Management

Performance

BGF Ecomaterials and its Materials Sector affiliates are leading the future of sustainable manufacturing through a rigorous environmental management system based on international standards. They systematically manage the carbon footprint across the entire product life cycle, and maximize environmental value by internalizing advanced bio and resource circulation technologies. These technological innovation efforts enhance their ability to respond to global environmental regulations, while strengthening trust and competitiveness in the eco-friendly materials market. Going forward, BGF Ecomaterials and its Materials Sector affiliates will fulfill their corporate social responsibility through creating a virtuous cycle of resource circulation and practicing carbon neutrality, and present a standard for sustainable growth in the global market.

Status of Major Affiliates

BGF Ecomaterials has established its own LCA (Life Cycle Assessment) process to quantitatively measure and identify the carbon emissions reduction effects of its products. In particular, the company voluntarily conducts LCA assessments mainly for products with notable low-carbon effects, including PCR (Post-Consumer Recycled)-based materials. In 2025, BGF Ecomaterials developed 26 eco-friendly products, including engine room partition materials, and expects these products to deliver a carbon reduction effect of 29% to 56% when applied.

BGF Ecomaterials has obtained ISCC PLUS certification to verify the transparency of its use of recycled plastic raw materials and systematically manage sustainability records across the entire process, from raw material sourcing to final product shipment. Through this certification, the company has secured international credibility for the method of assigning value to products in proportion to the allocation of eco-friendly raw materials while maintaining existing manufacturing processes and facilities. It has also established a foundation to proactively respond to tightening global environmental regulations, including the EU Carbon Border Adjustment Mechanism (CBAM) and the EU Battery Regulation. In particular, by securing supplier qualification in line with the trend of global automakers such as Hyundai Motor, BMW, and Mercedes-Benz expanding the adoption of eco-friendly components, BGF Ecomaterials has laid the groundwork for gaining an early foothold in high-value-added markets, including expanding its market share in North America and Europe and identifying new customers. Going forward, the company plans to enhance its ESG management level based on objective credibility secured through third-party certification and carbon emissions reduction data, while continuously strengthening its differentiated marketing competitiveness.



▲ ISCC PLUS Certification

BGF Ecomaterials has obtained GRS (Global Recycled Standard) certification for certain products to expand the application of recycled raw materials to its products and contribute to creating a virtuous cycle of resource circulation. GRS certification reviews the entire process, from raw material collection to processing, finished product production, and sales, and is granted only to products that contain at least 20% recycled raw materials.

BGF Ecosolution is a white biotechnology company that replaces chemical materials used in conventional plastic manufacturing with renewable resources such as plants, or bio-based materials such as microorganisms and enzymes. The company focuses on the development of white bio compounds and the manufacturing of semi-finished products. White bio materials are eco-friendly materials that have a shorter degradation period than petroleum-based conventional plastics and can reduce carbon emissions generated during production, thereby contributing to the mitigation of environmental impact.

To build a foundation for entering overseas markets and secure product reliability, BGF Ecosolution pursued global certification and standard test reports for biodegradable compound raw materials over approximately nine months, from July 2025 to March 2026. As a result, the company newly obtained BPI certification in the United States and DIN CERTCO certification in Germany for two of its compound raw materials, F-BC054PD and S-LT053HR, thereby receiving official recognition of product validity in the Americas and EU markets. In addition, BGF Ecosolution conducted testing for major biodegradability standards, including ASTM D6400, EN 13432, and ISO 16926, through ITENE, a globally recognized accredited testing institution in the field of biodegradability. Through this, the company secured valid test reports for key items, including biodegradability performance, absence of harmful substances, and ecotoxicity. Based on these achievements, BGF Ecosolution is now able to begin full-scale sales channel development in the Americas and EU markets, and has established a foundation to further strengthen its competitiveness in the global eco-friendly materials market.

BGF Ecospecialty selects and implements circular economy targets every year in accordance with the Act on Promotion of Transition to Circular Economy and Society. In 2025, more than 99% of the waste generated by the company was recycled as circular resources.



▲ Biodegradability Standard Test Report

Planet

Waste Discharge Management

Waste Performance Indicators

Waste Generated

BGFecomaterials

Category		Unit	2023	2024	2025	Goals	
						2025	2026
Total waste generated		ton	426	456	513	452	500
Non-hazardous waste	Total	ton	369	406	440	402	440
	Landfill	ton	47	37	49	36	40
	Incineration	ton	312	69	-	68	65
	Recycling	ton	10	300	391	298	335
Designated waste	Total	ton	56	51	73	50	60
	Landfill	ton	-	-	-	-	-
	Incineration	ton	56	46	47	45	40
	Recycling	ton	-	5	26	5	20
Share of designated waste		%	13.1	11.2	14.2	11.1	12.0

* Based on domestic sites: Hwaseong and Cheongna sites

BGFecosolution

Category		Unit	2023	2024	2025
Total waste generated		ton	54.1	75.5	81.55
Non-hazardous waste	Total	ton	54.1	74.2	81.13
	Landfill	ton	0	0	0
	Incineration	ton	0	0	0
	Recycling	ton	54.1	74.2	81.13
Designated waste	Total	ton	0	1.3	0.4195
	Landfill	ton	0	0	0
	Incineration	ton	0	1.3	0.2745
	Recycling	ton	0	0	0.145
Share of designated waste		%	0	1.72	0.51

BGFecospecialty

Category		Unit	2023	2024	2025
Total waste generated		ton	3,426	3,414	3,740
Non-hazardous waste	Total	ton	3,394	3,376	3,736
	Landfill	ton	0	17	18
	Incineration	ton	0	0	0
	Recycling	ton	3,394	3,359	3,718
Designated waste	Total	ton	32	38	4
	Landfill	ton	0	0	0
	Incineration	ton	32	13	1
	Recycling	ton	0	3	3
	Others	ton	0	22	0
Share of designated waste		%	0.93	1.11	0.11

Number of GRS-Certified Product Items

BGFecomaterials

Category	Unit	2023	2024	2025
GRS-certified product items	Items	3	60	60

Waste Resource Circulation System Performance

BGFecocycle

Category	Unit	2023	2024	2025
Waste resources collected	ton	19,815	24,291	31,305
Recycling output, compressed products	ton	5,669	15,222	18,678

Number of Items Subject to LCA Assessment

BGFecomaterials

Category	Unit	2023	2024	2025
Items subject to assessment	Items	0	13	26

PLA Products

BGFecosolution

Category	Unit	2023	2024	2025
Bags, including PBAT	ton	1,139	1,411	1,096
Triangle sandwich trays	Thousand units	25,072	21,791	14,361
Lunchbox trays	Thousand units	403	2	-
Fried tofu rice ball trays	Thousand units	10,437	6,098	-

Circular Resource Target Achievement Rate

BGFecospecialty

Category	Performance Indicator	Unit	Goals	Achievement	Remarks
Performance	Final disposal rate	%	10.03	0.47	Ratio of waste incinerated or landfilled to total waste generated
	Circular use rate	%	88.42	99.46	Recycling rate relative to total waste generated

Planet

Resource Use and Environmental Impact Reduction

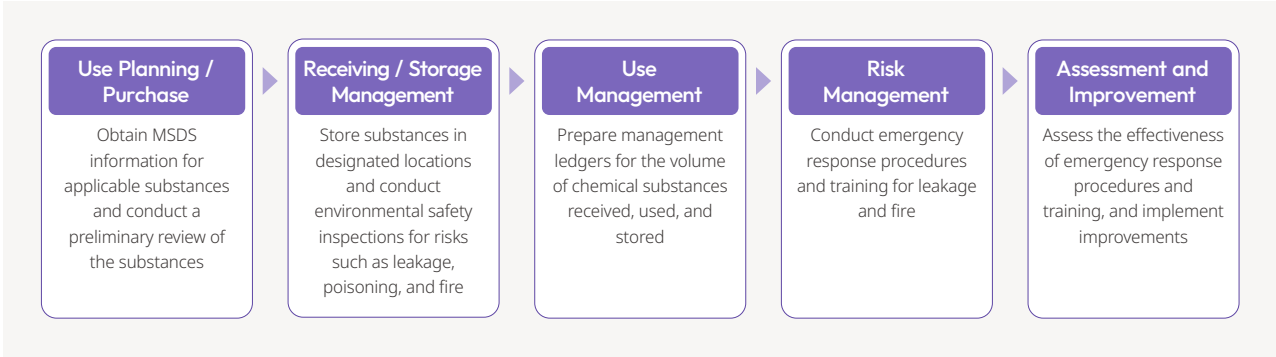
Risk Management and Performance

BGF Ecomaterials and its Materials Sector affiliates have introduced advanced IoT monitoring systems and precision purification facilities to minimize air and water pollution at manufacturing sites. They have also established a real-time data-based management system to strictly control pollutant emissions. In addition, through rigorous safety management across the entire life cycle of chemical substances and a proactive accident prevention and response system, they fundamentally prevent environmental risks at their business sites.

Status of Major Affiliates

BGF Ecomaterials produces fluorine materials and has affiliates that manufacture chemical products, including specialty gases for semiconductors. KNW's main business is the production of materials for electronic and automotive components. As both companies produce and manage products through chemical processes involving raw and subsidiary materials, they are continuously strengthening chemical substance management activities. They operate hazardous chemical handling facilities in accordance with chemical substance management regulations, and also conduct related training on a regular basis. Meanwhile, BGF Ecomaterials provides annual MSDS (Material Safety Data Sheets) training for employees, and works to prevent potential risks by attaching GHS (Globally Harmonized System) warning labels to subdivided containers at its sites.

Chemical Substance Management Process



BGF Ecomaterials manufactures fluorinated specialty gases and produces process materials used in advanced industries, including semiconductors, secondary batteries, and power generation. The company produces and manages products through chemical processes involving raw and subsidiary materials, and is therefore strengthening chemical substance management activities. It also operates hazardous chemical handling facilities in accordance with chemical substance management regulations, and regularly conducts chemical substance management training.

BGF Ecospecialty prepares a chemical accident prevention and management plan to ensure the safety of hazardous chemical handling facilities. It has also established and operates an emergency response system to minimize damage to residents and the environment in the event of an accident. In 2026, the company plans to review its chemical accident prevention and management plan in line with new facility expansions, including the expansion of SF₆ reactors, as well as the new Fischer and Arrhenius projects.

Chemical Substance Management Training

Company	Training Program (2025)	Participants
BGF Ecomaterials	MSDS Training	77 persons
	Chemical Leak Emergency Response Drill	36 persons
KNW	Chemical Handling Workplace Employee Training	35 persons
	Hazardous Chemical Manager Training	2 persons
BGF Ecospecialty	Hazardous Chemical Handling Workplace Employee Training	118 persons
	Hazardous Chemical Handling Personnel Training	30 persons
	Hazardous Chemical Manager Training	3 persons

Chemical Substance Emissions

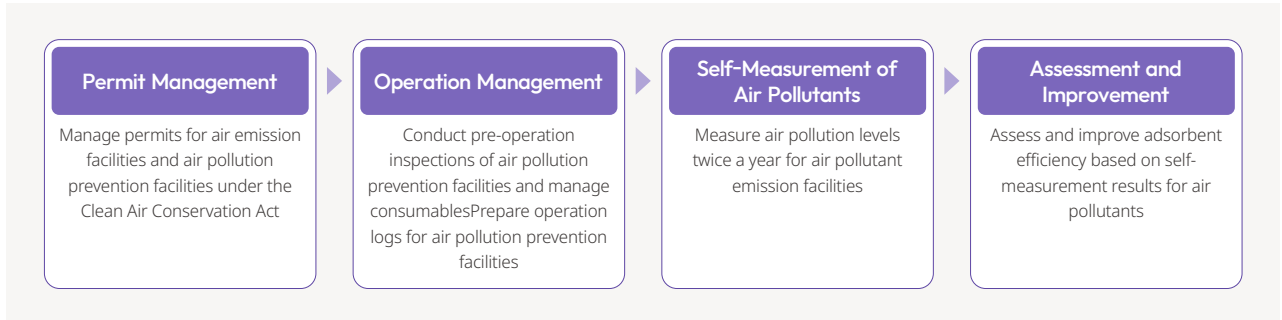
Company	Unit	2023	2024	2025
BGF Ecomaterials	ton	0.3	0.2	0.3
KNW	ton	2.57	1.75	3.41
BGF Ecospecialty	ton	0.35	0.39	0.30

Planet Resource Use and Environmental Impact Reduction

Risk Management and Performance

BGF Ecomaterials completed the installation of a total of eight IoT (Internet of Things) devices in 2025 to minimize air pollutants generated from its production facilities. It also improved adsorption capacity by shortening the replacement cycle for adsorbent carbon and activated carbon from four months to three months. In addition, the company replaced the ducts of a 600m³ dust collector and a 570m³ adsorption tower, thereby improving the issue of reduced dust collection and adsorption capacity caused by duct blockages.

BGF Ecocycle has established IoT (Internet of Things) systems for air pollution prevention facilities at all of its business sites in Incheon, Hwaseong, and Yesan to comply with the Clean Air Conservation Act and minimize environmental impact. Through these systems, the company monitors in real time whether prevention facilities are operating properly. It is also making every effort to improve air quality by regularly replacing candle filters and activated carbon in dust collection facilities.



KNW has introduced an IoT (Internet of Things) system to reduce air pollution and comply with the Clean Air Conservation Act, and monitors whether its prevention facilities are operating properly. In addition, KNW periodically replaces activated carbon, the adsorbent used in its air pollution prevention facilities, to improve pollutant adsorption capacity and reduce emissions. The company is also continuing activities to reduce nitrogen oxide (NOx) emissions by replacing conventional burners in boilers, which are air emission facilities, with low-NOx burners.

BGF Ecosolution periodically replaces activated carbon and bag filters to reduce air pollutants and comply with the Clean Air Conservation Act. It also carries out improvement activities by checking proper operation and legal violations through real-time monitoring using IoT and internal environmental inspections.

BGF Ecospecialty installed a total of 12 new air pollution prevention facilities in connection with the implementation of the new Fischer and Arrhenius projects. The installations consist of 11 facilities based on Fischer absorption and one facility based on Arrhenius absorption, reducing dust and total hydrocarbons (THC) generated during the operation of the new projects. In addition, to comply with the Clean Air Conservation Act, BGF Ecospecialty installed one telemonitoring system (TMS) facility at the Nocolok process scrubber in March 2026, and is managing pollutant emissions through real-time monitoring.

Dust Emissions

Category	Unit	2023	2024	2025
BGF Ecomaterials	ton	0.03	0.025	0.122
BGF Ecospecialty	ton	0.2	0.2	0.46
KNW	ton	0.32	0.422	0.0207

BGF Ecomaterials and BGF Ecosolution outsource the treatment of all wastewater generated from their Type 5 wastewater discharge facilities to external specialized companies. To systematically manage water pollution risks, they regularly monitor the wastewater treatment process of outsourced service providers using the Mulbaro System.

BGF Ecocycle operates its own wastewater treatment facility at the Yesan Plant to prevent water pollution. To ensure the stable operation of its water pollution prevention facilities, the company continuously adds water treatment chemicals, such as caustic soda and sodium hypochlorite, and manages proper processes. Through these efforts, it reduces wastewater discharge and strictly manages the quality of discharged water.

BGF Ecospecialty removes pollutants from wastewater generated at its site through its internal wastewater treatment facility before discharging the treated water to the Onsan Sewage Treatment Plant. To effectively manage water pollution risks, the company measures and monitors pollutants in discharged water and raw water once every two months.

People Realizing GWP(Great Work Place)

Strategy

BGF Ecomaterials and its Materials Sector affiliates operate a systematic human resources management system covering recruitment, performance management, and compensation to strengthen corporate sustainability. Through transparent and fair recruitment procedures and an objective evaluation system centered on Management by Objectives (MBO), they secure outstanding talent and support continuous motivation and growth. In addition, to improve employees’ quality of life and support work-life balance, they operate customized employee benefits systems tailored to each life stage, while advancing their benefits system in a way that expands employees’ choices. Furthermore, through the operation of the Labor-Management Council and the guarantee of collective bargaining, they create a transparent communication environment, work closely with labor unions, and practice sound labor-management relations based on mutual growth and cooperation.

Status of Major Affiliates

Talent Recruitment

BGF Ecocycle establishes strategic workforce plans to recruit and retain talent, which has a significant impact on corporate sustainability, and strives to secure outstanding talent through fair and transparent recruitment procedures

BGF Ecospecialty conducts rolling recruitment through recruitment platforms as needed, depending on workforce demand.

Performance

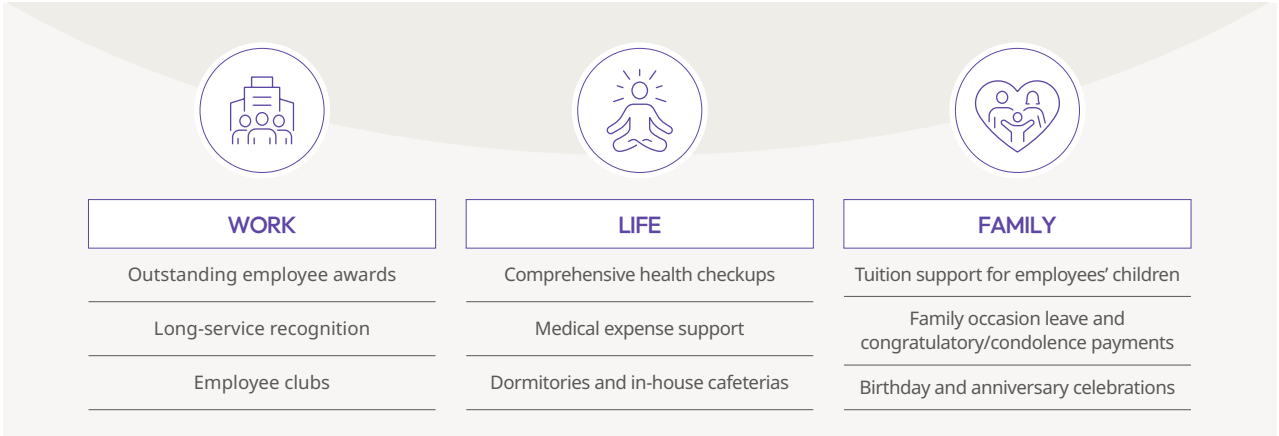
Employee Benefits

BGF Ecomaterials and its Materials Sector affiliates design fair and objective evaluation systems and operate corresponding compensation systems based on their HR direction of talent development, fair system operation, and motivation. Evaluations are conducted twice a year, in the first and second halves, using the MBO method. The final evaluation is conducted in three stages — self-evaluation, first evaluation, and second evaluation — including performance development interviews. To ensure fair evaluations, the companies operate an appeal process for evaluation results, and the Evaluation Secretariat coordinates and reviews the relevant matters. The wage system is established and operated in accordance with BGF’s compensation principles, including compensation for performance, compensation for roles and expertise, and operational efficiency of the compensation system.

Performance

BGF Ecomaterials and its Materials Sector affiliates have adopted and introduced childcare support systems and flexible work arrangements to help employees balance work and family life. They provide the same employee benefits to regular and non-regular employees without distinction, including health checkups, group accident insurance, group occupational disease indemnity insurance, and flu vaccinations. They also operate an EAP (Employee Assistance Program) service to support employees’ stress management. In addition, they operate life-stage-based support programs, including reduced working hours during pregnancy and childcare periods, maternity and paternity leave, paid parental leave, and tuition support for employees’ children. Since obtaining family-friendly company certification in 2021, they have continued to expand family-friendly systems.

Employee Benefits System



Use of Childcare Support Systems BGFecomaterials

Category	Unit	2023	2024	2025
Number of employees taking parental leave	Persons	1	1	1
Number of employees taking paternity leave	Persons	3	-	6

Use of Flexible Work Arrangements BGFecomaterials

Category	Unit	2023	2024	2025
Use of flexible work arrangements		X	X	O
Number of employees using staggered working hours	Persons	-	-	4

People

Realizing GWP(Great Work Place)

Performance

BGF Ecospecialty has integrated and reorganized its existing individual employee benefits programs, including self-development expense support, refresh benefits, and gift certificates, and has fully implemented a cafeteria-style employee benefits program since February 2026. The company provides annual welfare points worth KRW 2.1 million to all employees, including executives and contract employees. For employees who join the company during the year, points are provided on January 1 of the following year. Through the introduction of this program, employees can choose benefits according to their individual needs and preferences. This is expected to improve both the quality and quantity of employee benefits, while also contributing to greater work efficiency and higher employee satisfaction.

Subsidies / Insurance



- Health checkups
- Medical expense support for employees and their families
- Support for various family occasions
- Tuition support for employees and their children
- Kindergarten fee support

Compensation System



- Retirement pension
- Long-service recognition
- Four major social insurances
- Overtime pay, annual leave allowance
- Position allowance, and family allowance

Education / Living



- In-house cafeteria
- Lunch and dinner provided
- Employee club activities
- Employee mutual aid association for family occasions
- Self-development expense support
- Support for family occasions

Refresh



- Annual leave / Half-day leave
- Company Foundation Day and Labor Day holidays
- Maternity leave / Parental leave
- Paternity leave

Work Environment



- Uniforms provided
- Long-service recognition

Loan System



- Housing loan support

Operating the Labor-Management Council

BGF Ecomaterials and its Materials Sector affiliates operate a Labor-Management Council, an employee representative body, to promote mutual interests between the company and employees, create a mutually beneficial labor-management culture, and strengthen communication. They also hold the Labor-Management Council on a quarterly basis to improve employee benefits, the office environment, organizational culture, and systems. The matters discussed are transparently disclosed to all employees through groupware.

Company	Number of Meetings Held(Sessions)	Number of Agenda Items(Items)	Agenda Item Implementation Rate(%)
BGF Ecomaterials	4	20	50
KNW	4	8	100

BGF Ecocycle operates a Labor-Management Council, an employee representative body, to promote mutual interests between the company and employees, create a mutually beneficial labor-management culture, and strengthen communication. Through the quarterly Labor-Management Council, the company improves employee benefits, the office environment, organizational culture, and related systems.

Guaranteeing Freedom of Association and Collective Bargaining

BGF Ecospecialty respects labor unions and all other forms of employee representative activities. The company ensures that employees are not subject to discrimination, retaliation, harassment, or any other disadvantageous treatment for joining a labor union, requesting collective bargaining, or participating in collective action. Based on mutual trust and an open attitude between labor and management, the company engages in collective bargaining and faithfully discusses and resolves issues while considering local labor practices. In addition, through negotiations with the labor union, BGF Ecospecialty concluded a wage and collective agreement in August 2024. In accordance with the agreement, the company is working to improve working conditions and build cooperative labor-management relations.

People

Safety and Health Management

Safety and Health Management

Governance

BGF Ecomaterials and its Materials Sector affiliates regard 'safety' as a core management value, and operate systematic company-wide safety and health management organizations and policies. They are creating a communication-oriented safety culture through the Occupational Safety and Health Committee, in which both labor and management participate. They are also establishing a practical safety foundation to prevent industrial accidents through regular risk assessments and site inspections. Based on this proactive risk management and continuous improvement, they aim to realize accident-free workplaces in which all employees participate.

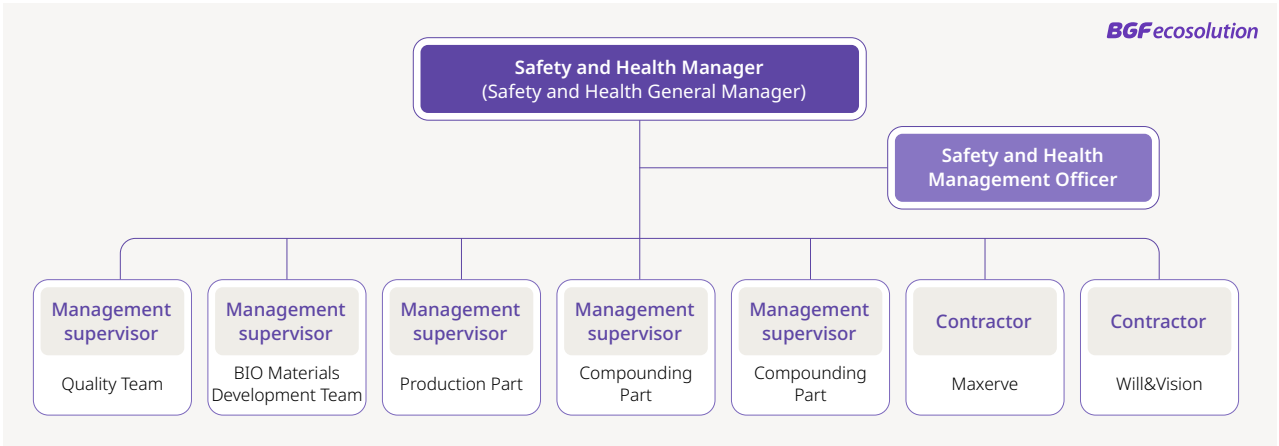
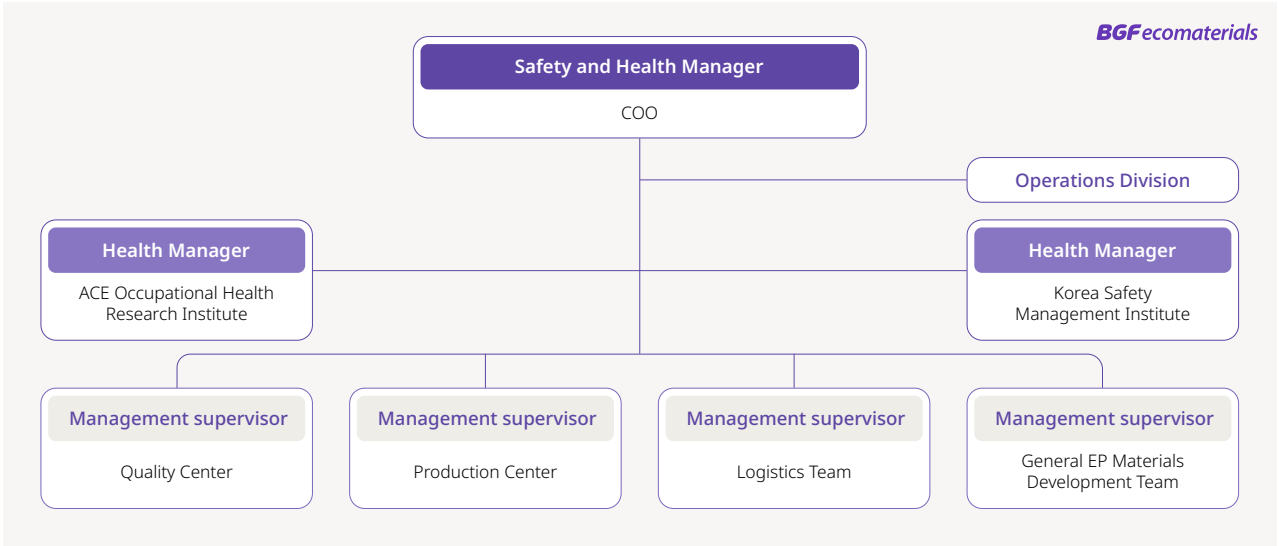
Status of Major Affiliates

Safety and Health Management and Organization

BGF Ecomaterials has appointed the Head of the Production/Quality Division as the Safety and Health Manager, and has designated the Safety and Environment Team as the dedicated organization responsible for carrying out safety and health activities. Through the operation of its safety and health management organization, the company establishes plans related to employee safety and health, and systematically manages legal requirements and implementation plans related to safety and health. The company also conducts quarterly MSLT (Management Safety Leadership Tour) inspections with executives, regularly inspects workplaces together with executives, and holds safety and health meetings with management supervisors as needed. In addition, through weekly safety and environmental site inspections, the company checks compliance with the 10 essential safety rules under the BSGR (BGFEM Safety Golden Rule).

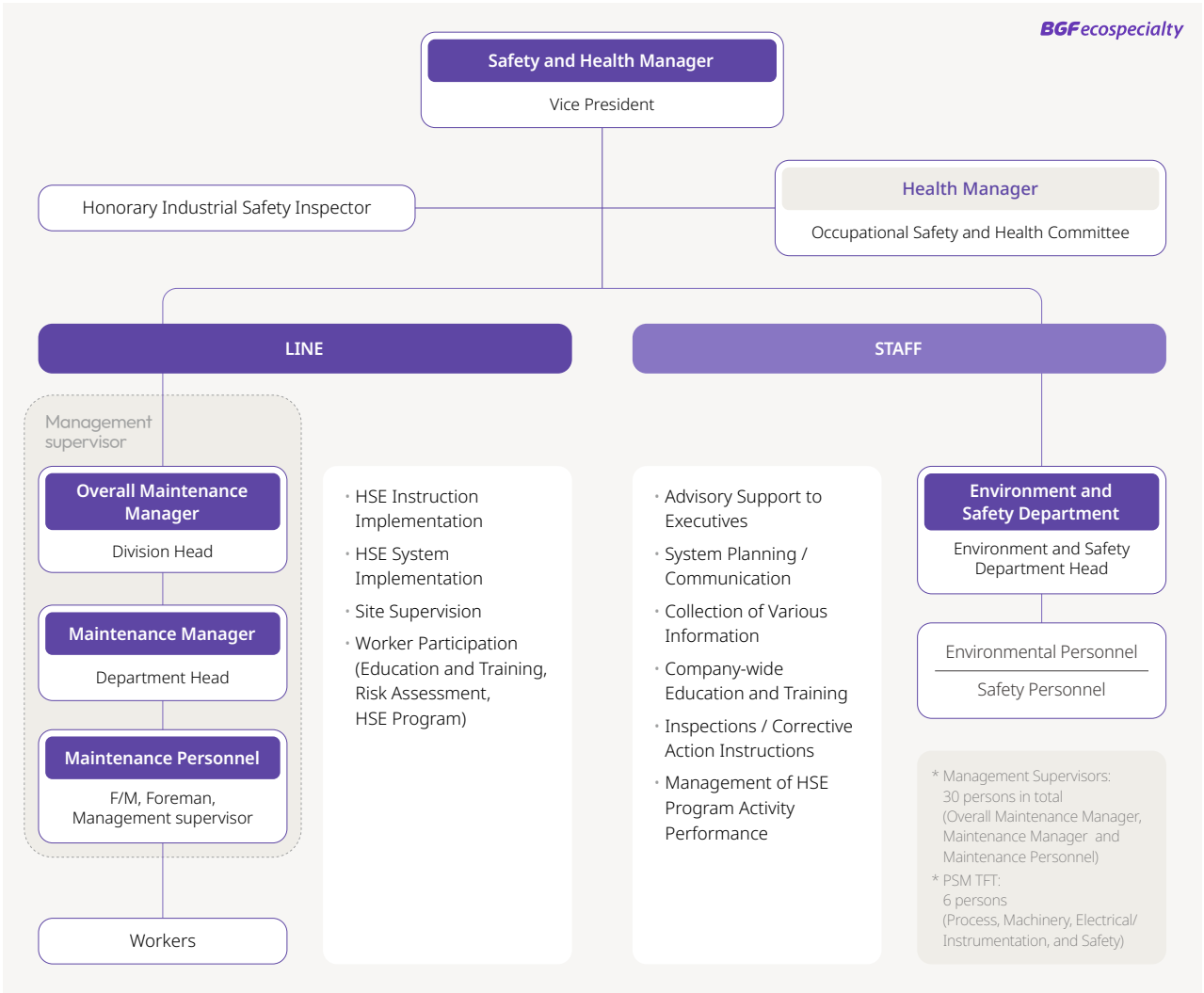
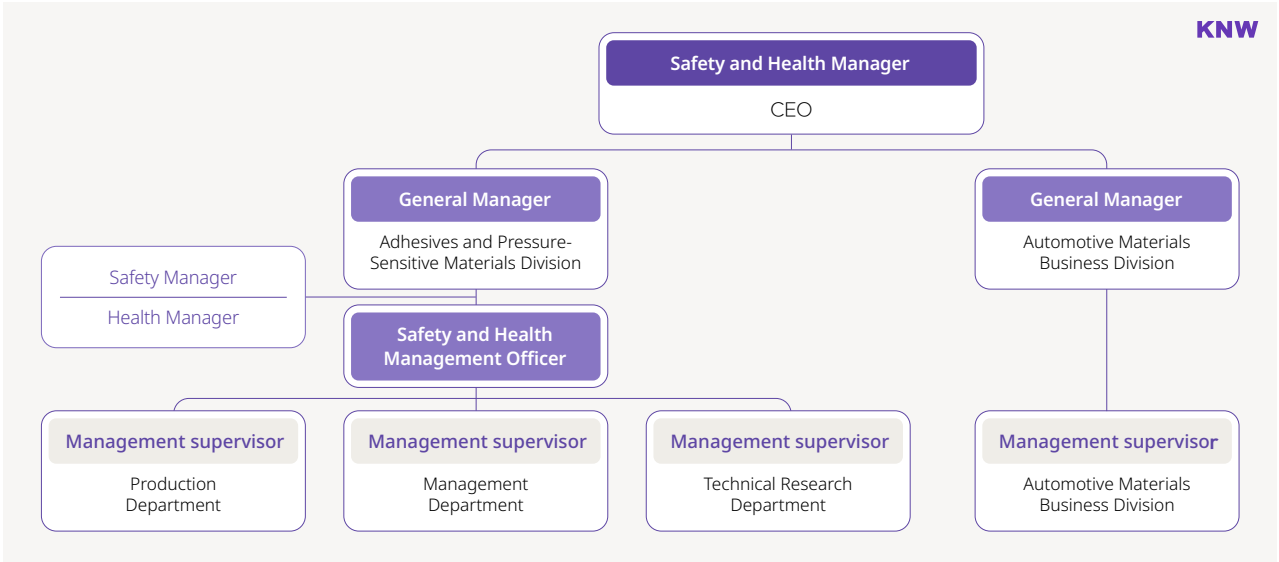
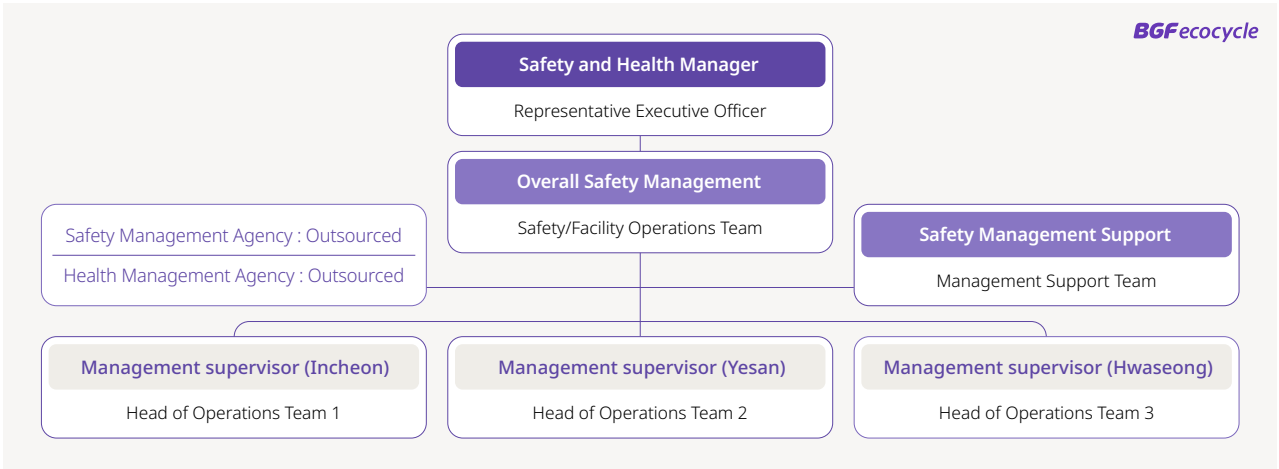
BGF Ecocycle has appointed its Representative Executive Officer as the Safety and Health Manager, and has designated the Safety Facility Operations Team as the dedicated organization responsible for carrying out safety and health activities. Through the operation of its safety and health management organization, the company establishes plans related to employee safety and health, and systematically manages legal requirements and implementation plans related to safety and health. Each site in Incheon, Yesan, and Hwaseong has management supervisors who conduct site inspections and make improvement efforts on an ongoing basis.

Safety and Health Management Organization



People Safety and Health Management

Safety and Health Management



People

Safety and Health Management

Safety and Health Management

Occupational Safety and Health Committee

BGF Ecomaterials holds the Occupational Safety and Health Committee on a quarterly basis to review and resolve key matters related to safety and health at its workplaces. The Committee consists of three employer committee members and three worker committee members, and matters discussed by the Committee are shared with employees through the internal groupware bulletin board. Confirmed agenda items are applied to employees across all worksites.

BGF Ecosolution regularly holds safety and health meetings with management supervisors to encourage autonomous safety management by department, identify and improve workplace hazards and risk factors, and strengthen communication with workers. In addition, through a safety and health suggestion system open to all employees, the company works to prevent industrial accidents by identifying and improving potential workplace hazards and risk factors.

Occupational Safety and Health Committee Operation Status

Company	Number of Meetings Held (Sessions)	Number of Agenda Items(Items)	Agenda Item Implementation Rate(%)
BGF Ecomaterials	4	14	100
BGF Ecosolution	3	10	100
BGF Ecospecialty	4	18	100

2025 Key Agenda Items

BGFecomaterials

- Reporting risk assessment results
- Reporting first-half and second-half working environment measurement results
- Holding an employee safety slogan contest
- Holding a TBM competition
- Reporting the results of the Safety Golden Award
- Reporting the operation plan for the Safety Guide system

BGFecosolution

- Establishing a Safety and Health Management System
- Guidance on the Suggestion System
- Guidance on Criteria for Selecting Qualified Contractors
- Guidance on Safety Work Permit Standards
- Key Revisions to the Rules on Occupational Safety and Health Standards
- Related to Heat-Related Illness
- Results of Safety and Health Inspections Conducted in the First Half of 2025
- Key Work Plans for the Second Half of 2025
- Safety and Health Training Videos
- Forklifts, Caught-in/Between Accidents
- Inspection and Improvement of Gas Facilities
- Results of Inspections by External Agencies
- KOSHA, Ministry of Employment and Labor

BGFecospecialty

Common

- Matters Related to Industrial Accident Prevention Planning
- Preparation and Revision of Safety and Health Management Regulations
- Matters Related to Worker Safety and Health Training
- Matters Related to Inspecting and Improving the Working Environment, Including Working Environment Measurements
- Matters Related to Health Management, Including Workers' Health Examinations
- Other Matters, Including Agenda Items

Site Improvement

- Expanding the work area on the Cell Room rooftop to prevent safety accidents
- Installing a work platform for the Nocolok process
- Safety accidents
- Installing a work platform for the NProducing an insulated ladder for the Cell Room
- Improving the height difference in the forklift passage at the entrance to the F2 cylinder storage area
- Conducting a musculoskeletal disorder risk factor survey for site workers
- Improving the flexible inlet of the F2 cylinder storage scrubber

People

Safety and Health Management

Strategy

BGF Ecomaterials and its Materials Sector affiliates are implementing their safety management policy and working to establish a strong safety culture. They will continue to strengthen their safety management capabilities by complying with the safety management policy and achieving their goals.

Status of Major Affiliates

Safety and Health Management and Organization

Safety and Health Management Policy [🔗](#)

BGF Ecomaterials has established a Safety and Health Management Policy, shares it company-wide, and is enhancing its implementation capabilities. In addition, the company has incorporated safety as a core element of management, and has established mid- to long-term goals for creating safe workplaces by securing a corporate safety management system through activities such as improving employee safety awareness, complying with regulations, and managing risks.

Safety and Health Management Policy

To provide the best products and services, BGF Ecomaterials places safety and health as its highest management value and practices the following:

01

Establish a safety and health management system to minimize safety and health impacts across all management activities and pursue continuous improvement.

03

As a corporate citizen, value people's lives and health, and ensure that employees comply with and actively practice the safety and health policy.

02

Set goals in accordance with the safety and health policy, and comply with applicable legal and other requirements.

04

Transparently disclose safety and health-related information and communicate faithfully with stakeholders.

Safety and Health Goals

Higher Safety Awareness

Compliance

Risk Management

Establishing a Safety and Health System

BGF Ecosolution establishes and operates a safety and health management plan every year in accordance with its quality and safety and health management policy. Through compliance with relevant laws and regulations and activities to prevent industrial accidents, the company is creating safe and pleasant workplaces.

BGF Ecocycle carries out systematic and efficient occupational safety and health activities with the goal of creating safe workplaces. In addition, the company has established a Safety and Health Management Policy, shares it company-wide, and is enhancing its implementation capabilities. By incorporating safety as a core element of management and carrying out activities such as improving employee safety awareness, complying with regulations, and managing risks, the company has secured a corporate safety management system and established mid- to long-term goals for creating safe workplaces.

BGF Ecospecialty recognizes its Safety and Health Management Policy as a core foundation for all management activities, and carries out systematic management activities across HSE, covering safety, health, and environment, with the goal of realizing accident-free and pollution-free workplaces. Specifically, the company has set five key directions: preventing accidents through continuous education and training and proactive accident prevention activities; strictly complying with all domestic and overseas HSE-related laws and regulations; realizing safe and pleasant workplaces by identifying and improving risk factors based on workers' active participation; fulfilling social responsibility by participating in activities for environmental conservation and local community development and sharing the results with stakeholders; and establishing an advanced HSE culture for all workers. As a result of these efforts, the company achieved 13 times the accident-free workplace target and is continuing its efforts toward achieving 14 times the target.

Mid- to Long-term Goals

Company	2026	2027	2028
BGF Ecomaterials	• Work standardization - Reinforcement of industrial safety guidelines and standards • Securing and development of safety and health personnel - Establishment of a training system and capability enhancement program	• Diagnosis of safety and environment levels - Establishment and operation of a diagnostic system through BSRS* development and assessment • Acquisition of ISO 45001 Safety and Health Management System certification	• Establishment of a culture through embedded safety and environment practices • Achievement of an advanced level of safety and environment management
KNW	• Acquisition of ISO 45001 Safety and Health Management System certification	• Operation of the safety and health management system • Response to surveillance audits	

*BSRS (BGF Safety Rating)

People

Safety and Health Management

Strategy

BGF Ecosolution imports PLA (polylactic acid), an eco-friendly resin, and produces foam sheets and molded products. The CEO ensures that the company's strategy is aligned with its quality and safety and health management policy through the quality and safety and health management system. To put this into practice, the company clearly assigns responsibilities and authorities to each person in charge and works to prevent industrial accidents. At the same time, BGF Ecosolution continues to improve its quality and safety and health management system based on the participation of all employees.

Quality and Safety and Health Management Policy

In implementing the quality and safety and health management system to achieve our goals, the CEO assumes responsibility for all issues arising from the understanding of the manual. The CEO also ensures full participation and provides the necessary resources to comply with from the understanding of the manual. The CEO also ensures full participation and applicable requirements. In addition, this management policy and these goals shall be fully understood, implemented, and maintained by all employees.

Quality Goals		Safety and Health Goals	
01	Achieving customer quality satisfaction through new technology development	01	Planning and implementing safety and health activities
02	Securing competitiveness	02	Complying with relevant laws and regulations, including the Industrial Safety and Health Act
03	Practicing autonomous responsible management and sound management	03	Actively participating in safety and health activities
04	Improving productivity and reduce costs	04	Listening to the opinions of employees and other stakeholders
05	Standardizing and implementing practices through quality management	05	Participating in government policies for preventing industrial accidents

Risk Management

Risk Assessment

BGF Ecomaterials conducted a safety and health risk assessment in 2025. As a result, the total number of reviews was 639, of which 39 items were identified as high-risk items. To mitigate the risk factors identified as the main causes of major high-risk items, including collision, falls, and slips, the company implemented measures such as installing impact-absorbing sponges in hazardous areas at its business sites, leveling floors, and installing safety structures. It also prepared risk reduction measure reports for each action taken. In the same way, each Group company checks whether risks have been improved after implementing corrective actions, verifies the effectiveness of the improvements, and carries out activities to prevent recurrence.

BGF Ecocycle conducts risk assessments every year to identify and improve safety and health risks at its business sites. As a result of the 2025 safety and health risk assessment, the total number of reviews was 41, of which 35 items were identified as high-risk items. To mitigate the risk factors identified as the main causes of major high-risk items, including collision, entrapment, and falls, BGF Ecocycle implemented measures such as installing safety hooks for drivers shipping compressed materials, installing compressor covers, and installing site hook devices. After implementing corrective actions, the company checks whether risks have been improved, verifies the effectiveness of the improvements, and carries out activities to prevent recurrence.

BGF Ecospecialty conducted a Job Safety Analysis (JSA) across all departments in December 2025 to identify hazardous and risk factors at its business sites in advance and prevent industrial accidents in accordance with domestic safety-related laws and regulations. Through this assessment, the company identified a total of 557 work risk items. For high-risk work identified through the assessment, BGF Ecospecialty implemented improvement measures, thereby systematically controlling potential hazards and risk factors. Through these efforts, the company contributed to preventing worker safety accidents and creating a safe working environment by faithfully fulfilling the employer's obligation to secure safety and health.

Risk Assessment Status

Company	Number of reviews	Number of risk groups	Number of actions	Action rate(%)
BGF Ecomaterials	639	39	29	74
BGF Ecocycle	41	35	35	100
KNW	76	43	41	95
BGF Ecospecialty	557	7	7	100

Company	Number of Findings	Number of Improvements	Improvement Rate(%)	Remarks
BGF Ecosolution	13	12	92	1 item pending

People

Safety and Health Management

Strategy

Safety and Health Assessment Details

BGFecomaterials

Category	Details	Remarks
Position Holder Assessment	• Assessing training completion and duty performance of the Safety and Health Manager and Management Supervisors once every six months	• Safety and Health Manager (1 person) • Management supervisors (4 persons)
Legal Compliance Assessment	• Assessing compliance with safety and health-related laws and regulations	• Once every six months
Risk Assessment	• Assessing workplace hazards and establishing risk reduction measures once a year	• Total number of reviews: 639 • High-risk items improved: 29
Assessment of Outstanding Safety Activity Performers	• Conducting safety slogan contest activities • Conducting TBM and safety exercises • Identifying and improving near misses • Carrying out BSGR 10 Essential Safety Rules compliance activities • Operating the Safety Golden Award program	• Awarding outstanding safety activity performers once a year

BGFecocycle

Category	Details	Remarks
Position Holder Assessment	• Assessing training completion and duty performance of the Safety and Health Manager and Management Supervisors once every six months	• Safety and Health Manager (1 person) • Management supervisor (5 persons)
Legal Compliance Assessment	• Assessing compliance with safety and health-related laws and regulations	• Once every six months
Risk Assessment	• Assessing workplace hazards and establishing risk reduction measures once a year	
Worker Participation and Communication	• Safety and health-related suggestion activities, conducted on an as-needed basis	

KNW

Category	Details	Remarks
Position Holder Assessment	• Assessing training completion and duty performance of the Safety and Health Manager and Management Supervisors once every six months	• Safety and Health Manager (1 person) • Management supervisor (4 persons)
Legal Compliance Assessment	• Assessing compliance with safety and health-related laws and regulations	• Once every six months
Risk Assessment	• Assessing workplace hazards and establishing risk reduction measures once a year	• Total number of reviews: 76 • Number of actions :41
Assessment of Outstanding Safety Activity Performers	• Conducting safety slogan contest activities • Conducting TBM and safety exercises • Identifying and improving near misses	• Awarding outstanding safety activity performers once a year

BGFecospecialty

Category	Details	Remarks
Legal Compliance Assessment	• Assessing compliance with safety and health-related laws and regulations	• Once every six months
Risk Assessment	• Assessing workplace hazards and establishing risk reduction measures once a year	• Based on 2025 • Total number of reviews: 557 • High-risk items improved: 7
Assessment of Outstanding Safety Activity Performers	• Awards for outstanding performers in HSE programs : - BBS(Behavior Based Safety) : behavior-based safety activities - TPR(Treatment of Potential Risk) : identification and improvement of risk factors - Near Miss : near-miss identification and improvement - Safety Sticker : issuance of stickers for outstanding safety behavior - HSE Innovation : HSE-related improvement suggestion activities • Safety Sticker (Safety Sticker awards for outstanding safety behavior) • Safety Day awards for outstanding performers in training and quizzes	• HSE Program: quarterly and annually • Safety Sticker: as needed • Safety Day awards: annually

People

Safety and Health Management

Strategy

Safety and Health Training

BGF Ecomaterials regularly provides safety and health training every year for employees and personnel working at major business sites to establish a safety-first organizational culture. In addition to statutory safety training, the company operates separate training programs at its key business site, the Hwaseong Plant, including safety awareness enhancement training, training on risk assessment results, and training on working environment measurement results.

BGFecomaterials

Category	Details	Training target	Training Period
Statutory Safety and Health Training	▫ BSA Training	▫ Employees	Year-round
Safety and Health Job Training	▫ Providing statutory job training under the Industrial Safety and Health Act	▫ Safety and Health Manager (1 person) ▫ Management supervisor (4 persons)	Year-round
Other Safety and Health Training	▫ Providing training on risk assessment results ▫ Providing safety awareness enhancement training ▫ Providing training on working environment measurement results	▫ Personnel working at the Hwaseong Plant	Year-round
Fire Drill	▫ Conducting emergency evacuation drills ▫ Conducting fire drills	▫ Personnel working at the Hwaseong Plant	Year-round

BGF Ecosolution conducts legally required training online to comply with relevant laws and regulations, and also regularly provides its own group safety and health training to strengthen workers’ safety awareness.

BGFecosolution

Category	Details	Training target	Training Period
Statutory Safety and Health Training	▫ BSA Training	▫ Employees	Year-round
Safety and Health Job Training	▫ Providing statutory job training under the Industrial Safety and Health Act	▫ Management supervisor (5 persons)	Year-round
Other Safety and Health Training	▫ Providing training on risk assessment results	▫ Employees	Year-round
Fire Drill	▫ Conducting emergency evacuation drills ▫ Conducting fire drills	▫ Employees	Year-round

BGF Ecocycle regularly provides safety and health training every year for employees and personnel working at major business sites to establish a safety-first organizational culture. In addition to statutory safety training, the company provides separate training programs, including safety awareness enhancement training, training on risk assessment results, and training on working environment measurement results

BGFecocycle

Category	Details	Training target	Training Period
Statutory Safety and Health Training	▫ Providing safety and health-related training	▫ Employees	Year-round
Safety and Health Job Training	▫ Providing statutory job training under the Industrial Safety and Health Act	▫ Safety and Health Manager (1 person) ▫ Management supervisor (3 persons)	Year-round
Other Safety and Health Training	▫ Providing training on risk assessment results ▫ Providing safety awareness enhancement training ▫ Providing training on working environment measurement results	▫ Employees	Year-round
Fire Drill	▫ Conducting emergency evacuation drills ▫ Conducting fire drills	▫ Employees	Year-round

People

Safety and Health Management

Strategy

Safety and Health Training

KNW regularly provides safety and health training every year for employees and personnel working at major business sites to establish a safety-first organizational culture. In addition to statutory safety training, the company provides separate training programs at its key business site, the Paju Plant, including safety awareness enhancement training, training on risk assessment results, and training on working environment measurement results.

KNW

Category	Details	Training target	Training Period
Statutory Safety and Health Training	・ Providing safety and health-related training	・ Employees	Year-round
Safety and Health Job Training	・ Providing statutory job training under the Industrial Safety and Health Act	・ Safety and Health Manager (1 person) ・ Management supervisor (4 persons)	Year-round
Other Safety and Health Training	・ Providing training on risk assessment results ・ Providing safety awareness enhancement training ・ Providing training on working environment measurement results	・ Personnel working at the Paju Plant	Year-round
Fire Drill	・ Conducting emergency evacuation drills ・ Conducting fire drills	・ Personnel working at the Paju Plant	Year-round

BGF Ecospecialty provides safety and health training to raise workers' safety and health awareness and prevent industrial accidents in accordance with domestic safety-related laws and regulations. The training is designed to help workers recognize hazardous and risk factors at business sites in advance and develop the ability to respond and take appropriate action in the event of an accident. Through this, the company contributes to establishing a mature safety culture among workers and preventing safety accidents.

BGFecospecialty

Category	Details	Training target	Training Period
Worker Safety and Health Training	・ Providing regular safety and health training ・ Providing safety and health training upon hiring ・ Providing special safety and health training	・ Employees	Year-round
Statutory Safety and Health Training	・ Providing statutory job training under the Industrial Safety and Health Act	・ Employees	Year-round
Safety and Health Job Training	・ Providing training on risk assessment results ・ Providing training on working environment measurement results	・ Employees	Year-round
Other Safety and Health Training	・ Providing other statutory safety-related training, including high-pressure gas, hazardous chemicals, and firefighting	・ High-pressure gas, fire safety, and hazardous materials safety managers - Hazardous chemical handlers	Year-round
Fire Drill	・ Conducting emergency evacuation drills	・ Employees	Year-round

People

Safety and Health Management

Performance

Creating a Safety Culture

BGF Ecomaterials conducts various safety training programs and campaigns for personnel working at its business sites, and strives to embed safety awareness in employees' daily routines. In 2025, the company proactively identified a total of 24 near misses, minimizing the likelihood of safety accidents. It also conducted MSLT (Management Safety Leadership Tour) four times, in which executives and the Safety Manager jointly inspected safety compliance at business sites, identifying a total of 18 improvement items. In addition, to foster a safety culture, the company operates the Employee Safety Slogan Contest and the Safety Golden Award program.

BGFecomaterials

Employee Safety Slogan Contest

Increasing employee interest through an employee-participation contest on safety themes, with a total of 90 participants

TBM (Tool Box Meeting) Contest

Strengthening employee participation in safety activities through contests by unit organization

Safety Golden Award Program

Conducting year-end assessments and awarding outstanding performers based on individual achievements to improve safety awareness
Assessment items: compliance with the 10 Essential Safety Rules, safety slogan contest, TBM contest, risk assessment and improvement activities, and near-miss identification and improvement activities

BGF Ecospecialty operates various safety and health programs, including the HSE Program, Safety Day, weekly safety meetings and safety inspections, and Safety 1 Point Lessons, to create and embed a safety culture at its business sites. Through these programs, the company raises employees' safety awareness and continues to strengthen safety accident prevention activities.

BGFecospecialty

HSE Program Activities

Safety activity program designed to create and embed a safety culture among workers at business sites
Program items: five programs, including BBS, TPR, Near Miss, Safety Sticker, and HSE Innovation

Safety Day

Enhancing employees' safety awareness and emergency response capabilities
Event items: emergency response drills, hazardous chemical employee training, CPR, and fire hydrant discharge drills

Weekly Safety Meetings and Safety Inspections

Continuously preventing safety accidents through weekly safety meetings and site safety inspections

Safety 1 Point Lesson

Continuously providing environmental and safety-related information to help employees acquire safety and environmental knowledge

KNW conducts various safety training programs and campaigns for personnel working at its business sites, and works to embed safety awareness in employees' daily routines. In 2025, the company proactively identified and addressed a total of 41 near misses, making efforts to minimize the likelihood of safety accidents. As a result, it achieved an action rate of 95% for risk groups. In addition, KNW operates a safety culture contest and award programs to promote safety culture activities.

Safety and Health Training

Category		Unit	2023	2024	2025
BGF Ecomaterials	Number of trainees	Persons	169	162	181
	Completion Rate	%	100	100	100
BGF Ecosolution	Number of trainees	Persons	-	-	31
	Completion Rate	%	-	-	100
KNW	Number of trainees	Persons	232	225	232
	Completion Rate	%	100	100	100
BGF Ecospecialty	Number of trainees	Persons	134	142	145
	Completion Rate	%	100	100	100

Industrial Accident Rate

Category		Unit	2023	2024	2025
BGF Ecomaterials	Accidents	%	0	0.48	3.33
	Occupational diseases	%	0	0	0
BGF Ecosolution	Accidents	%	0	0	0
	Occupational diseases	%	0	0	0
KNW	Accidents	%	2.50	0	0
	Occupational diseases	%	0	0	0
BGF Ecospecialty	Accidents	%	0	0	0
	Occupational diseases	%	0	0	0

People

Human Rights and Diversity

Strategy

BGF Ecomaterials and its Materials Sector affiliates respect the human dignity and right to pursue happiness of stakeholders, including employees, customers, franchisees, and partners. They support international standards and guidelines related to human rights and labor under the UN Global Compact Ten Principles, and strive to comply with labor and human rights laws and regulations in all regions where they operate.

Status of Major Affiliates

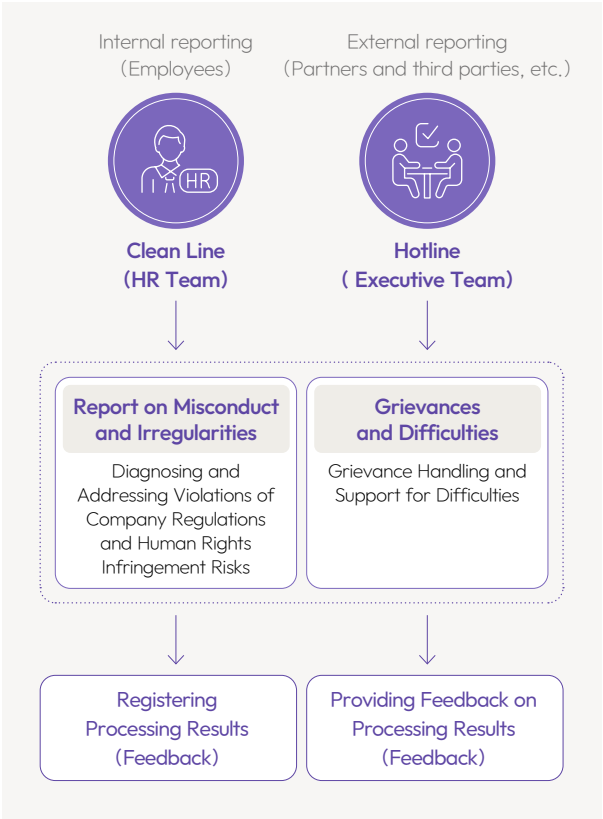
BGF Ecospecialty respects the human dignity and right to pursue happiness of stakeholders, including employees, customers, and partners. In addition, BGF supports international standards and guidelines related to human rights and labor under the UN Global Compact Ten Principles, and strives to comply with labor and human rights laws and regulations in all regions where it operates.

Performance

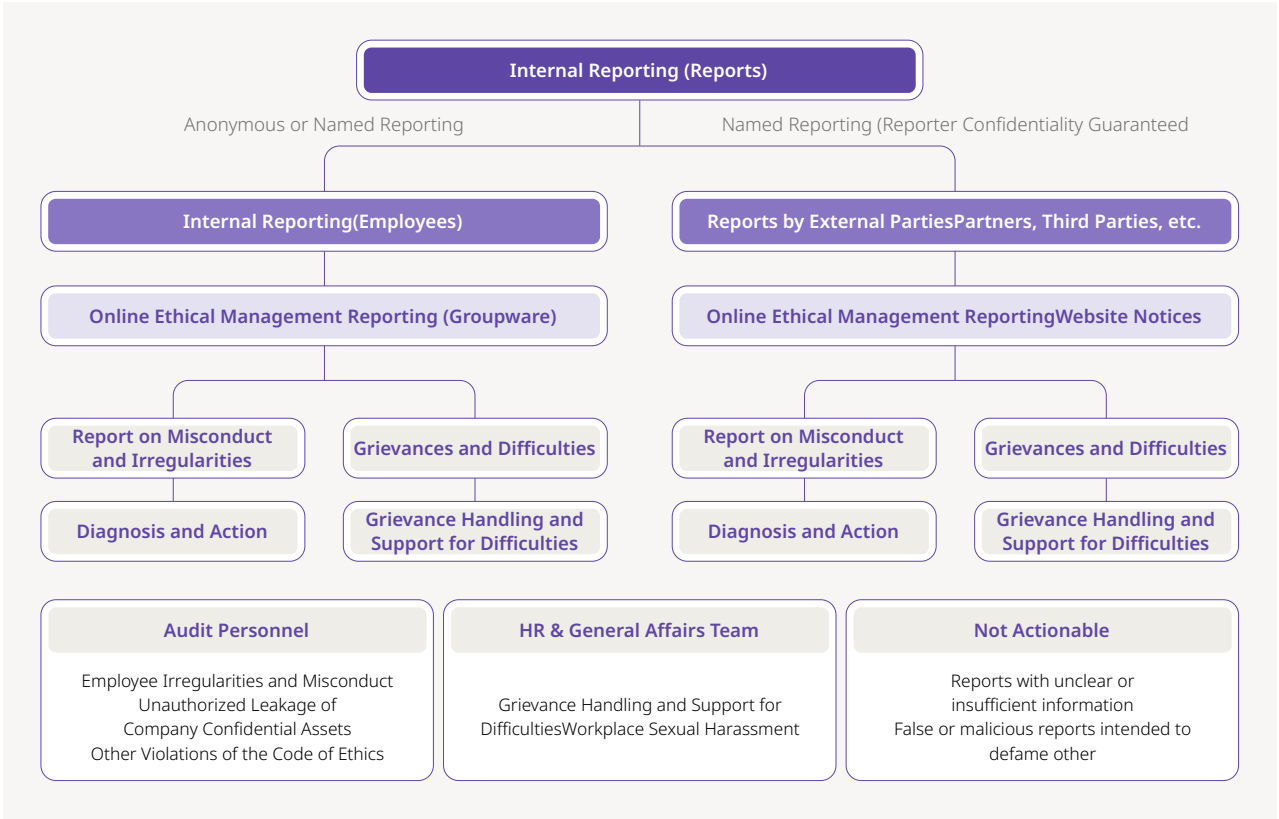
Human Rights Grievance Handling Channels

BGF Ecomaterials and its Materials Sector affiliates operate the Clean Line system, through which individuals may report conduct that they have experienced or witnessed that violates the principles of human rights management. Clean Line is based on a platform operated by an independent external institution, ensuring strict protection of the reporter's anonymity and confidentiality of the report details. The companies also identify human rights risks through control systems such as the Hotline.

BGF Ecomaterials and KNW receive reports through various channels, including online reporting via groupware, reporting channels on the website, and offline suggestion boxes. In 2025, there were no human rights-related reports

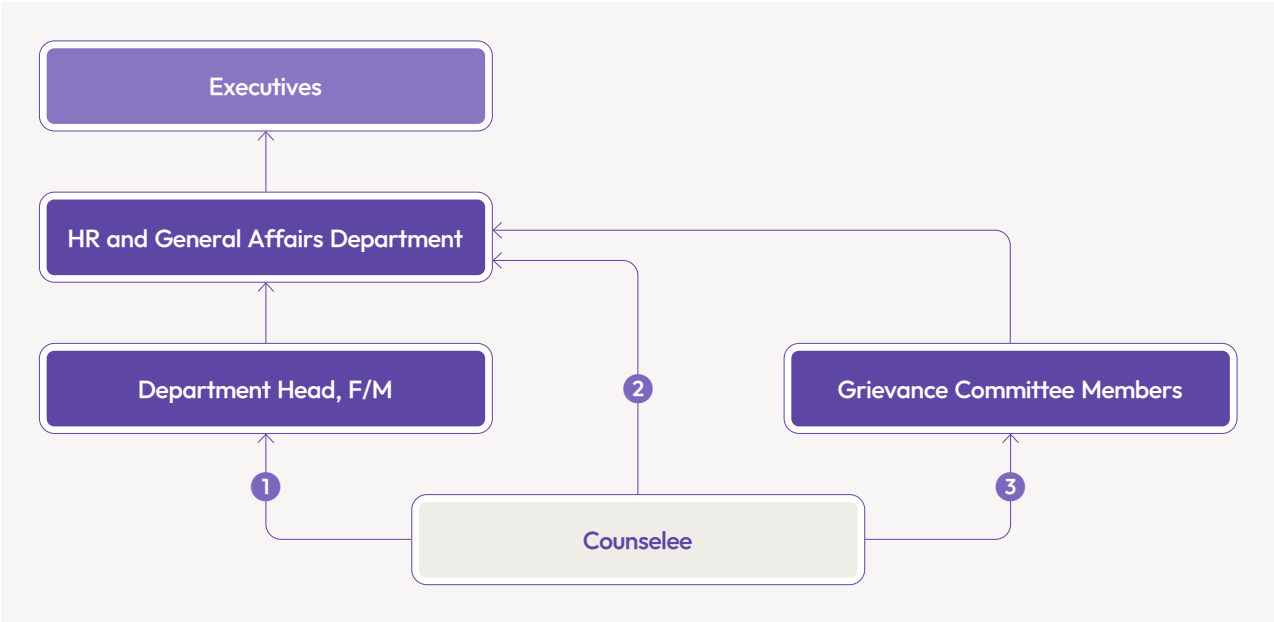


Internal Reporting Process for Ethical Management



People Human Rights and Diversity

BGF Ecospecialty respects the Group's principles of human rights management. Under its Code of Ethics, the company strictly prohibits the acceptance of gratuities or benefits from stakeholders, entertainment and hospitality, provision of favors, receipt of debt repayment or guarantees, borrowing of movable or immovable property, and promises of future benefits. The company has also established procedures for its grievance handling system, which enables counseling and resolution from a collaborative standpoint for various workplace grievances that may arise during employment. In 2025, there was one human rights-related report.



* The counselor selects one of methods ①, ②, and ③.

Employee Human Rights Training

BGF Ecomaterials and its Materials Sector affiliates provide statutory training to embed human rights awareness among employees, including training on the prevention of sexual harassment, workplace harassment, and improving awareness of persons with disabilities. In addition, they provide human rights training content through the online learning platform BSA, enabling employees to take courses voluntarily and helping to spread a culture of respect for human rights.

BGF Ecospecialty conducts legally required training every year for employees to embed human rights awareness, including training on the prevention of workplace sexual harassment, workplace harassment, and improving awareness of persons with disabilities. The company also provides content through its online learning platform so that employees can voluntarily take human rights training, thereby working to expand a culture of respect for human rights.

People

Product Safety and Quality

Governance and Strategy

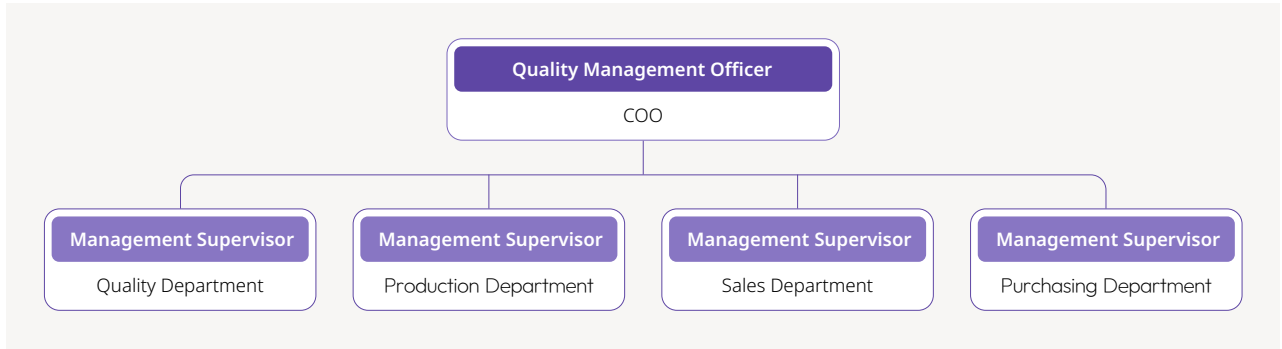
Creating a Safety Culture

BGF Ecomaterials and its Materials Sector affiliates have obtained international standard certifications, securing quality reliability across the overall manufacturing process. Based on digital systems, each affiliate systematically monitors the entire process, from raw and subsidiary materials to final products. In addition, they proactively manage risks through regular audits and partner assessments, and carry out continuous improvement activities, thereby establishing a virtuous cycle that strengthens customer satisfaction and quality competitiveness.

Status of Major Affiliates

BGF Ecomaterials and KNW have established and shared a Quality Management Policy to provide the highest level of quality and service that satisfies customers. They have also formed and operate a dedicated quality management organization. By designating a Quality Management and Safety and Health Manager (COO) and management supervisors, they manage product safety and quality in a responsible manner.

Quality Management Organization



Quality Management Policy

Safety and quality are our top priorities.

We supply products that earn customer trust and deliver the highest level of satisfaction.

We carry out quality assurance activities with the participation of all employees.

Quality Management Policy

We achieve customer satisfaction with quality through new technology development.

We strengthen our competitiveness.

We practice autonomous and responsible management while pursuing sound, substantive management.

BGF Ecomaterials and KNW have obtained ISO 9001 Quality Management System certification, an international quality management certification covering the entire manufacturing process. They continue to advance their quality management operations through annual surveillance audits conducted by third-party certification bodies.

In addition, BGF Ecomaterials obtained IATF 16949 certification, the international automotive quality management system standard, in 2006 to strengthen quality assurance for plastic materials and advanced materials used in automobiles.



▲ IATF 16949 Certificate (BGF Ecomaterials) ▲ ISO 9001 Certificate (KNW)

products. Through its quality management system, the CEO ensures that the company's circumstances and strategy are aligned with its quality policy. To put this into practice, the company clearly assigns responsibilities and authority to each person[object Object] in charge, while continuously improving its quality management system based on the participation of all employees.

BGF Ecosolution carried out regular QMS revisions, internal audits, and surveillance audits from April to October 2025 to ensure the reliability of its Quality Management System (QMS) and maintain external certification.

The company revised its quality manual to reflect the 2025 quality policy and organizational direction, and conducted internal audits across all departments from April to June. After a corrective action period from July to August, it completed improvement actions for non-conformities and successfully responded to the surveillance audit in October, thereby maintaining its certification.

Through these efforts, BGF Ecosolution advanced its system by updating the quality manual, achieved proactive risk management and process alignment across all departments through internal audits, and established a quality management foundation that enables continuous improvement by securing a system for managing corrective action history.

Quality Management Goals

Improving productivity

Reducing costs

Standardizing work through quality management and implementing standardized processes

People

Product Safety and Quality

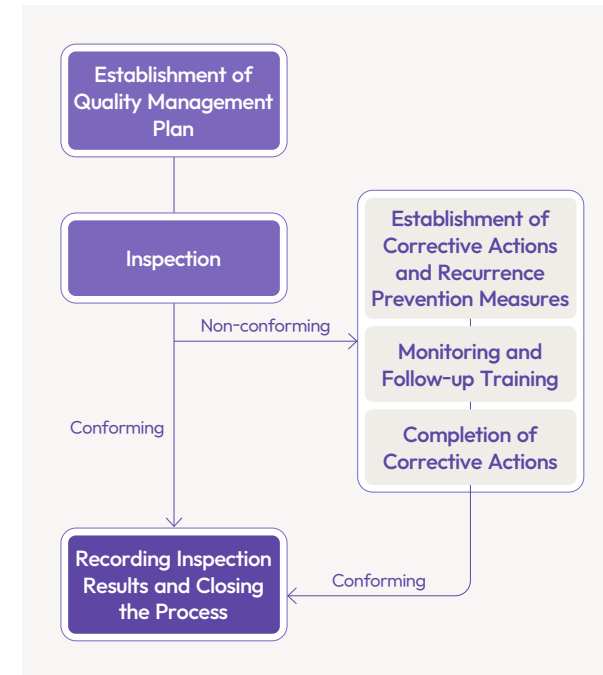
Governance and Strategy

Creating a Safety Culture

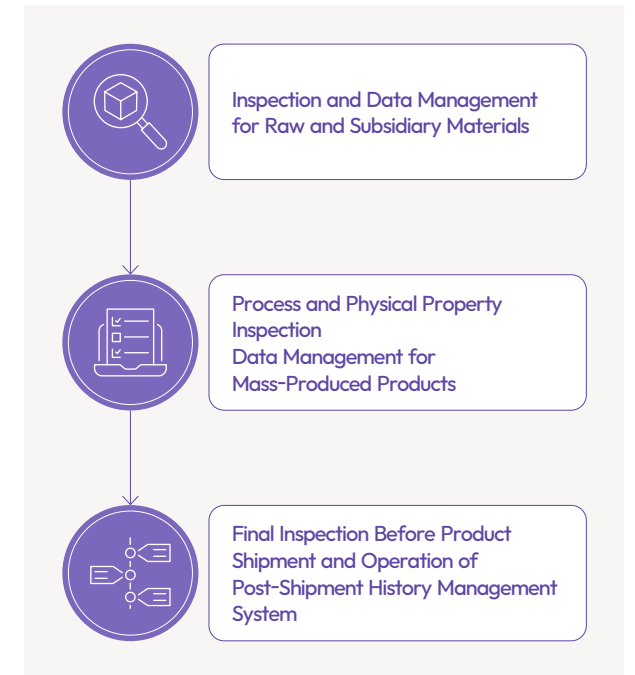
BGF Ecomaterials manufactures materials using a wide range of raw and subsidiary materials, and has established a quality management process across all manufacturing processes to ensure safe product production and quality assurance. The company systematically manages product quality operations using its ERP system. Each year, it identifies quality-related risks through regular inspections, registers them by type, and establishes corrective actions and recurrence prevention measures. In addition, BGF Ecomaterials promotes product quality stabilization through regular inspections of partners, while entering into inspection agreements for all product items and monitoring CoA (Certificate of Analysis) to assess whether stability and performance requirements for product and raw and subsidiary material quality management are met. Furthermore, during quality inspections, the company communicates closely with partners to prevent quality issues related to raw and subsidiary materials in advance, and has established a quality claims response process to provide prompt feedback and carry out improvement activities.

BGF Ecosolution is a company that produces compound and sheet products based on raw material processing. Through its quality management system across the entire manufacturing process, the company focuses on securing product safety and quality reliability. Quality operations are managed through groupware (G/W) and other systems, and risks are proactively identified through regular quality inspections. The company also carries out continuous improvement activities through corrective and preventive actions. In addition, BGF Ecosolution secures the stable quality of raw materials through regular evaluations and quality management activities for outsourced vendors, and continuously verifies whether product requirements are met through CoA (Certificate of Analysis) and specification monitoring. The company also operates a customer management process to establish a prompt and systematic response system, thereby enhancing customer satisfaction and strengthening quality competitiveness.

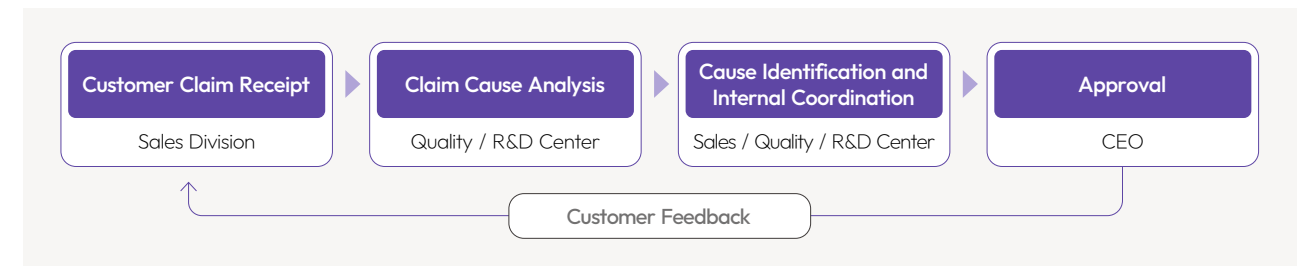
Quality Management Process



Product-Specific Quality Risk Management



Quality Claim Procedure



* When feedback is provided, customer damage relief is handled through internal consultation.

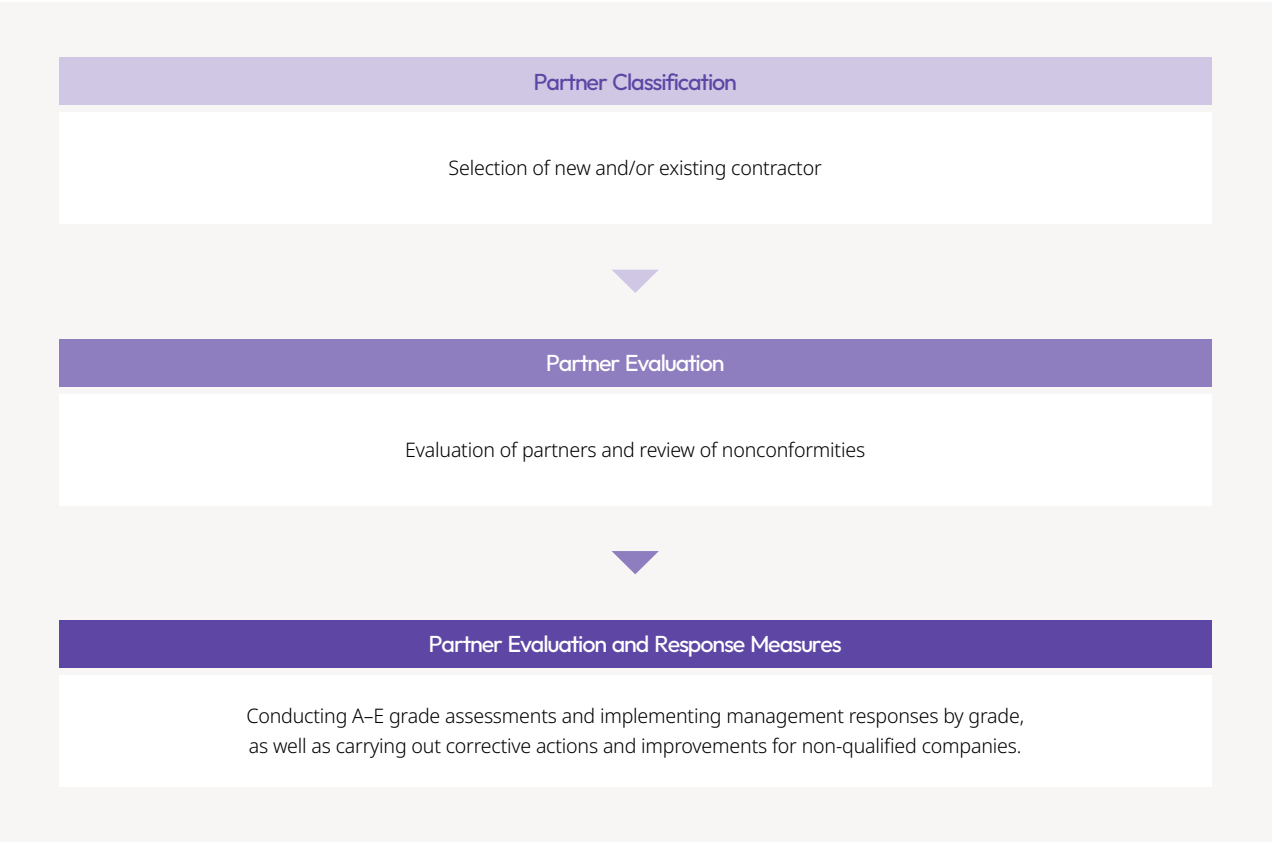
Partner

Supply Chain Management

Performance

BGF Ecomaterials defines manufacturers of raw and subsidiary materials, suppliers of processed products and packaging materials, and sellers of standard products as its key partners. To reduce quality risks arising across the supply chain, purchasing staff conduct annual regular evaluations of partners.

The evaluation criteria include possession of quality management system certification, customer satisfaction, on-time delivery rate, and quality compliance. Based on the evaluation results for each item, partners are assigned grades from A to E and managed by grade. To minimize risks across the supply chain, the company maintains contracts only with partners rated C or higher. It has also established a supply chain sustainability policy and disclosed it on its website.



Partner

Customer Satisfaction and Convenience

Governance and Strategy

Based on its corporate philosophy of being A good friend to customers and society, BGF Ecomaterials and its Materials Sector affiliates place customers at the center of their management activities. They operate systems to consistently provide high-quality products and services at customer touchpoints, and carry out activities to enhance customer satisfaction through communication with customers.

BGF Ecomaterials conducts an annual satisfaction survey of its major customers to enhance trust through communication with customers and promote the continuous improvement of its products and services. The survey items consist of customer response, product satisfaction, and other matters. Based on the customer survey results, the company identifies areas for improvement and carries out improvement activities. The survey results and improvement measures are regularly reported to the CEO.

BGF Ecomaterials enters into Quality Inspection Agreements with partners to secure the quality stability of major products and enhance customer satisfaction. Under these agreements, pre-shipment inspections are mandatory before products are shipped. When abnormal items are identified, shipment is suspended, and the company determines whether to reship the products after cause analysis. This preventive quality management system helps prevent customer claims in advance, while also serving as a foundation for supplying safer and more reliable products.

Partner

Customer Satisfaction and Convenience

Performance

BGF Ecomaterials and its Materials Sector affiliates protect customer rights and interests through an integrated management process that systematically receives, analyzes, and provides feedback on VOC, or Voice of Customer. They also analyze and assess opportunities and risks at the company-wide level, and establish and operate systematic response plans. In particular, for high-risk items, they strengthen business stability by taking immediate improvement actions and conducting continuous follow-up management.

Status of Major Affiliates

BGF Ecomaterials operates a standardized customer complaint handling system to respond systematically to customer complaints. When an issue occurs, it is registered in the customer complaint ledger (ERP), and the relevant details are shared with the quality and related departments. The company then establishes countermeasures and provides feedback to the customer. Afterward, it reviews the handling results through an effectiveness assessment.

KNW receives customer VOC, or Voice of Customer, through channels such as phone, email, and visits. After classifying customer opinions and requests, the company promptly forwards them to the relevant departments. Each department identifies the cause, completes internal actions, and informs the customer of the results and improvement actions. In addition, all customer VOC cases are recorded in the system and periodically analyzed, and the findings are actively used for quality improvement and internal improvement activities.

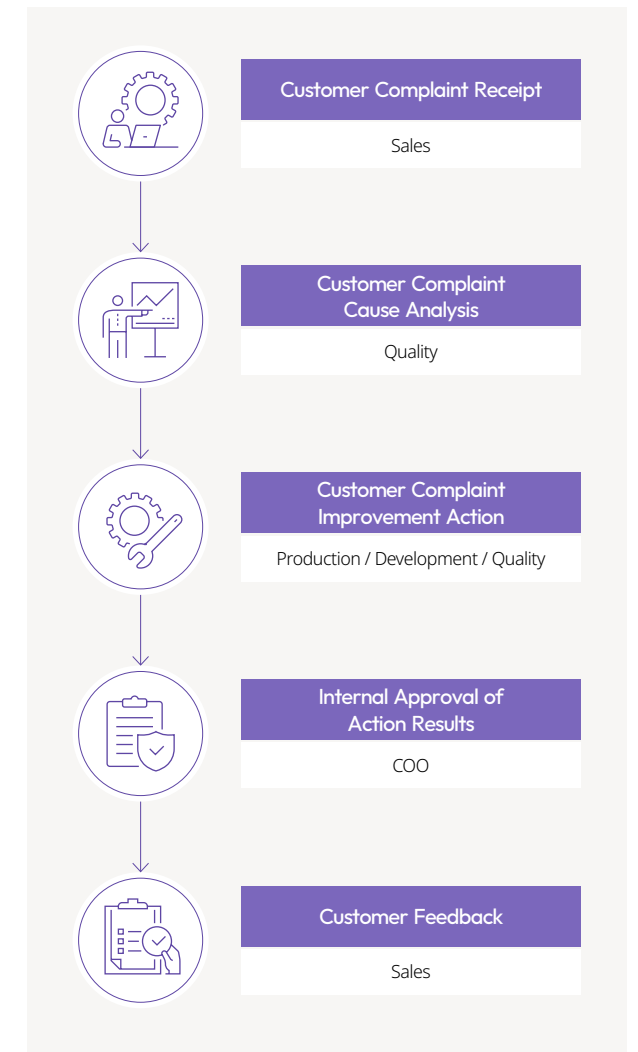
Claim Handling Process



BGF Ecosolution has been digitizing its VOC handling process based on groupware (G/W) since March 2026 to overcome information omissions and limitations in history management under the previous manual and individually managed approach. Through this system, the entire process from VOC receipt to analysis, action, and completion is managed in an integrated manner, while cause analysis, improvement actions, and recurrence prevention measures are systematically handled through standardized input forms and approval workflows. The system is being applied first mainly in the sales and quality divisions, and is expected to help prevent recurrence based on VOC data, proactively improve quality, enhance customer response speed and reliability through real-time processing status management, and improve operational efficiency.

BGF Ecospecialty conducts company-wide opportunity and risk analyses to secure business stability. The assessed risks are classified into improvement, maintenance, and monitoring, and systematic response plans are established and operated accordingly. In particular, the company takes immediate improvement actions for high-risk items, and controls potential risks through thorough follow-up management, including the completion of most improvement tasks.

Customer Requirements Management Process



Partner

Information Security

Governance and Strategy

BGF Ecomaterials and its Materials Sector affiliates have established and operate a company-wide security system to ensure the confidentiality, integrity, and availability of information assets. They protect core data from external threats through technical, managerial, and physical safeguards, while continuously strengthening a secure information management environment.

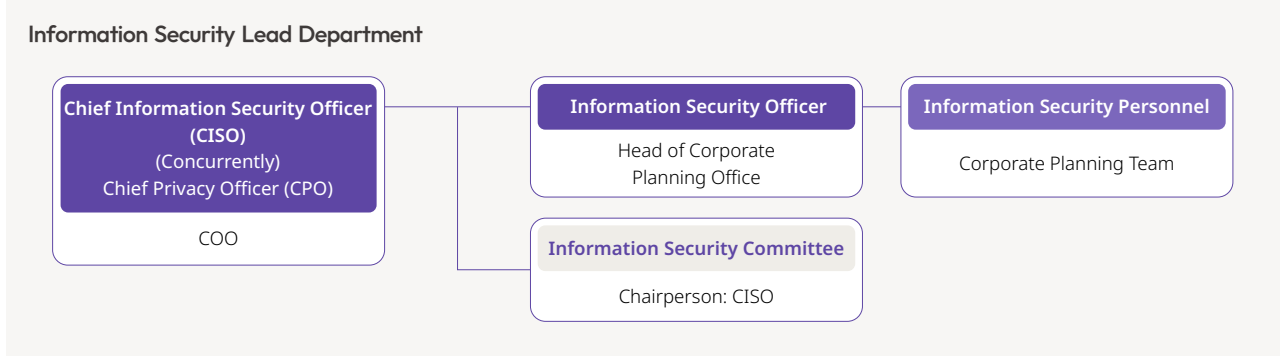
Status of Major Affiliates

Information Security Activities

In accordance with its information security management regulations, BGF Ecomaterials provides training to ensure that all employees and external companies comply with security regulations, thereby preventing the risk of leakage of personal information and information assets. In addition, when information security-related laws are revised, the company promptly reflects the changes in its internal management regulations. It also strengthens its information security capabilities by upgrading systems in line with the latest cybersecurity trends.

Management Organization

BGF Ecomaterials has appointed the COO as the Chief Privacy Officer (CPO) and Chief Information Security Officer (CISO), establishing an information security management system and managing and supervising overall information security activities, including the prevention of security incidents. Cybersecurity strategy is overseen by the Head of the Corporate Planning Office, who also serves as Chairperson of the Information Security Committee. The Information Security Committee and the dedicated information security organization under it establish work regulations and processes, and manage information security-related matters. In addition, the Corporate Planning Team, which serves as the security management department, continuously monitors information security status in accordance with the manual and carries out activities to prevent information leakage.



BGF Ecosolution has appointed the COO as the Chief Privacy Officer (CPO) and Chief Information Security Officer (CISO), establishing an information security management system and managing and supervising overall information security activities, including the prevention of security incidents.

BGF Ecocycle has designated its Representative Executive Officer as the Chief Privacy Officer (CPO) and Chief Information Security Officer (CISO), establishing an information security management system and managing and supervising overall information security activities, including the prevention of security incidents. The Management Support Team, which serves as the security management department, continuously monitors information security status in accordance with the manual and carries out activities to prevent information leakage.

BGF Ecospecialty has designated the Head of HR & General Affairs Department as the Chief Privacy Officer (CPO) and Chief Information Security Officer (CISO), establishing an information security management system and managing and supervising overall information security activities, including the prevention of security incidents. Cybersecurity strategy is overseen by the Head of HR & General Affairs Department, who also serves as Chairperson of the Information Security Committee. The Information Security Committee and dedicated information security organization under it establish work regulations and processes, and manage information security-related matters. In addition, the HR & General Affairs Team, which serves as the security management department, continuously monitors information security status in accordance with the manual and carries out activities to prevent information leakage.



Partner

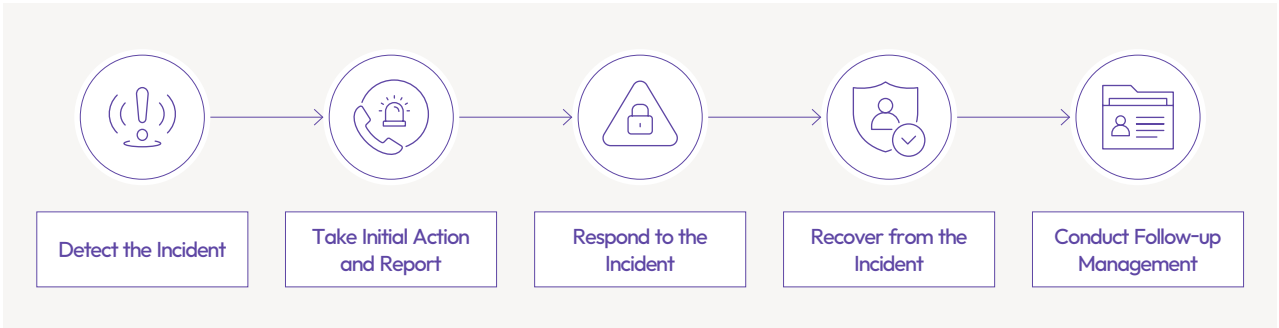
Information Security

Performance

Information Security Incident Response Activities

BGF Ecomaterials has established an incident response process to ensure swift and seamless action in the event of an information security incident. When an incident occurs, the Incident Response Team immediately performs its role in accordance with the security incident response guidelines. Over the past three years, the number of complaints related to personal information leakage, information security violations, and cybersecurity incidents has been zero.

Incident Response Process



Leakage and Violation Cases

BGF*Ecomaterials* **BGF***ecocycle* **BGF***ecospecialty*

Category	Unit	2023	2024	2025
Personal information leakage	Cases	0	0	0
Information security violations	Cases	0	0	0
Cybersecurity incidents	Cases	0	0	0

Governance

Governance

Decision-Making Body

BGF Ecomaterials systematically manages Board of Directors operation support and related administrative processes to ensure the smooth operation of its Board-centered decision-making system. The company provides overall operational support, including coordinating schedules for Board meetings, collecting agenda items, supporting preliminary reviews, and preparing meeting materials. It also ensures the efficiency and transparency of the decision-making process by recording Board resolutions and managing follow-up actions. In addition, the company complies with internal standards related to Board operations to support the stable operation of regular and ad hoc Board meetings.

Board of Directors Operation

BGF Ecomaterials regularly holds Board meetings to resolve matters stipulated by laws and the Articles of Incorporation, as well as key management issues. Ad hoc Board meetings may be convened as needed, and each director or auditor may request that a meeting be convened by presenting the agenda item and reason to the Chairperson of the Board. In accordance with Article 8 of the Board of Directors Regulations, the Board of Directors must notify each director of a meeting at least 12 hours before the meeting is held. However, if all directors agree, a meeting may be held at any time without a separate convening procedure. In addition, the company enhances the efficiency of Board operations by explaining the details of agenda items in advance before Board meetings through independent director reporting sessions. Unless otherwise specified by applicable laws and regulations, Board resolutions are passed with the attendance of a majority of directors and the approval of a majority of directors present. The Board of Directors is composed of a majority of independent directors so that independent directors can independently monitor and check executives. In addition, directors with a special interest in an agenda item are restricted from exercising voting rights, thereby institutionally preventing the possibility of conflicts of interest. In 2025, the Board of Directors held a total of seven meetings, and 19 agenda items were reported or approved. The Board Chairperson's attendance rate was 71%.

Board Expertise and Diversity

BGF Ecomaterials complies with applicable laws and regulations and the Articles of Incorporation when forming the Board of Directors to secure the Board's expertise and independence. Directors are appointed by considering experience and expertise in various fields, including management, finance, and industry. As of 2025, the Board of Directors consists of executive directors and an independent director, thereby securing the independence of the Board. In forming the Board, the company considers diverse backgrounds and experiences to avoid bias toward specific interests, enabling reasonable and balanced decision-making. The Board of Directors consists of four members: three executive directors and one independent director. The ratio of independent directors is maintained at 25%. Meanwhile, there are currently no female directors on the Board, and the company plans to continue reviewing measures to expand diversity going forward.

Board of Directors Composition

(As of April 2026)

Board of Directors	Name	Gender	Area of Expertise	Position in the Company	Term
Executive Director	Jung-Hyuk Hong	Male	General Corporate Management	CEO, Chairperson of the Board	December 22, 2021 – March 2027
	Hyun-Dai Park	Male	General Corporate Management	COO	March 26, 2026 – March 2029
	Kang-Min Kim	Male	General Corporate Management	Head of Corporate Planning Office	December 22, 2021 – March 2027
Independent Director	Jong-Chan Lee	Male	Chemistry	Independent Director	December 22, 2021 – March 2027

Director Appointment Process and Term of Office

BGF Ecomaterials appoints directors at the General Meeting of Shareholders in accordance with Article 382 of the Commercial Act and Article 32 of the Articles of Incorporation. For executive directors, the company forms a candidate pool from among non-registered executives and selects candidates who are most suitable in terms of expertise, vision, and leadership. For independent directors, the company appoints individuals with expertise and experience across management and industry so that they can perform their duties independently. In the director appointment process, the company takes care to avoid bias toward specific interests, and forms the Board of Directors so that it can make independent decisions. In addition, by including an independent director on the Board, the company ensures that checks and monitoring of executives are carried out appropriately. The current Board maintains a structure that includes an independent director, thereby securing the independence and transparency of the Board.

Protection of Shareholder Rights

BGF Ecomaterials complies with the standards for operating the General Meeting of Shareholders under applicable laws and regulations and the Articles of Incorporation to protect shareholder rights and ensure fair participation in decision-making. When holding a General Meeting of Shareholders, the company provides prior notice of agenda items, schedule, location, and other matters in accordance with legal standards, and supports shareholders in participating in decision-making based on sufficient information. As of 2025, the total number of issued shares was 62,766,899, of which 61,924,200 were voting shares and 842,699 were non-voting shares. Based on this, the company manages the operation of the General Meeting of Shareholders and related procedures to ensure that shareholders' voting rights are properly guaranteed. In 2026, the company disclosed key matters, including the date, time, location, and agenda items of the General Meeting of Shareholders, through the electronic disclosure system 20 days before the meeting date, and sent a notice of convocation to shareholders holding at least 1% of the total issued shares.

Exercise of Voting Rights

At the General Meeting of Shareholders, shareholders may exercise their voting rights by attending in person, attending by proxy through a power of attorney, or using electronic voting. Through the implementation of the proxy solicitation system and voluntary participation in the General Meeting of Shareholders voluntary dispersion program, the company supported shareholders in attending the General Meeting of Shareholders smoothly and exercising their voting rights as easily as possible. Under the company's Articles of Incorporation, the total number of authorized shares is 200,000,000. As of May 2026, the number of issued shares was 62,766,899. Excluding 842,699 treasury shares, 61,924,200 shares carry voting rights. All shareholders hold one voting right per share under the Commercial Act, and the company strives to ensure the fair exercise of shareholders' voting rights in accordance with the Commercial Act and applicable laws. In addition, shareholders may exercise their shareholder proposal rights in writing or by electronic document up to six weeks before the date of the annual General Meeting of Shareholders, in accordance with the Commercial Act. When a shareholder proposal is received, the company verifies shareholder status in accordance with internal standards and procedures, conducts a legal review of the proposed agenda item, and reports it to the Board of Directors. If the content of the shareholder proposal does not violate laws, regulations, or the Articles of Incorporation, the Board of Directors places it on the agenda of the General Meeting of Shareholders. Whether the agenda item is adopted, or the reason for non-adoption, is provided by electronic document. At the request of the proposing shareholder, the company includes the relevant details in the notice of convocation for the General Meeting of Shareholders and provides the shareholder with an opportunity to explain the agenda item at the meeting.

PART 3.

Group Sector

CONTENTS

100 Governance



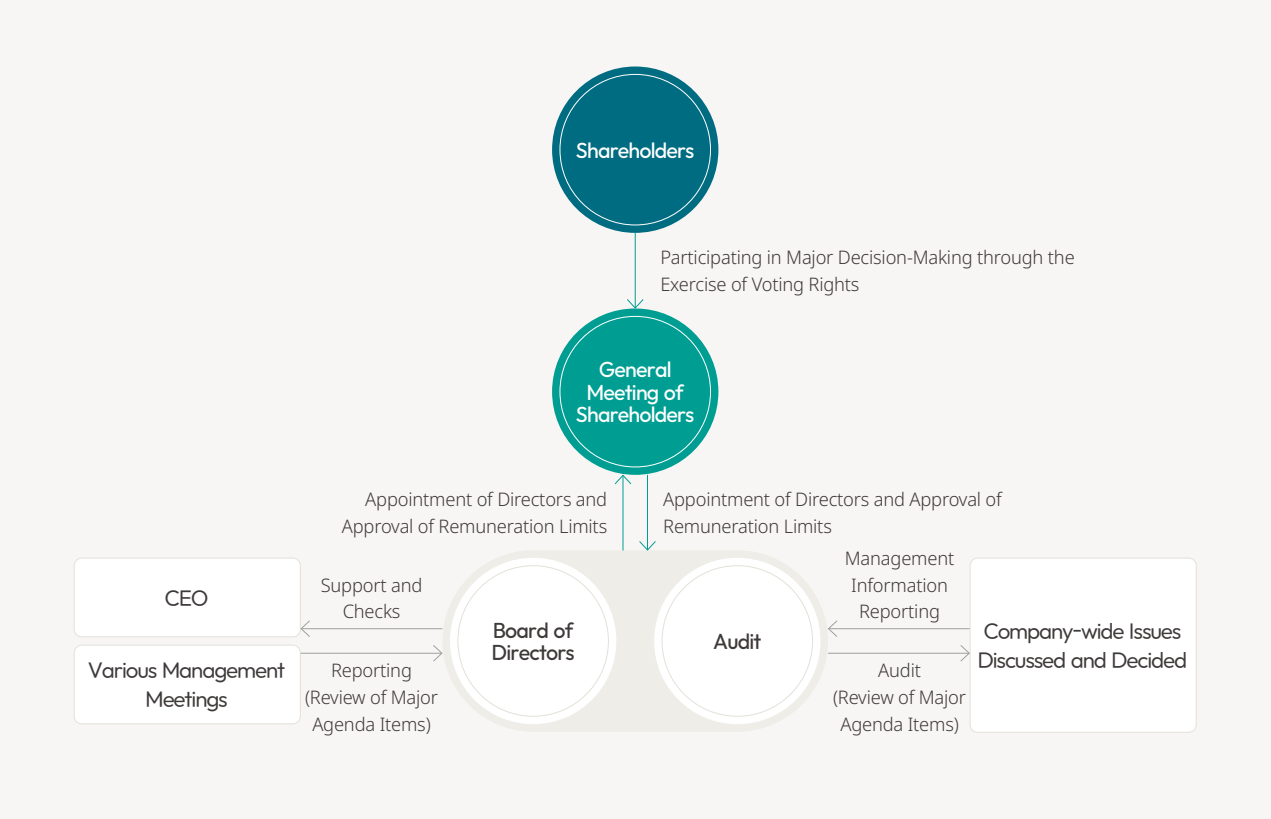
Governance

Governance

Decision-Making Body

BGF has established an institutional foundation for reasonably coordinating the opinions of internal and external stakeholders, and manages its organizational structure to ensure that executive decision-making and working-level operations are carried out fairly. In addition, through a Board-centered management system, BGF ensures that mutual checks and balances between the Board of Directors and executives function effectively. Through these efforts, the company strives to maximize shareholder interests and corporate value, and to establish sound governance. The Board of Directors resolves matters stipulated by laws and regulations or the Articles of Incorporation, matters delegated by the General Meeting of Shareholders, and important matters concerning the company's basic management policies and business execution. It also reflects stakeholder opinions, supports sound decision-making by executives, and supervises business execution.

Decision-Making Process



Board of Directors Operation

BGF regularly holds Board meetings to resolve matters stipulated by laws and regulations and the Articles of Incorporation, as well as major management issues. Ad hoc Board meetings may be convened as needed, and each director or auditor may request that a meeting be convened by presenting the agenda item and reason to the Chairperson of the Board. In accordance with Article 8 of the Board of Directors Regulations, the Board of Directors notifies each director of a meeting at least 12 hours before the meeting is held. However, if all directors agree, a meeting may be held at any time without a separate convening procedure. In addition, BGF enhances the efficiency of Board operations by explaining the details of agenda items in advance before Board meetings through independent director reporting sessions. Unless otherwise specified by applicable laws and regulations, Board resolutions are passed with the attendance of a majority of directors and the approval of a majority of directors present. The Board is structured so that independent directors account for a majority, thereby securing independent monitoring and checks on executives. In addition, directors with a special interest in an agenda item are restricted from exercising voting rights, thereby institutionally preventing the possibility of conflicts of interest.

Committees under the Board of Directors

BGF has established and operates the Internal Transaction Committee and the Independent Director Candidate Recommendation Committee under the Board of Directors. The Internal Transaction Committee is responsible for reviewing and approving internal transactions among affiliates, and performs its duties under the relevant authority delegated by the Board of Directors to enhance management transparency. The Independent Director Candidate Recommendation Committee was established by resolution of the regular Board meeting in November 2021, and consists of two independent directors and one executive director. Both committees are composed of directors with expertise in their respective fields, and perform monitoring and advisory roles on key matters by receiving delegation of certain Board functions in accordance with laws and regulations and the Articles of Incorporation.

Governance

Governance

Board Expertise and Diversity

BGF strives to compose its Board of Directors by considering expertise and diversity to support the company's sustainable growth and enhance corporate and shareholder value.

Although BGF is not subject to the obligation to establish an Independent Director Candidate Recommendation Committee, the company established the committee in 2021 to strengthen the independence and fairness of the independent director appointment process. It selects candidates who have extensive experience in their respective fields of expertise and meet the qualification requirements for independent directors.

In addition, when selecting independent directors, BGF does not impose restrictions based on gender, age, region of origin, nationality, race, experience, or background, so that independent directors do not represent specific interests. The company actively reflects the diversity of Board members to enable the Board of Directors to make decisions based on a broad range of perspectives.

Meanwhile, when shareholder proposals related to director appointments are submitted in accordance with applicable laws, the Board of Directors submits them as agenda items for the General Meeting of Shareholders within the legally permitted scope.

Board of Directors Composition

(As of April 2026)

Board of Directors	Name	Gender (Age Group)	Area of Expertise	Position	Major Career	Term of Office (Initial Appointment Date / Term Expiration Month)
Executive Director	Jung-kuk Hong	Male (40s)	General Management	· Chairperson of the Board · Member, Independent Director Candidate Recommendation Committee	· Current: CEO, BGF · Former: Head of Management Strategy Division, BGF Retail	November 2013 – March 2028
	Cheol-Han Ryu	Male (50s)	General Management	· Member, Internal Transaction Committee	· Current: Finance Lead, BGF; Former: Head of Financial Accounting Department, BGF Retail	March 2020 – March 2029
Independent Director	Sang-Chul Cho	Male (50s)	Legal	· Chairperson, Internal Transaction Committee · Member, Independent Director Candidate Recommendation Committee	· Current: Attorney, Bae, Kim & Lee LLC · Current: Independent Director, BINEX Co., LTD	March 2026 – March 2029
	Bong-Hwan Kim	Male (50s)	Economics	· Member, Internal Transaction Committee · Chairperson, Independent Director Candidate Recommendation Committee	· Current: Professor, Graduate School of Public Administration, Seoul National University · Current: Independent Director, Hanwha Ocean Co., LTD	March 2023 – March 2029

Director Appointment Process and Term of Office

BGF appoints directors at the General Meeting of Shareholders in accordance with Article 382 of the Commercial Act and Article 32 of the Articles of Incorporation.

For executive directors, BGF forms a candidate pool from among non-registered executives and selects the most suitable candidates by comprehensively considering their expertise, vision, and leadership.

For independent directors, BGF selects candidates with expertise, extensive experience, and insight through independent and fair verification and deliberation by the Independent Director Candidate Recommendation Committee. The company appoints individuals who can supervise directors and company management from an independent position, without any conflict of interest with the company or the largest shareholder.

Independent director candidates are submitted to the General Meeting of Shareholders as individual agenda items, and their term of office is within three years from the date of appointment.

Independence and Transparency of Independent Directors

BGF stipulates in its Articles of Incorporation that at least one-fourth of the Board members must be independent directors. Currently, independent directors account for 50% of all directors, representing a majority of the Board.

The ratio of independent directors on the Internal Transaction Committee and the Independent Director Candidate Recommendation Committee, which are committees under the Board of Directors, is 66.7% for each committee. Both committees are chaired by independent directors, thereby securing the independence of committee operations.

In accordance with the Articles of Incorporation, the CEO concurrently serves as Chairperson of the Board by resolution of the Board of Directors. This is intended to improve management efficiency and enhance shareholder value through prompt decision-making based on industry understanding and management expertise.

In addition, to secure the independence of independent directors, BGF specifies the authority and duties of directors in the Board of Directors Regulations and other rules, and operates various systems, including directors and officers liability insurance, to enable independent directors to perform their roles independently.

BGF also strengthens the transparency of its governance by transparently disclosing the activities of the Board of Directors and its committees through its business report, governance report, and other disclosures.

Governance

Governance

Board Evaluation

Since 2022, BGF has conducted evaluations of the Board of Directors and independent directors to enhance the efficiency of Board operations and strengthen trust in governance. The annual Board evaluation covers various areas, including the roles and expertise of the Board of Directors, as well as the structure and operation of committees. It is conducted as a self-assessment of all Board members.

In addition, BGF conducts a separate self-assessment of independent directors, evaluating factors such as diligence, expertise, and contribution. The evaluation results are used to identify improvement measures for efficient Board operations, and are also used as reference materials when the Independent Director Candidate Recommendation Committee discusses candidate appointments.

In the 2025 self-assessment of the Board of Directors and independent directors, the average score was 4.99 out of 5, representing an excellent evaluation. The evaluation results and improvement plans were reported to the Board of Directors.

Board Compensation

The remuneration of registered directors and auditors is paid within the director remuneration limit approved by the General Meeting of Shareholders, in accordance with applicable laws and the Articles of Incorporation. Remuneration consists of salary, bonuses, variable pay, and other earned income. Among these, variable pay is calculated each year by the Board of Directors based on annual performance indicators, applying weights to detailed individual evaluation items.

The remuneration of independent directors and auditors consists of salary, and the annual salary is divided into 12 monthly installments. The director remuneration limit approved by resolution of the General Meeting of Shareholders in March 2025 was KRW 5 billion.

Board Training

BGF provides Board training every year to enhance directors' ESG expertise. In 2025, the company conducted training on corporate response strategies for greenwashing risks. BGF Group plans to continue carrying out activities to support efficient and professional decision-making by its highest decision-making body.



▲ Board Training

Protection of Shareholder Rights

BGF carries out various activities to protect shareholder rights, including transparent information disclosure and active communication, to achieve both corporate growth and enhanced shareholder interests, and to become a company trusted by shareholders.

In particular, to enable as many shareholders as possible to participate in management decision-making and sufficiently review agenda items, BGF discloses matters related to the General Meeting of Shareholders as promptly as possible within the deadlines prescribed by applicable laws and regulations, in accordance with Korea's Commercial Act and the Articles of Incorporation.

In 2025, BGF disclosed key matters, including the date, time, location, and agenda items of the General Meeting of Shareholders, through the electronic disclosure system 20 days before the meeting date, and sent a notice of convocation to shareholders holding at least 1% of the total issued shares.

Exercise of Voting Rights

The General Meeting of Shareholders is operated so that shareholders can exercise their voting rights by attending in person, attending by proxy through a power of attorney, or using electronic voting. Through the implementation of the proxy solicitation system and voluntary participation in the General Meeting of Shareholders voluntary dispersion program, BGF supported shareholders in smoothly attending the General Meeting of Shareholders and exercising their voting rights with ease.

Under the company's Articles of Incorporation, the total number of authorized shares is 200,000,000. As of May 2025, the number of issued shares was 95,716,791. Excluding 8,025 treasury shares, 95,708,766 shares, or 99.99% of issued shares, carry voting rights. All shareholders hold one voting right per share under the Commercial Act, and BGF strives to ensure the fair exercise of shareholders' voting rights in accordance with the Commercial Act and applicable laws.

In addition, shareholders may exercise their shareholder proposal rights in writing or by electronic document up to six weeks before the date of the annual General Meeting of Shareholders, in accordance with the Commercial Act. When a shareholder proposal is received, BGF verifies shareholder status in accordance with its internal standards and procedures, conducts a legal review of the proposed agenda item, and reports it to the Board of Directors.

If the content of the shareholder proposal does not violate laws, regulations, or the Articles of Incorporation, the Board of Directors places it on the agenda of the General Meeting of Shareholders. Whether the agenda item is adopted, or the reason for non-adoption, is provided by electronic document. At the request of the proposing shareholder, BGF includes the relevant details in the notice of convocation for the General Meeting of Shareholders and provides the shareholder with an opportunity to explain the agenda item at the meeting.

Governance

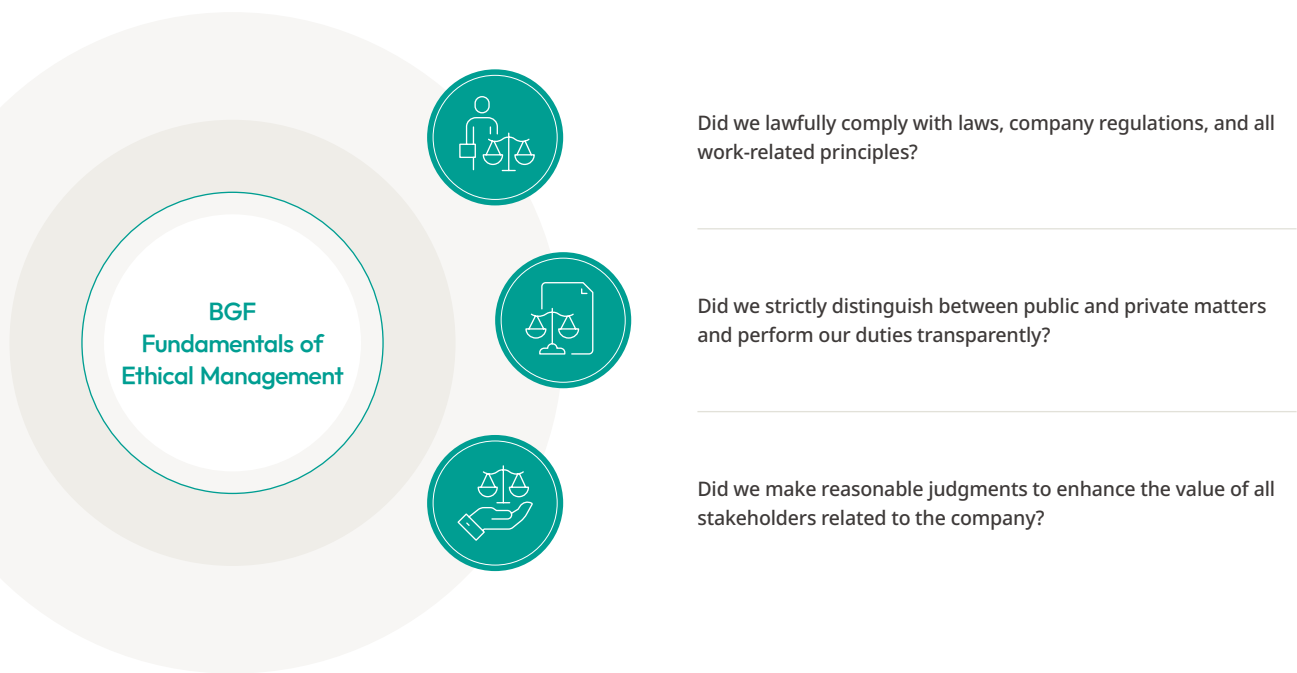
Ethical Management and Compliance

Ethical Management Organization

BGF regards ethical management as a core foundation of sustainable management, and oversees the implementation of and compliance with related policies centered on the Executive Audit Team. The responsible department checks whether ethical management policies and guidelines are implemented and complied with, and manages ethical risks through activities to prevent misconduct and irregularities in advance. In addition, BGF conducts business diagnosis and audit activities to systematically manage ethical risks at the company-wide level, thereby spreading policies and guidelines across the Group.

Ethical Management Policy and Strategy

BGF places ethical management activities and compliance management as its top management principles so that all stakeholders can perform their work based on ethical judgment. The company embeds a culture of ethical management within the organization by making it a core principle of ethical management to comply lawfully with laws and regulations, company rules, and various work-related principles; perform duties transparently; and make reasonable judgments that enhance the value of all stakeholders.



Code of Ethics and Code of Conduct

BGF has established a Code of Ethics and detailed implementation guidelines to enable employees to make sound decisions based on ethical judgment in the course of their work. In addition, recognizing its responsibility as a global corporate citizen and seeking to fulfill its responsibilities to diverse stakeholders, including customers, partners, employees, the nation, and society, BGF revised its Code of Ethics in July 2022. The revised Code of Ethics contains company-wide codes of conduct covering corruption and bribery, discrimination, information security, conflicts of interest, antitrust and anti-competitive practices, money laundering and insider trading, the environment, health and safety, and the whistleblowing system. The Employee Ethics Regulations are disclosed on the website.

BGF Code of Ethics

- 01 We provide quality products and services in a timely manner to ensure customer satisfaction, and make our best efforts to meet customer needs and expectations.
- 02 We place compliance with laws and ethics as the highest value in our management activities, and strictly distinguish between public and private matters in performing our duties.
- 03 We provide equal opportunities to all partners based on mutual trust, recognize them as strategic business partners, and pursue mutual development.
- 04 In relationships with stakeholders, including partners and public officials, we reject improper solicitation, do not request or provide unethical conduct such as money, gifts, entertainment, hospitality, financial transactions, or guarantees, and do not take any improper benefits.
- 05 We do not seek private interests by using the company's assets, information, or position, and do not engage in any improper conduct, including breach of trust, embezzlement, or misappropriation.
- 06 We strive to generate stable profits for the company through sound management activities, respect shareholder rights, and provide long-term benefits.
- 07 We build a clean organizational culture based on mutual trust and respect, and strive to improve the quality of life of all employees.

Governance

Ethical Management and Compliance

Ethical Management Reporting and Whistleblowing System

BGF operates the Ethical Management Hotline to receive reports and whistleblowing related to ethical management. The Ethical Management Hotline is a control system that enables unethical conduct by employees, including misconduct and irregularities, to be reported online, by phone, or by mail, and ensures that corrective actions are taken.

BGF thoroughly protects the identity of reporting persons and conducts investigations confidentially upon request. The Executive Audit Team, the department dedicated to ethical management, replies to reporting persons with the results after conducting fact-finding investigations. When necessary, it also shares relevant cases internally to help embed ethical management across the company and prevent recurrence of violations.

Spreading a Culture of Ethical Management Practice

BGF Group employees share awareness of ethical management and spread a culture of practice by signing the Code of Conduct compliance pledge. To raise employees' ethical awareness, BGF strictly prohibits the acceptance of any money or valuables, including holiday gifts. To share this commitment with stakeholders, BGF sends an ethical management cooperation letter under the CEO's name ahead of Lunar New Year and Chuseok.

When employees receive money or valuables, the case is handled in accordance with internal procedures. Voluntarily reported items that cannot be returned are disposed of through an in-house auction, and the winning bid amount is anonymously donated to a fund for cochlear implant surgery for children with hearing impairments.

Ethical Management Training

To practice ethical management, BGF provides various ethics training programs every year for all employees, including employees of subsidiaries. These include ethical management training, sexual harassment prevention training, workplace harassment prevention training, and disability awareness improvement training.

In addition, BGF separately operates ethical management training for position holders by job level, and holds ethical management workshops for employees of subsidiaries to unify BGF's ethical management culture.

Internal Control System

To practice ethical management, BGF has established a system for the responsibilities, obligations, and reporting structure of its internal control system. Based on this, BGF raises employees' ethical awareness and responds to social expectations for corporate ethics.

In accordance with its internal audit regulations, BGF establishes an audit plan regularly every year. The company conducts comprehensive audits that evaluate the functional execution system across overall operations and the effectiveness of business processes, identify issues, and present improvement and supplementary measures.

BGF also conducts follow-up audits to check whether corrective actions based on audit results have been implemented. In addition, it conducts special audits on an ad hoc basis for violations of the Code of Conduct, including personal information protection, bribery and anti-corruption, and discrimination. The results of special audits related to employees' violations of the Code of Conduct are transparently disclosed to employees through the intranet.

Appendix

- 106 Financial Data
- 116 ESG Data
- 178 GRI Index
- 181 UNGC

Financial Data

Business

BGF

Category		Unit	2023	2024	2025
Key Financial Performance (Consolidated)	Sales Revenue	KRW million	356,393 ³⁾	434,085	469,468
	Operating Income (Loss)	KRW million	60,570	55,229	61,174
	Pre-tax profit	KRW million	69,202	70,656	60,894
	Net Income (Loss)	KRW million	69,137	94,777	56,416
	Total Assets	KRW million	2,171,266	2,300,978	2,397,352
	Total Equity	KRW million	1,900,643	1,981,103	2,022,289
	Return on Assets (ROA ¹⁾)	%	3.4	4.2	2.4
	Return on Equity (ROE ²⁾)	%	4.8	5.4	3.4

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity
3) Excluded BGF Networks revenue within existing revenue in 2023 due to the sale of BGF Networks in July 2024

Financial Data

Business

BGF Retail

Category		Unit	2023	2024	2025
Key Financial Performance	Sales revenue	KRW million	8,194,754	8,698,757	9,061,216
	Operating profit (loss)	KRW million	253,188	251,641	253,947
	Pre-tax profit	KRW million	248,351	245,349	247,156
	Corporate tax	KRW million	52,506	50,131	51,893
	Net profit (loss)	KRW million	195,845	195,218	195,263
	Asset	KRW million	3,219,078	3,402,590	3,556,167
	Capital	KRW million	1,074,453	1,184,133	1,313,057
	Return on Total Assets (ROA ¹⁾)	%	6.4	5.9	5.6
	Return on Equity (ROE ²⁾)	%	19.2	17.3	15.6
Tax paid (consolidated basis)	Pre-tax profit	KRW million	248,351	245,349	255,225
	Nominal tax amount	KRW million	56,907	56,214	58,495
	Tax adjustment	KRW million	-4,401	-6,083	-6,602
	Effective tax rate	%	22.91	22.91	22.92
	Tax paid	KRW million	55,099	57,329	54,841
	Tax rate paid	%	22.19	23.37	21.49
Distribution of economic performance to stakeholders (based on cash flow statement)	Shareholders and Investors (Dividends)	KRW million	70,828	70,828	70,828
	Executive and employee salaries (excluding severance pay)	KRW million	218,905	248,735	259,029
	Partners	KRW million	6,664,987	7,013,554	7,238,279
	Government (cash payment of corporate taxes)	KRW million	64,537	54,870	49,556
	Community (donations)	KRW million	2,034	2,266	2,990

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

BGF Networks

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	87,061	83,029	79,645
	Operating Income (Loss)	KRW million	10,088	9,821	9,451
	Pre-tax profit	KRW million	10,842	10,163	14,087
	Net Income (Loss)	KRW million	8,405	8,087	11,746
	Total Assets	KRW million	88,018	82,111	70,593
	Total Equity	KRW million	40,579	36,248	39,365
	Return on Assets (ROA ¹⁾)	%	10	10	17
	Return on Equity (ROE ²⁾)	%	21	22	30

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

BGF Foods

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	168,291	185,624	203,302
	Operating Income (Loss)	KRW million	4,246	3,595	1,517
	Pre-tax profit	KRW million	3,234	2,755	589,320
	Net Income (Loss)	KRW million	3,203	5,174	293
	Total Assets	KRW million	63,981	86,820	90,095
	Total Equity	KRW million	17,917	42,881	43,137
	Return on Assets (ROA ¹⁾)	%	5.01	5.96	0.33
	Return on Equity (ROE ²⁾)	%	17.88	12.07	0.68

1) ROA : Net profit / average total assets

2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

BGF Humannet

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	84,978	85,306	146,190
	Operating Income (Loss)	KRW million	4,772	3,576	4,906
	Pre-tax profit	KRW million	4,824	3,718	4,926
	Net Income (Loss)	KRW million	4,420	2,820	3,740
	Total Assets	KRW million	15,407	18,845	23,488
	Total Equity	KRW million	8,955	11,737	15,541
	Return on Assets (ROA ¹⁾)	%	28.7	15.0	15.9
	Return on Equity (ROE ²⁾)	%	49.4	24.0	24.1

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

BGF Ecomaterials

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	285,659	364,314	397,886
	Operating Income (Loss)	KRW million	17,193	14,011	17,346
	Pre-tax profit	KRW million	-2,384	18,526	13,000
	Net Income (Loss)	KRW million	-9,860	15,489	10,030
	Total Assets	KRW million	570,459	715,244	781,725
	Total Equity	KRW million	436,751	493,928	499,667
	Return on Assets (ROA ¹⁾)	%	-2.1	2.2	1.3
	Return on Equity (ROE ²⁾)	%	-3.1	3.7	3.4

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

BGF Ecosolution

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	14,722	12,031	10,225
	Operating Income (Loss)	KRW million	-705	1,198	-249
	Pre-tax profit	KRW million	-555	198	-553
	Net Income (Loss)	KRW million	-555	165	-553
	Total Assets	KRW million	23,951	23,975	24,620
	Total Equity	KRW million	10,402	10,500	10,007
	Return on Assets (ROA ¹⁾)	%	-2.32	0.69	-2.25
	Return on Equity (ROE ²⁾)	%	-5.34	1.57	-5.53

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

BGF Ecocycle

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	6,531	13,034	17,003
	Operating Income (Loss)	KRW million	-1,672	-971	-2,701
	Pre-tax profit	KRW million	-1,780	-1,098	-3,507
	Net Income (Loss)	KRW million	-1,800	-1,098	-3,538
	Total Assets	KRW million	56,963	66,182	81,861
	Total Equity	KRW million	36,102	34,980	31,429
	Return on Assets (ROA ¹⁾)	%	-3.2	-1.7	-4.3
	Return on Equity (ROE ²⁾)	%	-5.0	-3.1	-11.3

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

KNW

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	95,370	78,464	81,059
	Operating Income (Loss)	KRW million	5,221	-2,285	-2,956
	Pre-tax profit	KRW million	-2,689	-2,791	-3,630
	Net Income (Loss)	KRW million	2,052	3,442	-5,767
	Total Assets	KRW million	151,824	207,622	267,118
	Total Equity	KRW million	125,109	128,147	122,065
	Return on Assets (ROA ¹⁾)	%	1.4	1.7	-2.2
	Return on Equity (ROE ²⁾)	%	1.6	2.7	-4.7

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

Financial Data

Business

BGF Ecospecialty

Category	Details	Unit	2023	2024	2025
Direct economic value generated and distributed	Sales Revenue	KRW million	65,168	47,828	52,015
	Operating Income (Loss)	KRW million	3,626	-5,384	-4,851
	Pre-tax profit	KRW million	4,396	-2,132	-2,816
	Net Income (Loss)	KRW million	4,436	-545	-2,034
	Total Assets	KRW million	127,195	179,254	249,060
	Total Equity	KRW million	112,895	162,053	159,799
	Return on Assets (ROA ¹⁾)	%	3	-0	-1
	Return on Equity (ROE ²⁾)	%	4	-0	-1

1) ROA : Net profit / average total assets
2) ROE : Controlling shareholder's net profit / Controlling shareholder's average equity

ESG Data

Environment

BGF

Greenhouse Gas

Category		Unit	2023	2024	2025	Remark
Greenhouse Gas emissions	Scope 1	tCO ₂ eq	47.1	41.8	42.8	· Office Building
	Scope 2	tCO ₂ eq	76.7	67.7	67.8	
	Scope 1&2	tCO ₂ eq	123.8	109.5	110.6	
Greenhouse Gas intensity	Intensity	tCO ₂ eq/KRW 100 million	0.21 ¹⁾	0.20 ¹⁾	0.23	

1) Greenhouse gas intensity was recalculated by applying BGF's separate-basis revenue

Energy

Category		Unit	2023	2024	2025	Remark
Direct energy usage	Total direct energy usage	TJ	0.7	0.7	0.7	· Office Building
	Stationary combustion	TJ	0.2	0.2	0.3	
	Mobile combustion	TJ	0.5	0.5	0.4	
Indirect energy usage	Total indirect energy usage	TJ	1.6	1.4	1.4	
	Electricity	TJ	1.6	1.4	1.4	
Energy Intensity	Intensity	TJ/KRW 100 million	0.004 ¹⁾	0.004 ¹⁾	0.004	

1) Energy usage intensity was recalculated by applying BGF's separate-basis revenue

Water

Category		Unit	2023	2024	2025	Remark
Water Usage		m³	848.1	726	797	· Office Building
Intensity		ton/KRW billion	14.05	13.02	16.22	

Waste

Category			Unit	2023	2024	2025	Remark
Waste	Amount of waste generated	Total waste generated	ton	9.4	6.7	5.8	· Office Building
		Municipal waste	ton	5.8 ¹⁾	3.5 ¹⁾	3.1	
	Waste recycling amount		ton	3.6	3.2	2.7	
	Waste recycling rate		%	38.3 ²⁾	47.8 ²⁾	46.6	
Legal violations	Violation of Environmental Law		Cases	0	0	0	

1) The 2023 and 2024 municipal waste data have been corrected due to an aggregation error

2) The 2023 and 2024 waste recycling rate data have been corrected due to an aggregation error

ESG Data

Environment

BGF Retail

Greenhouse Gas

Category		Unit	2023	2024	2025	Remark
Emissions (Separate)	GHG emissions intensity	tCO ₂ eq/KRW 100 million	0.099	0.101(Location-based) 0.101(Market-based) ¹⁾	0.095(Location-based) 0.095(Market-based) ¹⁾	
	Scope 1&2	tCO ₂ eq	8,063	8,657(Location-based) 8,640(Market-based) ¹⁾	8,393(Location-based) 8,380(Market-based) ¹⁾	・ The emission calculation range varies by year
	Scope 1	tCO ₂ eq	2,118	2,544	2,480	・ BGF Retail headquarters, corporate vehicle combustion volume
	Scope 2	tCO ₂ eq	5,945	6,113(Location-based) 6,096(Market-based) ¹⁾	5,913 (Location-based) 5,900 (Market-based) ¹⁾	・ BGF Retail headquarters, regional offices, directly managed stores
	Scope 3	tCO ₂ eq	2,785,579	2,907,282	2,215,593	・ BGF Retail headquarters, regional offices
	CAT 1 Purchased goods and services	tCO ₂ eq	2,270,431	2,312,975	1,572,265	
	CAT 2 Capital goods	tCO ₂ eq	35,476	19,792	17,850	
	CAT 3 Fuel-and energy-related activities (not included in Scope 1 and Scope 2)	tCO ₂ eq	617	1,017	992	
	CAT 4 Upstream transportation and distribution	tCO ₂ eq	24,667	27,670	26,558	・ Changes compared to the previous year (2025): For some centers included in the scope (Eumseong Center, Fresh Center), emissions were reclassified from Scope 1&2 (organizational boundary revised)
	CAT 5 Waste generated in operations	tCO ₂ eq	2,071	1,586	1,134	
	CAT 6 Business travel	tCO ₂ eq	3,233	3,062	3,162	
	CAT 7 Employee commuting	tCO ₂ eq	2,845	2,863	520	・ Changes compared to the previous year (2025): The number of employees covered has been revised to reflect the Scope 3 organizational boundary (BGF Retail headquarters and regional offices), with headcount adjusted accordingly (excluding Scope 1 emissions)
	CAT 12 End-of-life treatment of sold products	tCO ₂ eq	113	230	303	
	CAT14 Franchises	tCO ₂ eq	446,126	538,087	592,809	・ Calculated by applying the unit per area of the sample store according to the GHG protocol ・ Changes compared to the previous year (2025): For overseas stores that opened in 2025, when calculating annual electricity usage based on floor-area intensity, usage prior to store opening was excluded, and annual usage was calculated on a pro-rata (monthly) basis
Emissions (Consolidated)	GHG emissions intensity	tCO ₂ eq/KRW 100 million	0.78	0.76(Location-based) 0.76(Market-based) ¹⁾	0.74(Location-based) 0.74(Market-based) ¹⁾	
	Total (Scope 1 & 2)	tCO ₂ eq	63,778	66,364(Location-based) 66,347(Market-based) ¹⁾	67,026(Location-based) 67,013(Market-based) ¹⁾	・ The emission calculation range varies by year
	Scope 1	tCO ₂ eq	41,319	42,387	39,667	・ 2023: BGF Retail, BGF Logis, BGF Foods ・ 2024: BGF Retail, BGF Logis, BGF Foods, BGF Networks (BGF Networks was included in the consolidated scope in July 2024, and emissions were calculated for July–December 2024.) ・ 2025: BGF Retail, BGF Logis, BGF Foods, BGF Networks, BGF Humannet
	Scope 2	tCO ₂ eq	22,459	23,977(Location-based) 23,960(Market-based) ¹⁾	27,360(Location-based) 27,346(Market-based) ¹⁾	・ 2023: BGF Retail, BGF Logis, BGF Foods ・ 2024: BGF Retail, BGF Logis, BGF Foods, BGF Networks (BGF Networks was included in the consolidated scope in July 2024, and emissions were calculated for July–December 2024.) ・ 2025: BGF Retail, BGF Logis, BGF Foods, BGF Networks, BGF Humannet

1) Market-based Emissions: Calculated by offsetting location-based emissions with the amount of renewable energy (RECs) purchased from the market.
※ Note: The total greenhouse gas emissions/usage figures are calculated in accordance with the Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme, and may differ from the sum of the detailed figures presented individually.

ESG Data

Environment

BGF Retail

Energy

Category		Unit	2023	2024	2025	Remark
General Energy (Separate Basis)	Total general energy consumption	TJ	156.1	165.6	160.7	
	Total direct energy consumption	TJ	31.8	38.2	37.4	
	Total indirect energy consumption	TJ	124.2	127.4	123.3	
	- Steam	TJ	0	0.1	0.1	
	- Electricity	TJ	124.2	127.3	123.2	
	Intensity	TJ/KRW 100 million	0.0019	0.0019	0.0018	
General Energy (Consolidated basis)	Total general energy consumption	TJ	1,072.5	1,121	1,149.7	The emission calculation range varies by year · 2023: BGF Retail, BGF Logis, BGF Foods · 2024: BGF Retail, BGF Logis, BGF Foods, BGF Networks (BGF Networks was included in the consolidated scope in July 2024, and emissions were calculated for July–December 2024.) · 2025: BGF Retail, BGF Logis, BGF Foods, BGF Networks, BGF Humannet
	Total direct energy consumption	TJ	603.2	620.2	578.1	
	Total indirect energy consumption	TJ	469.3	500.8	571.7	
	- Steam	TJ	0	0.2	0.9	
	- Electricity	TJ	469.3	500.6	570.8	
	Intensity	TJ/KRW 100 million	0.0131	0.0129	0.0127	
Renewable energy	Renewable energy generation	MWh	1,376	1,819	2,630	· 2024 calculation basis: Based on power generation at BGF Retail Jincheon CDC from January to December and Jinju from June to December · 2025 calculation basis: Based on power generation at BGF Retail Jincheon CDC and Jinju from January to December
	Carbon emission reduction through the generation of renewable energy	tCO ₂ eq	632	836	1,208	
	Renewable energy usage	MWh (TJ)	-	36 (0.347)	30 (0.288)	· The figures in parentheses are converted values in TJ
	Carbon emissions reduction through the use of renewable energy	tCO ₂ eq	-	17	14	

*General energy (separate basis, consolidated basis) electricity consumption is calculated excluding purchased renewable energy certificates (RECs)
** Due to a change in the calculation method for general energy (from including purchased RECs to excluding them), the 2024 energy consumption data has been corrected
*** Due to rounding down of decimal points, the total energy usage figure may differ slightly from the sum of the individual sub-item figures

ESG Data

Environment

BGF Retail

Waste

Waste Emissions (Separate)		Unit	2023	2024	2025
Total waste generated		ton	81	51	48
Waste reduction rate		%	-	37	5
Municipal waste		ton	59	26	25
General waste (Outsourced for treatment)	Recycled	ton	22	25	23
	Incinerated	ton	-	-	-
	Others	ton	-	-	-
Waste recycling rate		%	27	49	47
Intensity(based on sales)		ton/KRW billion	0.010	0.006	0.005

Waste

Waste Emissions (Consolidated) ¹⁾		Unit	2023	2024	2025
Total waste generated		ton	3,622	2,953	3,599
Waste reduction rate		%	-6	18	-22
Municipal waste		ton	59	26	25.5
General waste (Outsourced for treatment)	Recycled	ton	1,071	1,307	1,551
	Incinerated	ton	2,490	1,617	2,022
	Others	ton	2	3	-
Waste recycling rate		%	30	44	43
Intensity(based on sales)		ton/KRW billion	0.42	0.32	0.38

1) Scope of calculation: BGF Retail headquarters building, BGF Logis(Logistics center), BGF Foods

Improvement of packaging environmental performance

Category		Unit	2023	2024	2025
Operating items	All ready-to-eat Meals Containers	SKU	594	1,070	1,454
	Containers with PLA applied	SKU	33	118	62
	Other containers made of eco-friendly materials (paper container)	SKU	10	7	3
Sales amount	All ready-to-eat Meals Containers	KRW 100 million	Approx. 6,000	Approx. 6,300	Approx. 6,500
	Containers with PLA applied	KRW 100 million	600	898	610
	Other containers made of eco-friendly materials (paper container)	KRW 100 million	4.3	9.0	2.0

Packaging Raw Materials¹⁾

Category		Unit	2023	2024	2025
Raw material use	Total raw material use	ton	4,555	2,834	2,929
Use of non-renewable raw materials	PET bottles	ton	974	748	675
	Composite materials and film-type packaging	ton	529	455	516
	Glass bottles	ton	115	84	100
	Other mono-material containers	ton	1,689	1,508	1,604

1) Calculated based on the details used to calculate EPR recycling contributions.

Water Usage

Category		Unit	2023	2024	2025
Usage	Total usage of water ¹⁾	ton	258,247	316,721	317,819
	BGF Retail	ton	5,281	5,453	6,648
	BGF Foods	ton	190,911	251,832	253,982
	BGF Logis ²⁾	ton	62,055	59,436	57,189
	Water Intensity ³⁾	ton/KRW billion	30	35	34

1), 2) Correction of water usage data for the three-year period from 2023 to 2025 due to data aggregation errors

3) Correction of water intensity due to corrected BGF Logis data. Water intensity is calculated based on the combined sales revenue of BGF Retail, BGF Foods, and BGF Logis.

ESG Data

Environment

BGF Retail

Status of Environmental Law Violations

Category		Unit	2023	2024	2025
Violation of Environmental Laws	Number of violations	Cases	0	0	0
	Fines and penalties	KRW million	0	0	0

Environmental Training

Category		Unit	2023	2024	2025
Total number of attendees		Persons	44	559	688
Total training hours		Hours	128	298	269
Training hours per person		Hours	2.9	0.53	0.39

Green Purchasing Performance

Category		Unit	2023	2024	2025
Amount spent on Green Products ¹⁾		KRW thousand	14,520	22,898	36,483

1) Green products refer to products under Article 66, Paragraph 4 of the Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis. Green products subject to mandatory purchase refer to Eco-label, low-carbon, and excellent recycled products under Article 2-2 of the Act on the Promotion of Purchase of Green Products. Green purchasing is calculated based on the total purchase amount of products that meet BGF Retail's definition of green products among items available for purchase on the MRO (Maintenance, Repair, and Operations) site. The purchase amount is calculated based on the costs paid by BGF Retail to the MRO provider; and the total purchase amount for each year is reflected.

※ Green purchase ratio to total purchase amount
2023: Approx. 5% (Total purchase amount: KRW 289,094 thousand)
2024: Approx. 9% (Total purchase amount: KRW 248,578 thousand)
2025: Approx. 15% (Total purchase amount: KRW 244,957 thousand)

Green Product Operation and Sales Status

Category		Unit	2023	2024	2025
Operating products	Total number of operating products	Items	81	69	72
	Eco-label	Items	20	12	13
	Environmental Product Declaration	Items	56	43	49
	Low carbon product	Items	5	10	10
Sales amount	Total sales	KRW million	407,606	216,012	372,218
	Eco-label	KRW million	2,706	2,032	2,196
	Environmental Product Declaration	KRW million	381,841	177,461	339,591
	Low carbon product	KRW million	23,059	34,480	30,432
	Environmentally certified produce	KRW million	-	2,039	-

Environmental Investment Performance

Category		Unit	2023	2024	2025
Environmental Investment Cost		KRW 100million	12.22	13.71 ¹⁾	23.57 ²⁾

1) 2024 figure calculated on a consolidated basis by expanding the scope of Environmental Investment Cost. BGF Retail and BGF Logis recorded increased environmental investment due to the installation of solar power facilities at the Daegu Center.

2) 2025 figure calculated on a consolidated basis. The figure includes investments by BGF Retail and BGF Logis in Eco-fans and LED lighting at logistics centers, as well as BGF Retail's investment in the transition to eco-friendly refrigerants in store fixtures.

ESG Data

Environment

BGF Ecomaterials

Greenhouse Gas

Category		Unit	2023	2024	2025	Remark
Greenhouse Gas emissions	Scope 1	tCO ₂ eq	-	-	-	
	Scope 2	tCO ₂ eq	7,586	7,529	8,129	1) Scope of reporting - 2023, 2024: Hwaseong business site - 2025: Hwaseong business site, Cheonan business site (November–December included) 2) Increase in greenhouse gas emissions due to the merger with Daewon Chemical (Cheonan business site) - Scope 2 emissions based on the 2023, 2024 reporting scope: 7,344 tCO ₂ eq - Total emissions based on the 2023, 2024 reporting scope: 7,344 tCO ₂ eq
	Scope 1&2	tCO ₂ eq	7,586	7,529	8,129	
Greenhouse Gas intensity	Intensity	tCO ₂ eq/KRW 100 million	4.46	4.17	4.35	Scope 1&2 / KRW 100 million

Energy

Category		Unit	2023	2024	2025	Remark
Direct energy usage	Total direct energy usage	TJ	0	0	0	
	Stationary combustion	TJ	0	0	0	
	Mobile combustion	TJ	0	0	0	
Indirect energy usage	Total indirect energy usage	TJ	0.0571	0.0567	0.0612	1) Scope of reporting - 2023, 2024: Hwaseong business site - 2025: Hwaseong business site, Cheonan business site (November–December included) 2) Increase in energy usage due to the merger with Daewon Chemical (Cheonan business site) - Indirect energy consumption based on the 2023, 2024 reporting scope: 0.0553 TJ - Total energy consumption based on the 2023, 2024 reporting scope: 0.0553 TJ
	Electricity	TJ	0.0571	0.0567	0.0612	
Renewable energy usage		TJ	0	0	0	
Energy Intensity	Intensity	TJ/KRW 100 million	0.000036	0.000031	0.000033	

ESG Data

Environment

BGF Ecomaterials

Waste

Category		Unit	2023	2024	2025
Waste Emissions	Total waste generated	ton	426	456	513
	General waste	Landfill ¹⁾	ton	47	37
		Incineration	ton	312	69
		Recycling ²⁾	ton	10	300
		Other	ton	-	-
		Total	ton	369	440
	Municipal waste		ton	-	-
		Landfill	ton	-	-
	Designated Waste	Incineration ³⁾	ton	56	46
		Recycling ⁴⁾	ton	-	5
		Other	ton	-	-
	Total	ton	56	51	73

1) Other dust
2) Waste synthetic resin, other dust
3) Other waste oil
4) Other waste oil, other waste organic solvent

Emissions

Category		Unit	2023	2024	2025
Air pollutants ¹⁾	Dust emissions	ton	0.03	0.025	0.122
Chemical emissions		ton	0.3	0.2	1.0

1) Reporting scope: Hwaseong Center
*Cheonan Center: Emissions could not be measured for November–December

Raw Materials

Category	Unit	2023	2024	2025
Total raw material usage ¹⁾	ton	43,692	61,424	49,920
Recycled raw material usage	ton	10,560	10,777	7,567
Recycled raw material ratio	%	24	18	15

1) Including the merger with Daewon Chemical (Cheonan) (November to December); excluding semi-finished products at Hwaseong (1,207 tons)

Water and Effluents

Category	Unit	2023	2024	2025
Water Usage	m³	13,043	14,552	14,289
Wastewater treatment amount	m³	9.6	124	129

Environmental investments

Category	Unit	2023	2024	2025
Environmental Investment Costs	KRW million	303	164	34 ¹⁾

1) 2025 Environmental Investment Details
- Filter replacement for air pollution prevention facility (bag filter): KRW 18.30 million
- Activated carbon replacement: KRW 15.75 million

Legal violations

Category	Unit	2023	2024	2025
Violation of Environmental Laws	Cases	0	0	0

ESG Data

Environment

BGF Ecomaterials

Environmental Management System (ISO 14001)

Category	Unit	2023	2024	2025
Number of acquired business sites ¹⁾	Sites	3	3	3

1) BGF Ecomaterials Hwaseong business site, U.S. business site, China business site

Eco-friendly purchasing

Category	Unit	2023	2024	2025
Purchase performance	KRW million	19,710	16,207	14,846

Environmental Education

Category	Unit	2023	2024	2025
Number of participants ¹⁾	Persons	55	55	67
Training Hours	Hours	110	110	134
Training hours per person	Hours	2	2	2

1) Electricity charges and energy conservation training

ESG Data

Environment

BGF Ecosolution

Energy

Category		Unit	2023	2024	2025
Indirect energy usage	Total indirect energy usage	TJ	8.7544	5.8727	7.3981
	Electricity	TJ	8.7544	5.8727	7.3981
Energy Intensity	Intensity	TJ/KRW 100 million	0.059	0.049	0.072

Waste

Category		Unit	2023	2024	2025
Waste Emissions	Total waste generated ¹⁾	ton	54.1	75.5	81.55
	General waste	Landfill	ton	0	0
		Incineration	ton	0	0
		Recycling	ton	54.1	74.2
		Other	ton	0	0
		Total	ton	0	0
	Municipal waste		ton	0	0
		Landfill	ton	0	0
	Designated Waste	Incineration	ton	1.3	0.2745
		Recycling	ton	0	0.145
		Other	ton	0	0
		Total	ton	1.3	0.4195

1) Including pilot room

Water and Effluents

Category	Unit	2023	2024	2025
Water Usage ¹⁾	m³	606	721	590
Wastewater treatment amount	m³	0	0	11

1) Including pilot room

Emissions

Category		Unit	2023	2024	2025
Air pollutants ¹⁾	Dust emissions	ton	0.212	0.212	0.4604
	Chemical emissions ²⁾	ton	-	-	-

1) Based on the air emission permit certificate (including ES and pilot room)

2) Business sites not subject to chemical substance emissions reporting

Raw materials

Category	Unit	2023	2024	2025
Total raw material usage	ton	457	1203	1753
Recycled raw material usage	ton	91	102	61
Recycled raw material ratio	%	20	8.5	3.5

Environmental investments

Category	Unit	2023	2024	2025
Environmental Investment Costs	KRW million	21	28	43

Legal violations

Category	Unit	2023	2024	2025
Violation of Environmental Laws	Cases	0	0	0

Environmental Education

Category	Unit	2023	2024	2025
Number of participants ¹⁾	Persons	1	1	4
Training Hours	Hours	18	18	26
Training hours per person	Hours	18	18	6.5

1) Including pilot room

ESG Data

Environment

BGF Ecocycle

Energy

Category		Unit	2023	2024	2025
Direct energy usage	Total direct energy usage	TJ	0	0	0
	Stationary combustion	TJ	0	0	0
	Mobile combustion	TJ	0	0	0
Indirect energy usage	Total indirect energy usage	TJ	17.6	22.4	23.9
	Electricity	TJ	17.6	22.4	23.9
Renewable energy usage		TJ	0	0	0
Energy Intensity	Intensity	TJ/KRW 100 million	0.27	0.17	0.14

Emissions

Category		Unit	2023	2024	2025
Air pollutants	Dust emissions	ton	0	0	0
	Chemical emissions	ton	0	0	0

Legal violations

Category	Unit	2023	2024	2025
Violation of Environmental Laws	Cases	0	0	0

Water and Effluents

Category	Unit	2023	2024	2025
Water Usage	m³	4,735	5,761	6,411
Wastewater treatment amount	m³	0.0	106.9	168.9

ESG Data

Environment

KNW

Emissions

Category		Unit	2023	2024	2025	Remark
Air pollutants	Dust emissions	ton	0.32	0.422	0.0207	· Calculated as the average of self-measured air quality results for the first and second halves of 2025 · Calculated based on 8 hours of daily operation, 280 days per year
	Chemical emissions	ton	2.57	1.75	3.41	· Calculated as the amount of chemical substances released into the air out of total chemical substance usage in 2025 · Sum of fugitive emissions and emissions from air pollution prevention facilities

Water

Category	Unit	2023	2024	2025
Water Usage	m ³	1,190	1,417	1,705

Environmental investments

Category	Unit	2023	2024	2025
Environmental Investment Costs ¹⁾	KRW million	7.3	17.4	14.6

1) Activated carbon replacement, installation of IoT devices for prevention facilities, and repair work on the waste storage facility

Legal violations

Category	Unit	2023	2024	2025
Violation of Environmental Laws	Cases	0	0	0

Environmental Management System (ISO 14001)

Category	Unit	2023	2024	2025
Number of acquired business sites ¹⁾	Sites	1	1	1

1) KNW Co., Ltd Headquarters

Environmental Education

Category	Unit	2023	2024	2025
Number of participants	Persons	74	73	76
Training Hours	Hours	260	174	222
Training hours per person	Hours	3.51	2.38	2.92

ESG Data

Environment

BGF Ecospecialty

Greenhouse Gas

Category		Unit	2023	2024	2025	Remark
Greenhouse Gas emissions	Scope 1	tCO ₂ eq	352	340	324	LNG
	Scope 2	tCO ₂ eq	13,900	12,244	14,335	Electricity, Steam
	Scope 1&2	tCO ₂ eq	14,252	12,584	14,659	
	Scope 3	tCO ₂ eq	-	-	-	
Greenhouse Gas intensity	Intensity	tCO ₂ eq/KRW 100 million	21.87	26.31	28.18	

Energy

Category		Unit	2023	2024	2025	Remark
Direct energy usage	Total direct energy usage	TJ	6.28	6.06	5.78	
	Stationary combustion	TJ	6.28	6.06	5.78	LNG
	Mobile combustion	TJ	0	0	0	
Indirect energy usage	Total indirect energy usage	TJ	83.07	74.69	97.21	
	Electricity	TJ	83.07	74.69	97.21	
Renewable energy usage		TJ	0	0	0	
Energy Intensity	Intensity	TJ/KRW 100 million	0.137	0.169	0.198	

Waste

Category		Unit	2023	2024	2025
Waste Emissions	Total waste generated	ton	3,426	3,447	3,739.46
	General waste	Landfill	0	16	17.69
		Incineration	0	0	0
		Recycling	3,394	3,394	3,718.57
		Other	0	0	0
		Total	3,394	3,410	3,736.26
	Municipal waste		0	0	0
		Landfill	0	0	0
	Designated Waste	Incineration	32	37	0.64
		Recycling	0	0	2.56
		Other	0	0	0
		Total	32	37	3.2
	Waste recycling amount		ton	3,394	3,721.13
	Waste recycling rate		%	99.1	98.5

ESG Data

Environment

BGF Ecospecialty

Water and Effluents

Category	Unit	2023	2024	2025
Water Usage	m³	109,438	118,980	122,137
Wastewater treatment amount	m³	56,568	64,119	61,258

Raw Materials

Category	Unit	2023	2024	2025
Total raw material usage	ton	8,571	8,400	8,096
Recycled raw material usage	ton	0	0	0
Recycled raw material ratio	%	0	0	0

Emissions

Category	Unit	2023	2024	2025
Air pollutants Dust emissions	ton	0.25	0.17	0.7
Chemical emissions	ton	0.35	0.39	0.298

Environmental investments

Category	Unit	2023	2024	2025
Environmental Investment Costs ¹⁾	KRW million	895	0	24

1) FY2023: expansion of FEC environmental facilities / FY2025: improvement under the Chemicals Control Act and installation of IoT devices

Legal violations

Category	Unit	2023	2024	2025
Violation of Environmental Laws ¹⁾	Cases	0	0	1

1) Omission of general water pollutant permit details (Fe, Cr)

Environmental Management System (ISO 14001)

Category	Unit	2023	2024	2025
Number of acquired business sites ¹⁾	Sites	1	1	1

1) BGF Ecospecialty certification maintained

Environmental Education

Category	Unit	2023	2024	2025
Number of participants ¹⁾	Persons	149	149	150
Training Hours	Hours	298	298	764
Training hours per person	Hours	2	2	5

1) Under the Chemicals Control Act in 2025: workers (118), managers (3), handlers (30)

ESG Data

Social

BGF

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	56	53	54
By contract type	Full-time	Persons	49	46	45
	Temporary	Persons	7	7	9
	- Executive (Male)	Persons	4	3	5
	- Executive (Female)	Persons	0	1	1
	- Temporary	Persons	0	0	0
	- Indefinite contract worker	Persons	3	3	3
By gender	Male	Persons	44	38	41
	Female	Persons	12	15	13
By age	20s to 30 years old	Persons	7	5	1
	30s to 50 years old	Persons	44	44	49
	More than 50 years old	Persons	5	4	4
By position	Executives	Persons	3	3	5
	P3 and above ¹⁾	Persons	22	23	17
	P2 and below ²⁾	Persons	31	27	32

Recruitment

Category		Unit	2023	2024	2025
New employment	Total	Persons	11	8	14
By contract type	Full-time	Persons	11	8	13
	Temporary	Persons	0	0	1
By employment type	Open recruitment for high school graduates	Persons	0	0	0
	Open recruitment for new college graduates	Persons	9	6	10
	Experienced position	Persons	2	2	4
By gender	Male	Persons	9	3	10
	Female	Persons	2	5	4
By region	Metropolitan area	Persons	11	8	14
	Non-metropolitan area	Persons	0	0	0

Turnover

Category		Unit	2023	2024	2025
Total number of turnover		Persons	10	12	12
Involuntary turnover	Total	Persons	6	8	9
	- Transfers between affiliates	Persons	6	8	8
	- Other ¹⁾	Persons	0	0	1
Voluntary turnover	Total	Persons	4	4	3
Voluntary transfer ratio ²⁾		%	10.7	7.5	5.6

1) Expiration of contract period
2) Number of voluntary turnover / Total number of employees

ESG Data

Social

BGF

Average Employment Period

Category	Unit	2023	2024	2025
Average years of service	Years	6.6	6.8	6.4
Male	Years	7.0	7.7	6.9
Female	Years	4.9	4.6	4.8

Labor-Management Council

Category	Unit	2023	2024	2025
Employees participating in the labor-management council	Times	56	53	54

Retirement pension

Category		Unit	2023	2024	2025
Subscription rate		%	100	94.3	90.7
By subscription type	Total	Persons	56	50	49
	- Defined benefit type (DB)	Persons	44	45	43
	- Defined contribution type (DC)	Persons	12	5	6

Diversity

Category	Unit	2023	2024	2025
Disabled workers	Persons	0	0	0
Disabled worker ratio ¹⁾	%	0	0	0
Foreign worker	Persons	0	0	0
Foreign worker ratio	%	0	0	0

1) Number of workers with disabilities / Total number of employees

Female employees

Category		Unit	2023	2024	2025
By position	Number of manager female employees	Persons	5	8	4
	- Number of female employees P5 level and above	Persons	1	2	1
	- Number of female employees P3 level and above	Persons	4	6	3
	Number of non-manager female employees	Persons	11	7	9
By contract type	Full-time female employees	Persons	12	15	12
	Ratio of female employees among full-time employees	%	24.4	32.6	29.3
	Female contract employees	Persons	0	0	1
	Ratio of female employees among contract workers	%	0	0	100.0

Salary

Category	Unit	2023	2024	2025
Overall average (annual)	KRW million	76	93	97
Female average (annual)	KRW million	54	66	74
Male average (annual)	KRW million	90	102	104
Male to female salary ratio	%	60.0	64.7	71.2
Salary ratio of female employees compared to male employees ¹⁾	%	111	113.1	93.4

1) Compare between non-executive positions

Parental leave

	Category	Unit	2023	2024	2025
Number of people	Male	Persons	0	0	0
	Female	Persons	0	0	3
Number of people eligible for return	Male	Persons	0	0	0
	Female	Persons	0	0	0
Return rate	Male	%	0	0	0
	Female	%	0	0	0

ESG Data

Social

BGF Retail

Employee Status

Category		Unit	2023	2024	2025
Employment type	Total number of employees	Persons	3,303	3,379	3,130
	Permanent employees (full-time position)	Persons	2,603	2,605	2,596
	- Male	Persons	1,853	1,820	1,799
	- Female	Persons	750	785	797
	Number of fixed-term employees (temporary position)	Persons	700	774	534
	- Male	Persons	438	500	358
	- Female	Persons	262	274	176
	Permanent employee ration ¹⁾	%	79	77	83
	Fixed-term employee ration	%	21	23	17
Age ¹⁾	Under 30 (total)	Persons	1,062	1,182	929
	- Permanent employees	Persons	641	723	624
	- Fixed-term employees	Persons	421	459	305
	Age 30-49 (total)	Persons	2,140	2,088	2,104
	- Permanent employees	Persons	1,922	1,846	1,922
	- Fixed-term employees	Persons	218	242	182
	Age 50+ (total)	Persons	101	109	97
	- Permanent employees	Persons	40	36	50
	- Fixed-term employees	Persons	61	73	47
Position	Number of permanent employees	Persons	2,603	2,605	2,596
	- Position holder	Persons	294	303	295
	- Practical manager	Persons	491	547	653
	- Non-managerial position	Persons	1,818	1,755	1,648
	Number of fixed-term employees	Persons	700	774	534
	- Contract employee	Persons	27	40	38
	- Staff at directly operated stores	Persons	673	734	496
External affiliation ²⁾	Male dispatched workers	Persons	0	1	1
	Female dispatched workers	Persons	37	33	36

1) Percentage calculated based on the total number of employees

2) External affiliation personnel are primarily engaged in administrative support (clerical assistance, expense settlement, secretarial tasks) and telephone operations within the System Division.)

Employee Diversity

Category		Unit	2023	2024	2025
Female	Manager (position holder)	Persons	11	11	13
	Ratio of female managers (position holders) ¹⁾	%	1.5	1.4	1.6
	Practical manager (non-position holders at P3 level or above)	Persons	66	83	103
	Ratio of female practical managers (non-position holders at P3 level or above) ¹⁾	%	8.8	10.6	12.9
	Managerial positions in revenue-generating departments ²⁾	Persons	46	58	72
	STEM departments ³⁾	Persons	23	23	24
	Ratio of female managers (managers and practical managers) ⁴⁾	%	9.8	11.1	12.2
Underrepresented Groups	Employees with disabilities	Reference headcount ⁵⁾	2,793	2,952 ⁶⁾	2,915
		Number of hires with disabilities ⁷⁾	50	52	54
		Employees with mild disabilities	15	15	15
		Employees with serious disabilities	35	37	39
		Number of employees with disabilities ⁸⁾	85	89 ⁶⁾	93
		Male ⁹⁾	55	51	52
		Female ⁹⁾	9	9	9
		Ratio of employees with disabilities ¹⁰⁾	3.04	3.01	3.19
	National Veteran	Veterans ¹¹⁾	41	41	40
Nationality	Korean	Number of employees	3,302	3,377	3,130
	Foreign Nationals ¹²⁾	Number of employees	1	2	0
		Employment rate	0.03	0.06	0

1) Ratio of female managers (position holders): Calculated as the proportion of female managers (position holders) to the total number of female regular employees.Ratio of female operational managers (non-position holders at P3 level or above): Calculated as the proportion of female operational managers (non-position holders at P3 level or above) to the total number of female regular employees.

2) Managerial positions in revenue-generating departments: Refers to employees at the P3 level or above within the Product Division and Regions 1-6 of the Sales Development Division.

3) STEM departments: Refers to female employees within the Digital Innovation Division.

4) Ratio of female managers: Calculated as the proportion of female managers to the total number of managers (male and female combined).

5) Reference headcount: Based on the number of regular employees, which may differ from the headcount reported in the annual business report.

6) Data revision: Data were revised based on the number of employees reported for withholding tax purposes in December 2024 and a review of attendance records of employees with disabilities.

7) Number of hires with disabilities: Calculated based on the monthly average headcount reported to the Korea Employment Agency for Persons with Disabilities.

8) Number of employees with disabilities: Based on the total number of employees with disabilities (male and female combined) reported to the Korea Employment Agency for Persons with Disabilities.

9) Number of male and female employees with disabilities: Calculated based on individuals with employment records during the reporting year, including those on leave of absence.

10) Ratio of employees with disabilities: Represents the employment rate of persons with disabilities over the past three years.

11) Veterans employment criteria: Based on reporting standards established by the Ministry of Patriots and Veterans Affairs.

12) Nationality: Based on the total number of employees.

ESG Data

Social

BGF Retail

Recruitment

Category		Unit	2023	2024	2025
New hires	Total number of new employees ¹⁾	Persons	394	195	128
Age	Under 20	Persons	0	0	0
	Age 20-29	Persons	322	173	106
	Age 30-49	Persons	72	22	22
	Age 50+	Persons	0	0	0
Gender	Male	Persons	224	95	59
	Female	Persons	170	100	69
Region	Metropolitan area ²⁾	Persons	249	109	76
	Employment rate in metropolitan area ²⁾	%	63	56	59
	Non-metropolitan area	Persons	145	86	52
	Employment rate in non-metropolitan area	%	37	44	41
Type	Open recruitment for new college graduates	Persons	306	177	101
	Experienced Hires	Persons	88	18	27
Position	Position holder	Persons	1	1	1
	Practical manager (P3 or above, non-position holder)	Persons	12	7	8
	Non-managerial positions (P2 and below)	Persons	381	187	119
Internal transfer (in-house recruitment)	Recruiting internal candidates	Persons	0	0	5
Recruitment Cost	Average Recruitment Cost per Hire	KRW thousand	3,186	1,991	1,675

1) To ensure data consistency, only regular employees were included in the headcount. Excluded were employees with high turnover rates, such as staff at directly operated stores, as well as personnel transferred from affiliated companies.

2) Including those working at the Seoul headquarters

Turnover

Category		Unit	2023	2024	2025
Turnover ¹⁾	Total turnover ²⁾	Persons	243	212	156
	Total turnover rate ³⁾	%	7.4	6.3	5.0
	Gender	Male	152	134	88
		Female	91	78	68
	Age	Under 30	97	83	70
		Age 30-49	140	119	80
		Age 50+	6	10	6
	Position	Position holder	13	11	7
		Practical manager (P3 or above)	30	30	14
		Non-managerial positions (P2 and below)	200	171	135
Voluntary turnover ⁴⁾	Total number of voluntary turnover	Persons	212	181	119
	Total voluntary turnover rate ⁵⁾	%	6.4	5.4	3.8
	Gender	Male	125	110	64
		Female	87	71	55
Involuntary turnover ⁶⁾	Total number of involuntary turnover	Persons	31	31	37

1) Turnover figures include both permanent and fixed-term employees.

2) Total turnover excludes employees transferred to affiliated companies.

3) Total turnover rate = Total leavers ÷ Total workforce.

4) Voluntary turnover includes departures due to entrepreneurship and other personal reasons.

5) Voluntary turnover rate = Voluntary leavers ÷ Total workforce.

6) Involuntary turnover includes contract expiration, mandatory retirement, employer-initiated separation, disciplinary dismissal, and death.

ESG Data

Social

BGF Retail

Average Employment Period¹⁾

Category		Unit	2023	2024	2025
Average years of service	Total	Years	4.0	4.7	5.6
	Male	Years	4.3	5.1	6.0
	Female	Years	3.4	3.9 ²⁾	4.6

1) BGF Retail was established on November 1, 2017.
2) Revised to align with the information disclosed in the business report

Retirement Pension

Category		Unit	2023	2024	2025
Defined benefit type (DB)		Persons	2,068	2,170	2,044
Defined contribution type (DC)		Persons	186	272	461

Salary

Category		Unit	2023	2024	2025
Average salary	Total	KRW million	65	68	70
	Male	KRW million	70	74	77
	Female	KRW million	52	54	56
Starting salary for new employees relative to the minimum wage ¹⁾	Male	%	181	179	181
	Female	%	181	179	181
Average salary relative to the minimum wage ²⁾		%	269	274	280

1) Starting salary for new employees relative to the minimum wage: Calculated as the ratio of entry-level compensation for new employees (based on total compensation) to the statutory minimum wage for each year.
2) Basis for calculating average salary compared to minimum wage: the ratio of total employee compensation to the statutory minimum wage for each year.

Gender Pay Ratio¹⁾

Category		Unit	2023	2024	2025
All employees	Base salary	%	73	74.9	74.7
	Base salary + Incentive	%	59	73.1	73.1
Administrator	Base salary	%	93	90.1	82.6
	Base salary + Incentive	%	93	90.0	82.9
Position holder	Base salary	%	98	87.8	99.1
	Base salary + Incentive	%	98	88.9	100.6
Manager	Base salary	%	86	78.5	86.5
	Base salary + Incentive	%	88	79.5	86.2
Professional	Base salary	%	80	81.6	81.2
	Base salary + Incentive	%	79	81.1	81.0
Assistant	Base salary	%	90	96.8	99.2
	Base salary + Incentive	%	90	96.8	99.2

1) Basis for calculating equal pay ratio: the ratio of average female compensation to average male compensation within each position group

CEO-to-Employee Pay Ratio

Category	2023	2024	2025
Wage Gap Between CEO and Employee ¹⁾	56.08 ²⁾	9.46 ²⁾	8.43
Average salary per employee (KRW million)	65	68	70
Total CEO Compensation (KRW million) ³⁾	3,645	643	590

1) Criteria for Calculating the CEO-to-Employee Pay Ratio: Total CEO compensation ÷ average total employee compensation
2) Data corrected due to a change in the calculation methodology
3) BGF Retail discloses the compensation of its highest-paid executive through its business report

ESG Data

Social

BGF Retail

Labor-Management Council

Category	Unit	2023	2024	2025
Number of meetings held	Times	4	4	4
Number of agenda items	Cases	23	10	12
- Agenda topics (improvement to the work environment)	Cases	10	3	10
- Agenda topics (improvement to employee welfare)	Cases	13	7	2
Status of agenda item implementation	Cases	23	10	12
Agenda resolution rate	%	100	100	100

Performance Evaluation

Category		Unit	2023	2024	2025
Competency development-type evaluation system	Number of target employees ¹⁾	Persons	2,310	2,400	2,463
Management by Objectives (MBO)	Implementation rate	%	100	100	100

1) Based on the number of employees subject to evaluation during the reporting year who met the internal evaluation criteria

Employee Engagement Survey

Category	Unit	2023	2024	2025
Number of survey targets ¹⁾	Persons	2,410	2,455	2,523
Number of respondents	Persons	2,049	1,855	1,965
Response rate	%	85	76	78

1) Number of permanent employees: the number of employees actively employed at the time of the employee engagement survey, excluding employees on leave, executives, secondees, and contract employees; therefore, the figure differs from the year-end number of regular employees.

Work-Life Balance

	Category	Unit	2023	2024	2025
Flexible work arrangement	Flexible work arrangement participation rate ¹⁾	%	60.0	73.8	71.6
	Selective work hours participation rate ²⁾	%	21.8	50.0	54.3
	Work from home (WFH) participation rate	%	54.0	65.0	62.0
	Staggered work hours participation rate	%	6.0	7.8	8.8
Psychological counseling	Number of participants	Persons	299	279	304
	Number of sessions	Cases	1,394	1,220	1,330

1) Flexible work arrangement participation rate: calculated as the proportion of regular employees who participated in at least one flexible working arrangement, including remote work and staggered working hours.

2) Eligibility for the selective work hours system: employees belonging to departments where workload is concentrated during specific periods due to the nature of their work (e.g., departments related to financial closing, such as finance and accounting)

ESG Data

Social

BGF Retail

Child Care Support Program

	Category	Unit	2023	2024	2025
Employees on leave ¹⁾	Total	Persons	131	127	140
	- Male	Persons	56	48	59
	- Female	Persons	75	79	81
Employees scheduled to return from leave ²⁾	Total	Persons	67	80	104
	- Male	Persons	41	42	49
	- Female	Persons	26	38	55
Employees returned from leave ³⁾	Total	Persons	59	77	108
	- Male	Persons	29	33	45
	- Female	Persons	30	44	63
	Return rate	%	88.1	96.3	103.8
Employees working over 12 months after return ⁴⁾	Total	Persons	32	50	70
	- Male	Persons	23	29	28
	- Female	Persons	9	21	42
	Return retention rate ⁵⁾	%	71.1	84.7	91.0
Employees on reduced working hours for childcare ⁶⁾	Total	Persons	8	12	35
	- Male	Persons	0	1	5
	- Female	Persons	8	11	30
Pregnant employees on reduced working hours ⁷⁾	Applicants	Persons	27	29	50
	Eligible employees	Persons	32	45	62
	Use rate	%	84.4	64.4	80.6

1) Number of employees who took at least one day of parental leave during the year (excluding full-time parental leave for childcare).

2) Number of employees on parental leave, excluding those who resigned.

3) Number of employees officially reinstated in the respective year.

4) Number of employees who returned in the previous year and remained employed for at least 12 month (excluding cumulative data.

5) Percentage of employees who worked for more than 12 months after returning from leave in the previous year.

6) Number of employees who used at least one day of reduced working hours during the year.

7) Number of employees who used at least one day of reduced working hours during the year among those eligible for the pregnancy protection program.

Employee Training

	Category	Unit	2023 ¹⁾	2024 ¹⁾	2025
Training participants	Total number of participants	Person	2,643	2,586	2,338
	Training hours per employee	Hours	29	23	39
Training hours	- Male	Hours	27	23	39
	- Female	Hours	32	23	39
Training cost	Training cost per employee	KRW thousand	360	322	196
	Total training cost	KRW thousand	950,848	833,450	458,455
Gender	Male	%	61	57	55
	Female	%	39	43	45
Position	Assistant	%	63	53	61
	Professional	%	32	40	33
	Manager	%	1	3	3
Training outcomes	HCROI ²⁾		30.3	28.1	26.1
	Satisfaction level	Points	4.75	4.67	4.74
Training course	Support for obtaining a certification ³⁾	Persons	71	107	97
	- Certification attainment rate ⁴⁾	%	2.73	4.11	3.74
	Foreign language learning support ³⁾	Persons	82	120	131
	- Foreign language certification attainment rate ⁴⁾	%	3.15	4.61	5.05
	CoP support ⁵⁾	Persons	106	132	174
	Cyber university support ⁶⁾	Persons	1	5	3
	- Cyber university graduation rate ⁴⁾	%	0.04	0.19	0.12
	BLP (BGF Leader Program)	Persons	30	27	„7)

1) Data revised due to changes in the calculation methodology.

2) HCROI (Human Capital Return on Investment)

3) Headcount basis: based on the number of employees receiving congratulatory benefits.

4) Denominator basis: the number of employees with indefinite-term contracts as of the end of the reporting year in the annual business report.

5) Headcount basis: the number of employees who participated in CoP

6) Headcount basis: the number of employees enrolled in cyber universities

7) Not conducted in 2025

ESG Data

Social

BGF Retail

Industrial Accidents

	Category	Unit	2023	2024	2025
Employee	Work-related deaths	Persons	0	0	0
	Lost Time Injury Frequency Rate (LTIFR)	Cases per Million Hours Worked	1.62	0.77 ¹⁾	1.94
	Number of Industrial Accidents	Cases	8	4	10
	Accident rate	%	0.30 ¹⁾	0.15 ¹⁾	0.38
Directly managed store staff	Work-related deaths	Persons	0	0	0
	Lost Time Injury Frequency Rate (LTIFR)	Case/million working hours	5.74	5.69 ¹⁾	4.62
	Number of Industrial Accidents	Cases	8	6	4
	Accident rate	%	1.20 ¹⁾	0.82 ¹⁾	0.81

1) Data revised due to changes in the methodology for calculating the number of regular employees.

Safety and Health Training

	Category	Unit	2023	2024	2025
Dedicated employee	Participants	Persons	106	89	97
	Training participation rate	%	100	100	100
General employee	Participants ¹⁾	Persons	2,512	2,457	2,560
	Training Hours per employee	Hours	21.6	21.5	20.77

1) Annual average applied

Risk Assessment

	Category	Unit	2023	2024	2025
Risk assessment	Risk assessment	Cases	217	201	184
	- CU directly managed store	Cases	188	172	160
	- Local office	Cases	29	29	23
	- Others	Cases	0	1	1
	Number of risk factors identified	Cases	1	1	3
Number of Cases Resolved	Number of Cases Resolved	Cases	1	1	3

Occupational Safety and Health Committee

	Category	Unit	2023	2024	2025
Number of meetings held	Number of meetings held	Cases	4	4	4
	Number of agenda/topics	Cases	23	18	19
	Number of agenda/topics implemented	Cases	23	18	19

Human Rights

	Category	Unit	2023	2024	2025
Human Rights Grievances Reported ¹⁾	Number of human rights-related reports	Cases	5	2	11
	Number of human rights-related cases resolved	Cases	5	2	11
Violation of human rights law	Total number of violations	Cases	0	0	0
	Penalty	KRW million	0	0	0
	Fine	KRW million	0	0	0
	Monetary sanctions and lawsuits	Cases	0	0	0
	Non-monetary sanctions and lawsuits	Cases	0	0	0
Human rights education	Sexual harassment prevention training	Persons	2,587	2,592	2,586
	Workplace bullying prevention training	Persons	2,469	2,529	2,579
	Disability awareness education	Persons	2,587	2,592	2,586

1) Number of human rights-related reports: Based on the number of reports submitted through the Clean Line and Hotline systems.

ESG Data

Social

BGF Retail

Current Status of Suppliers

Category	Definition	Unit	2023	2024	2025
Total number of partners	Partners directly related to franchise stores	Companies	738	700	873
Total number of critical Tier 1 partners	Partners that manufacture private brand (PB) and other products	Companies	266	177	88 ¹⁾
Total number of critical Tier 2 partners	Partners that provide facilities, equipment, supplies, and services related to franchise stores operations	Companies	45	43	59

1) The number of target partners decreased due to the redefinition of Critical Tier 1 Partners based on the legal standard of subcontracting agreements.

Supply Chain ESG Assessment

Category		Unit	2023	2024	2025
Supply chain risk management ¹⁾	On-site inspection implementation ¹⁾	Cases	364	299	369
	Number of companies that signed the Fair Trade Compliance Agreement	Companies	169	162	160
	Number of partners that participated in the regular supply chain ESG assessment	Companies	97	69	185
	Ratio of partners that received regular assessments ²⁾	%	13	10	26
	Number of high-risk partners ³⁾	Companies	-	-	13
	Number of medium-risk partners ³⁾	Companies	-	-	106
	Number of low-risk partners ³⁾	Companies	-	-	66
	Number of supply chain consulting targets	Companies	-	10	11
Number of companies that received advanced environment and human rights consulting services		Companies	-	3	3

1) Calculation basis: Number of product and site quality inspection cases

2) Calculation basis: Proportion of ESG-evaluated partners out of all partners

3) Started dividing partners into high-, medium-, and low-risk groups in 2025 depending on the evaluation result

Purchase from Partners

Category	Unit	2025
Ratio of purchase cost from critical tier 1 partners ¹⁾	%	11.4

1) Percentage of purchases from critical tier 1 (subcontract) partners out of total merchandise purchase amount

Training Support for Suppliers

Category		Unit	2023	2024	2025
Partner employees	E-learning education category	Cases	6	6	6
	Number of e-learning education contents	Cases	7,386	4,000	1,951
	Number of partners participated in e-learning training	Companies	169	162	160
Target audience for food safety and hygiene training for partners		Companies	120	95	74

Financial Assistance for Partners

Category		Unit	2023	2024	2025
Financial Assistance for Partners	Size of Win-Win Fund	KRW 100 million	130	130 ¹⁾	130
	Loan amount of Win-Win Fund	KRW 100 million	66	79	82.3
	Amount of advance payment for the holiday season	KRW 100 million	230	579	407
	Number of partners who received advance payment for the holiday season	Companies	88	156	198
	Win-Win Cooperation Fund	KRW million	8.8	12.1	321

1) Figures reflected upon reconfirmation of related performance data

Shared Growth with Franchisees

	Category	Unit	2023	2024	2025
Win-Win Council	Number of Win-Win Council meetings held with franchisees	Cases	32	28	32
Autonomous dispute mediation committee	Number of dispute mediations	Cases	79	95	94
	Resolution rate	%	98.7	98.9	97.9
Stores in operation for 10 years or more	Number of stores	Stores	2,786	2,114	2,959
	Ratio of stores	%	17.2	11.5	18.6
Win-Win agreement	Signing rate	%	99.5	99.9	99.9

ESG Data

Social

BGF Retail

Supplier Feedback and Resolution

Category	Unit	2023	2024	2025
Number of Supplier Feedback Received	Cases	26	38	39
Number of Cases Resolved	Cases	26	38	39
Resolution rate	%	100	100	100

Franchise Win-win Fund

Category	Unit	2023	2024	2025
Interest rate reduction support	%	1	2	2
Loan execution	KRW 100 million	11.9	60.9	89.1

Autonomous Dispute Mediation Status

Category	Unit	2023	2024	2025
Number of dispute mediations	Cases	79	95	94
In progress	Cases	1	1	2
Completed	Cases	78	94	92
Resolution rate	%	98.7	98.9	97.9

Performance-sharing System

Category	Unit	2023	2024	2025
Number of performance-sharing program registrations	Cases	32	32	30
Performance-sharing program support amount	KRW 100 million	76	83.6	61

ESG management support

Category	Unit	2023	2024	2025
Target partners	Companies	169	162	160
Online training service amount	KRW thousand	5,500	5,500	5,500

Support for Overseas Market Entry

Category	Unit	2023	2024	2025
Participating Company	Companies	54	110	143
Purchase Amount	KRW 100 million	30.0	55.8	63.8

Investments in Local Communities

Category		Unit	2023	2024	2025
Resource	Total	KRW 100 million	20.33	22.48	29.86
	- Charitable Donation	KRW 100 million	0.73	0.76	0.42
	- Cash Donation	KRW 100 million	9.26	8.77	12.50
	- In-kind Donation	KRW 100 million	10.34	12.95	16.94
Nationality	Domestic	KRW 100 million	19.98	22.18	29.51
	Overseas	KRW 100 million	0.35	0.3	0.35
Sponsoring Organization	Total of Major Sponsoring Organizations	KRW million	1,375	1,739	2,122
	- BGF Welfare Foundation	KRW million	499	361	345
	- Goodwill Store(Miral Welfare Foundation)	KRW million	791	1,293	1,692
	- Korea Disaster Relief Association	KRW million	50	50	50
	- UNICEF Korean Committee	KRW million	35	35	35
Intensity (Relative to Net Profit) ¹⁾		%	1.04	1.15	1.53

1) Intensity: Donation ratio of net profit

ESG Data

Social

BGF Retail

Employee Volunteer Activities

Category	Unit	2023	2024	2025
Number of participating employees	Persons	311	328	273
Participation time	Hours	1,288	1,635	947
Volunteer hours per employee	Hours	4.1	4.98	3.46

Support for Socially/Economically Vulnerable Groups

	Category	Unit	2023	2024	2025
CU Sprout Store	Number of stores	Stores	107	112	110
	Number of hires from vulnerable groups	Persons	642	672	660
	Self-supporting fund	KRW million	8,549	8,709	8,996
CU Together	Together Staff with developmental disabilities	Persons	38	37 ¹⁾	39
	Number of job experience centers	Centers	18	19	19
CU Senior staff	Number of employed persons	Persons	17	16	10
Conversion rate to self-reliant enterprises following successful self-support		%	2.8	21.4	1.8

1) Data corrected due to a misstated figure for the number of CU Together staff in 2024

Community Safety Net

	Category	Unit	2023	2024	2025	
	Disaster prevention	Advertising campaign	KRW million	3	3	4
Aid	Relief fund	KRW million	50	50	50	
	Relief support	Cases	26	7	13	
Citizen Award for Child Safety	Citizen hero sector	Persons	2	0	0	
	Child safety sector	Persons	16 ¹⁾	109	347	

1) The number of recipients decreased in 2023 due to the suspension of the Citizen Award program, which was reinstated in 2024

Information Security

Category		Unit	2023	2024	2025
Information security investment	Investment rate in information security field	%	4.2 ¹⁾	4.9 ¹⁾	4.9
Information security training	Training hours per employee	Hours	1.22	1.23	1.1
Customer Complaints	Total number of complaints	Cases	0	0	0
	Number of cases identified by regulatory authorities	Cases	0	0	0
	Number of customer privacy infringement complaints	Cases	0	0	0
Violation/Leaks ²⁾	Total number of information leaks	Cases	0	0	0
	Total number of information security violation	Cases	0	0	0
Infringement	Infringement rates for personally identifiable information (PII)	%	0	0	0
	Number of customers potentially affected by data infringement ³⁾	10,000 Persons	613	1,437	1,550

1) Number of violations and data breaches based on the Information Security Committee and KISA's restrictions.

2) Until 2023, the figures were based on data compiled for the ISMS certification audit conducted each June.

3) From 2024 onward, the figures reflect the number of members as of December, including BGF Retail's CU-affiliated partners (membership), not limited to Pocket CU app subscribers as previously reported.

ESG Data

Social

BGF Retail

Product and Service

Category		Unit	2023	2024	2025
Healthy and nutritious products	Number of healthy diet products	Types	4	2	7
	Sales of healthy diet products	KRW million	1,686	677	2,035
	Sales volume of healthy diet products	Number	602,103	296,333	624,133
	Sales ratio of healthy diet products	%	1.8	0.1	0.3
	Number of products in Get Balanced ¹⁾	Types	8	14	2
	Sales volume of Get Balanced	Number	1,548,769	917,291	80,249
	Sales of Get Balanced	KRW million	2,667	1,542	140
	Number of products in Get Natural ²⁾	Types	0	12	16
	Sales volume of Get Natural	Number	0	333,302	581,336
	Sales of Get Natural	KRW million	0	809	1,573
Animal welfare products	Number of meat products	Types	1	2	2
	Sales volume of meat products	Number	16	78	131,930
	Sales of meat products	KRW thousand	1,877	6,988	455,570
	Number of poultry products	Types	3	4	6
	Sales volume of poultry products	Number	474,740	326,282	453,099
Organic products	Sales of poultry products	KRW million	1,098	806	1,177
	Number of organic products (food)	Types	15	32	92
	Sales volume of organic products (food)	Number	4,460,000	3,206,627	17,884,386
	Sales of organic products (food)	KRW million	8,650	4,504	27,074
	Number of organic products (non-food)	Types	27	26	59
	Sales of organic products (non-food)	Number	4,774,276	3,341,578	4,065,905
	Sales of organic products (non-food)	KRW million	15,788	11,658	15,735

1) Get Balanced: product brand focused on functional and health foods that reflect balanced nutrition and a healthy lifestyle

2) Get Natural: healthy nut brand with the concept of 'A Healthy Bite of Nature As It Is.'Get Natural products have been sold since 2024, so data for 2022 and 2023 are not included in the aggregation.

Food Safety

Category		Unit	2023	2024	2025
Recall ¹⁾	Number of recalls	Cases	0	0	0
	Number of recalled products	Number	0	0	0
Food hygiene ²⁾	Violations of food hygiene laws	Cases	0	0	0
	Safety violation rates for high-risk food category	%	0	0	0
	Number of stores supported for acquisition of the Ministry of Food and Drug Safety hygiene rating certification ³⁾	Cases	103	327	374

1) Calculated based on the number of voluntary recalls reported to Food Safety Korea for ready-to-eat meals and PB products.

2) Calculated on a separate basis for BGF Retail Co., Ltd.; violations and sanctions involving consolidated subsidiaries, including BGF Foods Co., Ltd., are not included.

3) Under Article 47-2 of the Food Sanitation Act, the Food Sanitation Grade System is valid for two years for stores certified on or before March 31, 2025, and three years for stores certified on or after April 1, 2025. The certification expires if it is not renewed after the validity period. The figures are calculated based on stores newly certified in each year and may differ from the number of stores maintaining valid certification. As of March 30, 2026, the number of stores with valid certification was 689.

Customer Communication

Category		Unit	2023	2024	2025
Complaint processing	Average monthly number of customer complaints	Cases	165	195	213
	Average monthly number of customer complaints per store	Cases	0.009	0.01	0.01
	Customer complaint resolution rate	%	93	91	94
Customer opinion	Product launch suggestion requests	Cases	33	21	19
Satisfaction Scores	CU satisfaction scores	Points	95.3	95.3	95.1

ESG Data

Social

BGF Networks

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	68	63	56
By contract type	Full-time	Persons	61	54	52
	Temporary	Persons	7	9	4
By gender	Male	Persons	40	40	39
	Female	Persons	28	23	17

Labor-Management Council

Category		Unit	2023	2024	2025
Number of meetings held		Times	4	4	4
Number of agenda items		Cases	19	10	9

ESG Data

Social

BGF Foods

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	69	80	104
By contract type	Full-time	Persons	67	77	100
	Temporary	Persons	2	3	4
By gender	Male	Persons	55	60	82
	Female	Persons	14	20	22

Labor-Management Council

Category		Unit	2023	2024	2025
Employees participating in the labor-management council		Persons	24	12	12
Agenda resolution rate		%	100	100	100
Number of meetings held		Times	4	4	4
Number of agenda items		Cases	19	13	12

ESG Data

Social

BGF Humannet

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	758	761	971
By contract type	Full-time	Persons	65	61	87
	Temporary	Persons	693	700	884
By gender	Male	Persons	386	389	542
	Female	Persons	372	372	429

Labor-Management Council

Category		Unit	2023	2024	2025
Employees participating in the labor-management council ¹⁾		Persons	6	6	7
Number of meetings held		Times	4	4	4
Number of agenda items		Cases	13	13	10

1) Three worker representatives included

ESG Data

Social

BGF Ecomaterials

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	169	167	244
By contract type	Full-time	Persons	144	143	219
	Temporary	Persons	25	24	25
	- Executive (Male)	Persons	23	18	12
	- Executive (Female)	Persons	1	1	1
	- Temporary	Persons	1	5	12
	- Indefinite contract worker	Persons	-	-	-
By gender	Male	Persons	157	150	219
	Female	Persons	12	17	25
By age	20s to 30 years old	Persons	23	21	32
	30s to 50 years old	Persons	116	122	170
	More than 50 years old	Persons	30	24	42
By position	Executives	Persons	24	19	26
	P3 and above ¹⁾	Persons	50	47	54
	P2 and below ²⁾	Persons	95	101	164
By occupation	General job	Persons	121	116	160
	Technical job	Persons	48	51	84

1) BGF standard: P2 (assistant manager), P3 (manager level), P4 (deputy general manager level) / BGF Ecomaterials: G3 and above
2) BGF standard: P2 (assistant manager), P3 (manager level), P4 (deputy general manager level) / the company: G2 or below

Labor-Management Council

Category	Unit	2023	2024	2025
Employees participating in the labor-management council	Persons	6	6	6

Recruitment

Category		Unit	2023	2024	2025
New hires	Total number of new employees ¹⁾	Persons	45	32	55
By contract type	Full-time	Persons	40	23	35
	Temporary	Persons	5	9	20
By employment type	Open recruitment for high school graduates	Persons	13	15	10
	Open recruitment for new college graduates	Persons	2	4	9
	Experienced position	Persons	30	13	36
By gender	Male	Persons	41	25	43
	Female	Persons	4	7	12
By region	Metropolitan area	Persons	45	32	48
	Non-metropolitan area	Persons	-	-	7

Turnover

Category		Unit	2023	2024	2025
Total number of turnover		Persons	24	40	34
Involuntary turnover	Total	Persons	12	26	11
	- Transfers between affiliates	Persons	2	6	7
	- Other ¹⁾	Persons	10	20	4
Voluntary turnover	Total	Persons	12	14	23
Voluntary transfer ratio ²⁾		%	7.10	8.38	9.43

1) Executives, foreign nationals, etc.
2) Number of voluntary turnover / Total number of employees

ESG Data

Social

BGF Ecomaterials

Average Employment Period

Category	Unit	2023	2024	2025
Average years of service	Years	4.3	4	5
Male	Years	4.3	4	5.3
Female	Years	4.9	4	4.8

Diversity

Category	Unit	2023	2024	2025
Disabled workers	Persons	1	1	1
Disabled worker ratio	%	0.6	0.6	0.4
Foreign worker	Persons	24	28	26
Foreign worker ratio	%	14.2	16.8	10.7

Female employees

Category		Unit	2023	2024	2025
By position	Number of manager female employees ¹⁾	Persons	4	4	4
	- Number of female employees P5 level and above ²⁾	Persons	2	2	2
	- Number of female employees P3 level and above ³⁾	Persons	2	2	2
	Number of non-manager female employees	Persons	8	13	21
By contract type	Full-time female employees	Persons	10	11	20
	Ratio of female employees among full-time employees	%	6.9	7.7	9.1
	Female contract employees	Persons	2	6	5
	Ratio of female employees among contract workers	%	8	25	20

1) Senior managers (number of women in top management) + middle managers (number of women in junior management)
2) BGF standard: P5 or above (department head or above) / BGFEM: G4 or above
3) BGF standard: P3 or above (manager or above) / BGFEM: G3 or above

Salary

Category	Unit	2023	2024	2025
Overall average (annual)	KRW million	64	57	48
Female average (annual)	KRW million	41	33	38
Male average (annual)	KRW million	63	60	49
Male to female salary ratio	%	64	56	78

ESG Data

Social

BGF Ecomaterials

Retirement pension

Category		Unit	2023	2024	2025
Subscription rate		%	79	83	73
By subscription type	Total	Persons	133	139	194
	- Defined benefit type (DB)	Persons	114	125	179
	- Defined contribution type (DC)	Persons	19	14	15

Industrial Accidents

Category	Unit	2023	2024	2025
Work-related deaths	Persons	0	0	0
Lost Time Injury Frequency Rate (LTIFR) ¹⁾	Cases per Million Hours Worked	0	- ¹⁾	13.45
Number of Industrial Accidents	Cases	0	2	0
Accident rate ²⁾	%	0	0.48	3.33

1) Data not managed
2) Accident rate = (number of incidents ÷ number of regular employees) × 100 = (4 ÷ 120) × 100

Parental leave

Category		Unit	2023	2024	2025
Number of people	Male	Persons	1	0	0
	Female	Persons	0	2	1
Number of people eligible for return	Male	Persons	1	0	0
	Female	Persons	0	0	1
Return rate	Male	%	0	0	0
	Female	%	100	0	100

ESG Data

Social

BGF Ecosolution

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	36	34	34
By contract type	Full-time	Persons	28	23	22
	Temporary	Persons	8	11	12
	- Executive (Male)	Persons	5	6	5
	- Executive (Female)	Persons	0	0	0
	- Temporary ¹⁾	Persons	3	5	7
	- Indefinite contract worker	Persons	0	0	0
By gender	Male	Persons	34	32	33
	Female	Persons	2	2	1
By age	20s to 30 years old	Persons	7	11	2
	30s to 50 years old	Persons	22	17	24
	More than 50 years old	Persons	7	6	8
By position	Executives	Persons	5	6	5
	P3 and above ²⁾	Persons	16	14	12
	P2 and below ³⁾	Persons	15	14	17
By occupation	General job	Persons	24	19	20
	Technical job	Persons	12	15	14

1) Including foreign workers (E-9)
2) BGF standard: P2 (assistant manager), P3 (manager level), P4 (deputy general manager level) / the company: G3, senior associate or above
3) BGF standard: P2 (assistant manager), P3 (manager level), P4 (deputy general manager level) / the company: G2, associate engineer or below

Recruitment

Category		Unit	2023	2024	2025
New employment	Total	Persons	5	9	14
By contract type	Full-time	Persons	4	5	12
	Temporary	Persons	1	4	2
By employment type	Open recruitment for high school graduates	Persons	4	0	2
	Open recruitment for new college graduates	Persons	1	1	0
	Experienced position	Persons	0	8	12
By gender	Male	Persons	5	9	14
	Female	Persons	0	0	0
By region	Metropolitan area ¹⁾	Persons	5	9	14
	Non-metropolitan area ²⁾	Persons	0	0	0

1) Incheon, Hwaseong
2) Yesan

Turnover

Category		Unit	2023	2024	2025
Total number of turnover		Persons	10	10	16
Involuntary turnover	Total	Persons	8	3	6
	- Transfers between affiliates	Persons	7	2	2
	- Other ¹⁾	Persons	1	1	4
Voluntary turnover	Total	Persons	2	7	10
Voluntary transfer ratio ²⁾		%	6	21	29

1) Executives, foreign nationals, contract employees, etc.
2) Number of voluntary resignations ÷ total number of employees

ESG Data

Social

BGF Ecosolution

Average Employment Period

Category	Unit	2023	2024	2025
Average years of service	Years	1.68	2.04	2.39
Male	Years	1.66	1.96	2.39
Female	Years	1.99	2.99	0.00

Diversity

Category	Unit	2023	2024	2025
Disabled workers	Persons	2	2	2
Disabled worker ratio	%	5.56	5.88	5.88
Foreign worker	Persons	3	5	5
Foreign worker ratio	%	8.33	14.71	14.71

Female employees

	Category	Unit	2023	2024	2025
By position	Number of manager female employees	Persons	2	2	1
	- Number of female employees P5 level and above	Persons	0	0	0
	- Number of female employees P3 level and above	Persons	2	2	1
	Number of non-manager female employees	Persons	0	0	0
By contract type	Full-time female employees	Persons	2	2	0
	Ratio of female employees among full-time employees	%	7.14	8.70	0.00
	Female contract employees	Persons	0	0	1
	Ratio of female employees among contract workers	%	0	0	14.29

Salary

Category	Unit	2023	2024	2025
Overall average (annual)	KRW million	50	51	52
Female average (annual)	KRW million	47	48	30
Male average (annual)	KRW million	51	52	52
Male to female salary ratio	%	74.60	92.31	57.69

ESG Data

Social

BGF Ecosolution

Retirement pension

Category		Unit	2023	2024	2025
Subscription rate		%	100	100	100
By subscription type	Total	Persons	30	30	28
	- Defined benefit type (DB)	Persons	26	25	24
	- Defined contribution type (DC)	Persons	4	5	4

Industrial Accidents

Category		Unit	2023	2024	2025
Work-related deaths		Persons	0	0	0
Lost Time Injury Frequency Rate (LTIFR)		Cases per Million Hours Worked	0	0	0
Number of Industrial Accidents		Cases	0	0	0
Accident rate		%	0	0	0

Parental leave

Category		Unit	2023	2024	2025
Number of people	Male	Persons	-	-	1
	Female	Persons	-	-	-
Number of people eligible for return	Male	Persons	-	-	-
	Female	Persons	-	-	-
Return rate	Male	%	-	-	-
	Female	%	-	-	-

ESG Data

Social

BGF Ecocycle

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	67	81	101
By contract type	Full-time	Persons	15	22	27
	Temporary	Persons	52	59	74
	- Executive (Male)	Persons	6	5	6
	- Executive (Female)	Persons	0	0	0
	- Temporary ¹⁾	Persons	46	54	68
	- Indefinite contract worker	Persons	0	0	0
By gender	Male	Persons	47	60	80
	Female	Persons	20	21	21
By age	20s to 30 years old	Persons	13	12	16
	30s to 50 years old	Persons	23	36	44
	More than 50 years old	Persons	31	33	41
By position	Executives	Persons	6	5	6
	P3 and above ²⁾	Persons	7	13	10
	P2 and below ³⁾	Persons	54	63	85
By occupation	General job ⁴⁾	Persons	17	28	29
	Technical job ⁵⁾	Persons	50	53	72

1) Advisors, consultants, foreign workers, and senior contract employees (re-employed)
2) BGF standard: P2 (assistant manager), P3 (manager level), P4 (deputy general manager level) / the company: G3 or above
3) BGF standard: P2 (assistant manager), P3 (manager level), P4 (deputy general manager level) / the company: G2 or below
4) Office staff
5) Production staff

Recruitment

Category		Unit	2023	2024	2025
New employment	Total	Persons	12	21	31
By contract type	Full-time	Persons	0	6	12
	Temporary	Persons	12	15	19
By employment type	Open recruitment for high school graduates	Persons	0	0	0
	Open recruitment for new college graduates	Persons	0	0	0
	Experienced position	Persons	12	21	31
By gender	Male	Persons	9	17	28
	Female	Persons	3	4	3
By region	Metropolitan area	Persons	12	21	11
	Non-metropolitan area	Persons	0	0	20

1) Incheon, Hwaseong
2) Yesan

Turnover

Category		Unit	2023	2024	2025
Total number of turnover		Persons	2	10	19
Involuntary turnover	Total	Persons	0	1	7
	- Transfers between affiliates	Persons	0	1	3
	- Other	Persons	0	0	4
Voluntary turnover	Total	Persons	2	9	12
Voluntary transfer ratio ¹⁾		%	3	11	12

1) (Number of voluntary resignations ÷ total number of employees) × 10

ESG Data

Social

BGF Ecocycle

Average Employment Period

Category	Unit	2023	2024	2025
Average years of service	Years	3	3	3
Male	Years	3	3	3
Female	Years	2	3	3

Diversity

Category	Unit	2023	2024	2025
Disabled workers	Persons	2	2	2
Disabled worker ratio ¹⁾	%	3	2	2
Foreign worker	Persons	-	28	39
Foreign worker ratio ²⁾	%	-	35	39

1) (Number of employees with disabilities ÷ total number of employees) × 100
2) (Number of foreign employees ÷ total number of employees) × 100

Female employees

	Category	Unit	2023	2024	2025
By position	Number of manager female employees ¹⁾	Persons	0	1	1
	- Number of female employees P5 level and above ²⁾	Persons	0	0	0
	- Number of female employees P3 level and above ³⁾	Persons	0	1	1
	Number of non-manager female employees	Persons	20	20	20
By contract type	Full-time female employees	Persons	4	5	6
	Ratio of female employees among full-time employees ⁴⁾	%	27	23	22
	Female contract employees	Persons	16	16	15
	Ratio of female employees among contract workers ⁵⁾	%	31	27	20

1) Senior managers (number of women in top management) + middle managers (number of women in junior management)
2) BGF standard: P5 or above (department head or above) / the company: G4 or above
3) BGF standard: P3 or above (manager or above) / the company: G3 or above
4) (Number of female regular employees ÷ number of regular employees) × 100
5) (Number of female contract employees ÷ number of non-regular employees) × 100

ESG Data

Social

BGF Ecocycle

Salary

Category	Unit	2023	2024	2025
Overall average (annual)	KRW million	40	47	44
Female average (annual)	KRW million	28	31	34
Male average (annual)	KRW million	45	53	47
Male to female salary ratio	%	64	58	72

Industrial Accidents

Category	Unit	2023	2024	2025
Work-related deaths	Persons	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	Cases per Million Hours Worked	0	0	0
Number of Industrial Accidents	Cases	0	0	0
Accident rate	%	0	0	0

Retirement pension

Category		Unit	2023	2024	2025
Subscription rate ¹⁾		%	103	103	103
By subscription type	Total	Persons	42	44	33
	- Defined benefit type (DB)	Persons	42	44	32
	- Defined contribution type (DC)	Persons	0	0	1

1) Excluding foreign workers (enrolled in the departure guarantee insurance)

ESG Data

Social

KNW

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	48	51	50
By contract type	Full-time	Persons	41	43	41
	Temporary	Persons	7	8	9
	- Executive (Male) ¹⁾	Persons	6	8	8
	- Executive (Female)	Persons	1	0	0
	- Temporary	Persons	0	0	1
	- Indefinite contract worker	Persons	0	0	0
By gender	Male	Persons	38	39	37
	Female	Persons	10	12	13
By age	20s to 30 years old	Persons	4	5	4
	30s to 50 years old	Persons	35	36	32
	More than 50 years old	Persons	9	10	14
By position	Executives	Persons	7	8	8
	P3 and above ²⁾	Persons	18	22	23
	P2 and below ³⁾	Persons	23	21	19
By occupation	General job	Persons	35	36	39
	Technical job	Persons	13	15	11

1) Including non-registered executives
2) BGF standard: P2 (assistant manager), P3 (manager level), P4 (deputy general manager level) (to be entered in accordance with BGFEM standards)

Recruitment

Category		Unit	2023	2024	2025
New employment	Total	Persons	10	8	6
By contract type	Full-time	Persons	7	7	3
	Temporary	Persons	3	1	3
By employment type	Open recruitment for high school graduates	Persons	0	0	0
	Open recruitment for new college graduates	Persons	0	2	0
	Experienced position	Persons	10	6	6
By gender	Male	Persons	7	6	6
	Female	Persons	3	2	0
By region	Metropolitan area	Persons	10	8	6
	Non-metropolitan area	Persons	0	0	0

Turnover

Category		Unit	2023	2024	2025
Total number of turnover		Persons	19	13	9
Involuntary turnover	Total	Persons	0	0	1
	- Transfers between affiliates	Persons	0	0	0
	- Other ¹⁾	Persons	8	0	1
Voluntary turnover	Total	Persons	11	13	8
Voluntary transfer ratio ²⁾		%	22	25	16

1) 2023: Executive departures due to M&A / 2025: Change of CEO (Park Hyun-dal → Yang Jae-seok)
2) Number of voluntary resignations ÷ total number of employees

ESG Data

Social

KNW

Average Employment Period

Category	Unit	2023	2024	2025
Average years of service	Years	5.1	5.7	6.9
Male	Years	6.0	6.1	7.9
Female	Years	1.3	2.3	4.4

Labor-Management Council

Category	Unit	2023	2024	2025
Employees participating in the labor-management council	Persons	0	32	47
Number of meetings held	Times	0	2	3
Number of agenda items	Cases	0	7	20

Female employees

	Category	Unit	2023	2024	2025
By position	Number of manager female employees ¹⁾	Persons	0	0	0
	- Number of female employees P5 level and above ²⁾	Persons	0	0	0
	- Number of female employees P3 level and above ³⁾	Persons	0	0	0
	Number of non-manager female employees	Persons	10	12	13
By contract type	Full-time female employees	Persons	10	12	13
	Ratio of female employees among full-time employees	%	21	24	31
	Female contract employees	Persons	0	0	0
	Ratio of female employees among contract workers	%	0	0	0

1) Senior managers (number of women in top management) + middle managers (number of women in junior management)
2) BGF standard: P5 or above (department head or above)
3) BGF standard: P3 or above (manager or above)

Salary

Category	Unit	2023	2024	2025
Overall average (annual)	KRW million	62	50	52
Female average (annual)	KRW million	32	36	39
Male average (annual)	KRW million	71	54	57
Male to female salary ratio	%	45	66	68

ESG Data

Social

KNW

Retirement pension

Category		Unit	2023	2024	2025
Subscription rate		%	100	100	100
By subscription type	Total	Persons	30	39	42
	- Defined benefit type (DB)	Persons	0	0	6
	- Defined contribution type (DC)	Persons	30	39	36

Industrial Accidents

Category		Unit	2023	2024	2025
Work-related deaths		Persons	0	0	0
Lost Time Injury Frequency Rate (LTIFR)		Cases per Million Hours Worked	0	0	0
Number of Industrial Accidents		Cases	1	0	0
Accident rate		%	2.5	0	0

Parental leave

Category		Unit	2023	2024	2025
Number of people	Male	Persons	0	0	1
	Female	Persons	0	0	0
Number of people eligible for return	Male	Persons	0	0	1
	Female	Persons	0	0	0
Return rate	Male	%	0	0	100
	Female	%	0	0	0

Diversity

Category		Unit	2023	2024	2025
Disabled workers		Persons	0	0	0
Disabled worker ratio		%	0	0	0
Foreign worker		Persons	0	0	0
Foreign worker ratio		%	0	0	0

ESG Data

Social

BGF Ecospecialty

Employees

Category		Unit	2023	2024	2025
Total number of employees		Persons	135	145	150
By contract type	Full-time	Persons	125	130	126
	Temporary	Persons	10	15	24
	- Executive (Male)	Persons	6	11	17
	- Executive (Female)	Persons	0	0	0
	- Temporary	Persons	2	3	7
	- Indefinite contract worker	Persons	2	1	0
By gender	Male	Persons	121	129	134
	Female	Persons	14	16	16
By age	20s to 30 years old	Persons	12	12	9
	30s to 50 years old	Persons	86	92	100
	More than 50 years old	Persons	37	41	41
By position	Executives	Persons	6	11	17
	P3 and above	Persons	34	39	34
	P2 and below	Persons	95	95	99
By occupation	General job	Persons	54	60	57
	Technical job	Persons	81	85	93

Recruitment

Category		Unit	2023	2024	2025
New employment	Total	Persons	19	14	21
By contract type	Full-time	Persons	14	10	10
	Temporary	Persons	5	10	11
By gender	Male	Persons	14	12	19
	Female	Persons	5	3	2

Turnover

Category		Unit	2023	2024	2025
Total number of turnover		Persons	17	7	18
Involuntary turnover	Total	Persons	8	5	14
	- Transfers between affiliates	Persons	0	0	1
	- Other	Persons	8	5	13
Voluntary turnover	Total	Persons	9	2	4
Voluntary transfer ratio ²⁾		%	6.67	1.38	2.67

Labor-Management Council

Category		Unit	2023	2024	2025
Employees participating in the labor-management council		Persons	0	32	47
Number of meetings held		Times	0	2	3
Number of agenda items		Cases	0	7	20

ESG Data

Social

BGF Ecospecialty

Female employees

	Category	Unit	2023	2024	2025
By position	Number of manager female employees	Persons	12	14	14
	- Number of female employees P5 level and above ¹⁾	Persons	1	1	1
	- Number of female employees P3 level and above ²⁾	Persons	3	6	6
	Number of non-manager female employees	Persons	2	2	2
By contract type	Full-time female employees	Persons	12	13	13
	Ratio of female employees among full-time employees	%	9.6	10	10.3
	Female contract employees	Persons	2	3	3
	Ratio of female employees among contract workers	%	100	100	42.80

1) Department head
2) Manager

Industrial Accidents

	Category	Unit	2023	2024	2025
	Work-related deaths	Persons	0	0	0
	Lost Time Injury Frequency Rate (LTIFR)	Cases per Million Hours Worked	0	0	0
	Number of Industrial Accidents	Cases	0	0	0
	Accident rate	%	0	0	0

Parental leave

	Category	Unit	2023	2024	2025
Number of people	Male	Persons	0	0	1
	Female	Persons	1	0	1
Number of people eligible for return	Male	Persons	0	0	1
	Female	Persons	1	0	1
Return rate	Male	%	-	-	100
	Female	%	100	-	100

ESG Data

Governance

BGF

Composition of the Board¹⁾

	Category	Unit	2023	2024	2025
Independence	Independent director	Persons	2	2	2
	Executive director	Persons	2	2	2
	Independent director ratio	%	50	50	50
Efficiency	Attendance rate	%	100	100	100

Operation of the Board

	Category	Unit	2023	2024	2025
Board of Directors management	Number of board meetings held	Times	9	9	9
	Number of agenda items reported or resolved	Cases	39	29	31
	Number of reported ESG agendas	Cases	8	1	17

Compensation Policy

	Category	Unit	2023	2024	2025
Total CEO annual compensation		KRW million	1,099	1,233	1,256
Average compensation per independent director		KRW million	63	62	68
Audit fee		KRW million	209	200	209

ESG Data

Governance

BGF

Anti-corruption

Category		Unit	2023	2024	2025
Internal Code of Ethics signature	Total	Persons	56	53	54
	- Employees	Persons	56	53	54
	- Subsidiary employees	Persons	0	0	0
Internal Code of Ethics signature rate	Employees	%	100	100	100
	Subsidiary employees	%	0	0	0
Violation of Code of Conduct	Total	Cases	0	0	0
	- Embezzlement	Cases	0	0	0
	- Corruption and bribery	Cases	0	0	0
	- Discrimination and harassment	Cases	0	0	0
	- Other	Cases	0	0	0
Action taken for violation	Total	Cases	0	0	0
	- Suspension	Cases	0	0	0
	- Salary reduction	Cases	0	0	0
	- Reprimand	Cases	0	0	0
	- Other	Cases	0	0	0

Compliance

Category		Unit	2023	2024	2025
Number of violations of laws	Total	Cases	0	0	0
	- Violation of environmental laws	Cases	0	0	0
	- Violation of anti-competition laws	Cases	0	0	0
	- Violation of industrial safety regulations	Cases	0	0	0
Fine amount	Total	KRW million	0	0	0
	- Violation of environmental laws	KRW million	0	0	0
	- Violation of anti-competition laws	KRW million	0	0	0
	- Violation of industrial safety regulations	KRW million	0	0	0

Ethics Education

Category		Unit	2023	2024	2025
Ethics Education	Number of participants	Persons	56	53	54
	Number of trainings	Times	2	1	1

Reporting and consultation

Category		Unit	2023	2024	2025
By Policies	Number of ethical reports via hotline	Cases	0	0	0
	Number of clean line reports	Cases	0	0	0
	Number of ethical reports processed via hotline	Cases	0	0	0
	Number of clean line reports processed	Cases	0	0	0

ESG Data

Governance

BGF Retail

Composition of the Board¹⁾

	Category	Unit	2023	2024	2025
Independence	Ratio of independent director	%	71.4	71.4	66.6
Diversity	Number of female directors	Persons	1	1	1
	Ratio of female directors	%	14.3	14.3	16.7
Expertise	Number of directors with industry experience ²⁾	Persons	4	4	2
	Ratio of directors with industry experience	%	57.1	57.1	33.3
	Number of financial experts	Persons	1	1	1
	Ratio of financial experts	%	14.3	14.3	16.7
Efficiency	Average Board Tenure	Years	3.6	3.5	2.1
	Attendance rate	%	89.1	95.9	89.4
	Maximum Number of External Directorships Permitted	Job	1	1	1

1) As of the end of December 2025

2) Directors with Industry Experience: Individuals with experience serving as employees or executives in the food, beverage, household goods, or distribution industries

Operation of the Board¹⁾

	Category	Unit	2023	2024	2025
Board of Directors management	Number of board meetings held	Times	14	11	12
	Number of agenda items reported or resolved	Cases	54	52	47
	Number of reported ESG agendas	Cases	17	17	17

1) As of the end of December 2025

Independent Director Candidate Recommendation Committee¹⁾

	Category	Unit	2023	2024	2025
Independent Director Candidate Recommendation Committee	Independent director rate	%	100	100	100
	Number of board meetings held	Case	2	0	2
	Attendance rate	%	100	- ²⁾	100
	Number of resolutions	Case	2	- ²⁾	2
	Independent director attendance rate	%	100	- ²⁾	100

1) Candidates are selected on the recommendation of the Independent director Candidate Recommendation Committee in accordance with Article 542-8 of the Commercial Act and Article 3 of the Independent director Candidate Recommendation Committee Regulations.

2) No meetings of the Independent director Candidate Recommendation Committee were held in 2024.

Audit Committee

	Category	Unit	2023	2024	2025
Audit Committee	Independent director rate	%	100	100	100
	Financial expert	Persons	1	1	1
	Number of board meetings held	Cases	7	6	7
	Attendance rate	%	93.8	100	88.9
	Number of resolutions	Cases	16	16	18

ESG Data

Governance

BGF Retail

Details of Audit Committee Meeting

Category	Participation Rate (%)	Agenda	Approval Status
1st meeting (2025.01.09)	100	Amendment of regulations	Reported
2nd meeting (2025.02.11)	100	Three cases including the report on the results of the internal accounting management system operation inspection and the establishment of an operational evaluation plan	Reported
3rd meeting (2025.03.06)	100	Three cases including the preparation and submission of the internal accounting management system operation evaluation report	Approved
4th meeting (2025.05.08)	100	Four cases including the report on business performance for the first quarter of 2025	Approved
5th meeting (2025.08.07)	100	Three cases including the external auditor's report on the review of the 2025 semi-annual financial statements	Approved
6th meeting (2025.11.06)	66.67	Two cases including the report on business performance for the third quarter of 2025	Approved
7th meeting (2025.12.04)	100	Approval of 2025 audit and anti-corruption performance and 2026 audit and anti-corruption plan	Approved

Internal Transactions Committee

	Category	Unit	2023	2024	2025
Internal Transactions Committee	Number of board meetings held	Cases	8	6	6
	Number of resolutions	Cases	35	23	7
	Independent director rate	%	66.6	66.6	66.7
	Director attendance rate	%	84.8	100	100

Details of the Internal Transaction Committee Meeting

Category	Participation Rate (%)	Agenda	Approval Status
1st meeting (2025.01.09)	100	Preliminary review of the waste disposal service contract with BGF Ecocycle for logistics centers	Approved
2nd meeting (2025.02.11)	100	Preliminary review of the IT service fee contract with BGF and BGF Ecomaterials	Approved
3rd meeting (2025.05.08)	100	The election of the chairman of the Internal Transaction Committee	Approved
4th meeting (2025.08.07)	100	Preliminary review of the office space lease agreement with BGF	Approved
5th meeting (2025.11.06)	100	One case of preliminary review for the purchase bidding agency contract with BGF Ecomaterials	Approved
6th meeting (2025.12.04)	100	Two cases including the preliminary review for management consulting and support service contracts with BGF	Approved

Evaluation of the Board

Category	Standard	Result
Board of Directors	Composition	5.00
	Operation	4.86
	Performance	5.00
Committee ¹⁾	Structure and Operation	4.92
Independent Director	Integrity, Contribution, and Expertise	4.94
Average		4.94

1) The committee assessment result represents the average score of the three committees: the Internal Transaction Committee, the Audit Committee, and the Independent Director Candidate Recommendation Committee.

ESG Data

Governance

BGF Retail

Remuneration

Category		Unit	2023	2024	2025
Average remuneration per person	CEO	KRW million	760 ¹⁾	643	590
	Registered directors (excluding independent directors and Audit Committee members)	KRW million	1,975	1,329	1,176
	Independent directors (excluding Audit Committee members)	KRW million	62	63	69
	Audit Committee Members	KRW million	62	63	74
	Average salary per employee (mean)	KRW million	62	68	70

1) The CEO compensation amount does not include the retirement income of executive director Lee Geon-jun, who resigned in November 2023.

Whistleblowing Reports and Consultations

Category		Unit	2023	2024	2025
Employees	Number of trainings	Times	28	23	27

Report and Consultation

Category		Unit	2023	2024	2025
Total		Cases	15	16	22
Reporting Channel	- Number of reports via ethical management hotline	Cases	2	6	3
	- Number of reports via Cleanline	Cases	6	10	16
	- Others	Cases	7	0	3
Reporter	- Employees	Cases	13	10	19
	- Business partners	Cases	2	6	3
	- Customers	Cases	0	0	0

Code of Conduct

Category		Unit	2023 ¹⁾	2024 ¹⁾	2025
Violations ²⁾	Total number of violations	Cases	25	21	12
	- Embezzlement and breach of trust	Cases	1	2	1
	- Bribery and violation of Anti-Graft Act	Cases	1	0	0
	- Discrimination and workplace harassment	Cases	3	3	3
	- Other	Cases	20	16	8
	Total disciplinary actions taken ³⁾	Cases	25	24	15
Disciplinary Action	- Suspension	Persons	9	4	4
	- Salary reduction	Persons	13	12	4
	- Official reprimand	Persons	0	1	3
	- Other	Persons	3	7	4

1) Data revised to reflect cases excluding written warnings following revisions to the calculation methodology.

2) Cases were excluded where the employee resigned before the disciplinary process was completed.

3) Calculated based on the effective date of the disciplinary action; therefore, the number of employees disciplined is equal to the number of disciplinary actions.

ESG Data

Governance

BGF Retail

Code of Business Ethics

Category		Unit	2023	2024	2025
Number of people who signed the internal code of business ethics	Total	Persons	2,603	2,605	2,596
	BGF Retail employees	Persons	294	303	295
	- Position Holder	Persons	491	547	653
	- Practical manager (P3 or above, non-position holders)	Persons	1,818	1,755	1,648
	- Non-managerial positions (P2 and below)	Persons	582	687	744
Internal code of business ethics signature rate	Employees of Subsidiaries	Persons	100	100	100
	BGF Retail employees	%	100	100	100
	- Position Holder	%	100	100	100
	- Practical manager (P3 or above, non-position holders) rate	%	100	100	100
	- Non-managerial positions (P2 and below)	%	100	100	100

* Based on subsidiary employees (As of December 31, 2025)
- Target: Employees of BGF Retail subsidiaries (Full-time employees)
- Company: BGF Networks(56 People), BGF Humannet(87 People), BGF Logis(497 People), BGF Foods(104 People)

Violation of Law¹⁾

Category		Unit	2023	2024	2025
Product/service information and labeling	Violations of laws	Cases	0	0	0
	Fines	KRW million	0	0	0
	Voluntary code violations	Cases	0	0	0
	Non-monetary sanctions and lawsuits	Cases	0	0	0
Display and advertising	Violations of laws	Cases	1 ²⁾	0	0
	Voluntary code violations	Cases	0	0	0
	Fines	KRW million	3	0	0
	Non-monetary sanctions and lawsuits	Cases	0	0	0
Anti-trust/unfair competition	Violations of laws	Cases	0	1 ³⁾	0
	Fines	KRW million	0	2.62	0
	Non-monetary sanctions and lawsuits	Cases	0	0	0
	Completed cases	Cases	0	0	0
Anti-corruption/ bribery	Violations of laws	Cases	0	0	0
	Fines	KRW million	0	0	0
	Completed cases	Cases	0	0	0
	Non-monetary sanctions and lawsuits	Cases	0	0	0
Others	Violations of laws	Cases	0	0	0

1) Number of regulatory violations at BGF Retail's manufacturing and business sites (franchise stores are considered separate entities and are not included)
2) Violation related to the transmission of advertising information for commercial purposes, in breach of applicable laws, occurred in September 2023.
3) Violation regarding the disclosure regulations on business group status occurred in May 2024

ESG Data

Governance

BGF Retail

Audit

Category	Unit	2023	2024	2025
Total number of audits	Cases	14	17	21
Comprehensive audit	Cases	3	3	4
Special audit	Cases	10	13	16
Confirmation audit	Cases	1	1	1

Fair Trade Training and Evaluation

	Category	Unit	2023	2024	2025
Fair Trade Training	Number of participants in training	Persons	271	609	508
	Training hours per employee	Hour	1	1.5	1.5
	Number of training	Sessions	1	1	1
Fair Trade Evaluation	Fair Transactions in Franchisee Business Act evaluation score	Point	89.1	86.6	92.46
	Act on Fair Transactions In Large Retail Business/Subcontracting Act evaluation score	Point	88.8	89.8	93.94

Association

	Category	Unit	2023	2024	2025
Payment of association fees	Lobby/interest group	KRW million	0	0	0
	Political campaign	KRW million	0	0	0
	Related associations	KRW million	286	318	328
	Others (academic research, and etc.)	KRW million	8	5	9
Expenditure to major related associations	Korea Association of Convenience Store Industry	KRW million	228	255	260
	The Federation of Korean Industries	KRW million	7	8	8
	Korea Chamber of Commerce and Industry	KRW million	51	56	61

ESG Data

Governance

BGF Networks

Composition of the Board

Category	Details	Unit	2023	2024	2025
Independence	Independent director	Persons	2	2	2
	Executive director	Persons	1	1	1
	Independent director ratio	%	67	67	67
Diversity	Number of female directors	Persons	0	0	0
	Ratio of female directors	%	0	0	0
Efficiency	Attendance rate	%	100	100	100
	Average Board Tenure	Years	0.8	0.9	1.9
Operation of the Board	Number of board meetings held	Times	6	8	13
	Number of agenda items reported or resolved	Cases	14	24	29
	Number of reported ESG agendas	Cases	0	0	0

ESG Data

Governance

BGF Foods

Composition of the Board

Category	Details	Unit	2023	2024	2025
Independence	Independent director	Persons	0	0	0
	Executive director	Persons	1	1	1
	Independent director ratio	%	0	0	0
Diversity	Number of female directors	Persons	0	0	0
	Ratio of female directors	%	0	0	0
Efficiency	Attendance rate	%	100	100	100
	Average Board Tenure	Years	0	1	1
Operation of the Board	Number of board meetings held	Times	1	1	1
	Number of agenda items reported or resolved	Cases	2	2	3
	Number of reported ESG agendas	Cases	0	0	0

ESG Data

Governance

BGF Humannet

Composition of the Board

Category	Details	Unit	2023	2024	2025
Independence	Independent director	Persons	3	3	3
	Executive director	Persons	1	1	1
	Independent director ratio	%	75	75	75
Diversity	Number of female directors	Persons	0	0	0
	Ratio of female directors	%	0	0	0
Efficiency	Attendance rate	%	100	100	100
	Average Board Tenure ¹⁾	Years	2	1	2
Operation of the Board	Number of board meetings held	Times	12	13	12
	Number of agenda items reported or resolved	Cases	18	28	21
	Number of reported ESG agendas	Cases	0	0	0

1) Average tenure of the CE

ESG Data

Governance

BGF Ecomaterials

Compensation Policy

Category	Unit	2023	2024	2025
Total CEO annual compensation	KRW million	590	569	848
Average compensation per independent director	KRW million	36	36	36
Audit fee	KRW million	50	50	50

Ethics Education

Category	Details	Unit	2023	2024	2025
Ethics Education	Number of participants	Persons	169	167	233
	Training time	Hours	338	334	347
	Training hours per employee	Hours	2	2	2
	Participation rate	%	100	100	100
	Number of trainings	Times	1	1	1

Composition of the Board

Category	Details	Unit	2023	2024	2025
Independence	Independent director ¹⁾	Persons	1	1	1
	Executive director	Persons	3	3	3
	Independent director ratio ²⁾	%	25	25	25
Diversity	Number of female directors	Persons	0	0	0
	Ratio of female directors	%	0	0	0
Efficiency	Attendance rate	%	100	88 ³⁾	71 ⁴⁾
	Average Board Tenure	Years	2.02	3.02	3.60
Operation of the Board	Number of board meetings held	Times	9	8	7
	Number of agenda items reported or resolved	Cases	33	15	19
	Number of reported ESG agendas ⁵⁾	Cases	0	0	0

1) Board of Directors: based on the May 2025 corporate governance report (or the business report, if there is no change)

2) 1 out of 4 total directors (internal + independent)

3) CEO Hong Jung-hyuk was absent from the Board of Directors meeting on Dec. 30, 2024 (attendance rate: 88%; all other directors attended)

4) CEO Hong Jung-hyuk was absent from the Board of Directors meetings on Sep. 29, 2025 and Dec. 30, 2025 (attendance rate: 71%; all other directors attended)

5) Number of environment-, social-, and governance-related reports/approvals among Board of Directors agenda items in the business report

ESG Data

Governance

BGF Ecomaterials

Anti-corruption

Category			Unit	2023	2024	2025
Internal Code of Ethics	Internal Code of Ethics signature	Total	Persons	169	167	233
		- Employees	Persons	169	167	233
		- Subsidiary employees	Persons	0	0	0
	Internal Code of Ethics signature rate	Employees	%	100	100	100
		Subsidiary employees	%	0	0	0
Code of Conduct	Violation of Code of Conduct	Total	Cases	2	0	0
		- Embezzlement	Cases	0	0	0
		- Corruption and bribery	Cases	0	0	0
		- Discrimination and harassment	Cases	2	0	0
		- Other	Cases	0	0	0
Action taken for violation		Total	Cases	2	0	0
		- Suspension	Cases	0	0	0
		- Salary reduction	Cases	0	0	0
		- Reprimand	Cases	2	0	0
		- Other	Cases	0	0	0

Compliance

Category		Unit	2023	2024	2025
Number of violations of laws	Total	Cases	0	0	0
	- Violation of environmental laws	Cases	0	0	0
	- Violation of anti-competition laws	Cases	0	0	0
	- Violation of industrial safety regulations	Cases	0	0	0
Fine amount	Total	KRW million	0	0	0
	- Violation of environmental laws	KRW million	0	0	0
	- Violation of anti-competition laws	KRW million	0	0	0
	- Violation of industrial safety regulations	KRW million	0	0	0

Reporting and consultation

Category		Unit	2023	2024	2025
By Policies	Number of ethical reports via hotline	Cases	1	0	0
	Number of clean line reports	Cases	0	0	0
	Number of ethical reports processed via hotline	Cases	1	0	0
	Number of clean line reports processed	Cases	0	0	0
By Stakeholders	Total	Persons	1	0	0
	- Employees	Persons	1	0	0
	- Business Partners	Persons	0	0	0
	- Clients	Persons	0	0	0

ESG Data

Governance

BGF Ecosolution

Composition of the Board

Category	Details	Unit	2023	2024	2025
Independence	Independent director	Persons	2	2	2
	Executive director	Persons	4	4	3
	Independent director ratio	%	50	50	66.67
Diversity	Number of female directors	Persons	0	0	0
	Ratio of female directors	%	0	0	0
Efficiency	Attendance rate	%	100	100	100
	Average Board Tenure	Years	3	3	3
Operation of the Board	Number of board meetings held	Times	4	5	3
	Number of agenda items reported or resolved	Cases	7	6	4
	Number of reported ESG agendas	Cases	0	0	0

Compensation Policy

Category	Unit	2023	2024	2025
Total CEO annual compensation	KRW million	50	50	50
Average compensation per independent director	KRW million	0	0	0
Audit fee	KRW million	0	0	0

Anti-corruption

Category			Unit	2023	2024	2025
Internal Code of Ethics	Internal Code of Ethics signature	Total	Persons	36	34	34
		- Employees	Persons	36	34	34
		- Subsidiary employees	Persons	0	0	0
	Internal Code of Ethics signature rate	Employees	%	100	100	100
		Subsidiary employees	%	0	0	0
Code of Conduct	Violation of Code of Conduct	Total	Cases	0	0	1
		- Embezzlement	Cases	0	0	0
		- Corruption and bribery	Cases	0	0	0
		- Discrimination and harassment	Cases	0	0	1
		- Other	Cases	0	0	0
Action taken for violation		Total	Cases	0	0	0
		- Suspension	Cases	0	0	0
		- Salary reduction	Cases	0	0	0
		- Reprimand	Cases	0	0	1
		- Other	Cases	0	0	0

ESG Data

Governance

BGF Ecosolution

Compliance

	Category	Unit	2023	2024	2025
Number of violations of laws	Total	Cases	0	0	0
	- Violation of environmental laws	Cases	0	0	0
	- Violation of anti-competition laws	Cases	0	0	0
	- Violation of industrial safety regulations	Cases	0	0	0
Fine amount	Total	KRW million	0	0	0
	- Violation of environmental laws	KRW million	0	0	0
	- Violation of anti-competition laws	KRW million	0	0	0
	- Violation of industrial safety regulations	KRW million	0	0	0

Reporting and consultation

	Category	Unit	2023	2024	2025
By Policies	Number of ethical reports via hotline	Cases	0	0	0
	Number of clean line reports	Cases	0	0	0
	Number of ethical reports processed via hotline	Cases	0	0	0
	Number of clean line reports processed	Cases	0	0	0
By Stakeholders	Total	Persons	0	0	0
	- Employees	Persons	0	0	0
	- Business Partners	Persons	0	0	0
	- Clients	Persons	0	0	0

ESG Data

Governance

BGF Ecocycle

Reporting and consultation

Category		Unit	2023	2024	2025
By Policies	Number of ethical reports via hotline	Cases	0	0	0
	Number of clean line reports	Cases	0	0	0
	Number of ethical reports processed via hotline	Cases	0	0	0
	Number of clean line reports processed	Cases	0	0	0
By Stakeholders	Total	Persons	0	0	0
	- Employees	Persons	0	0	0
	- Business Partners	Persons	0	0	0
	- Clients	Persons	0	0	0

Anti-corruption

Category			Unit	2023	2024	2025
Internal Code of Ethics	Internal Code of Ethics signature ¹⁾	Total	Persons	21	27	33
		- Employees	Persons	21	27	33
		- Subsidiary employees	Persons	0	0	0
	Internal Code of Ethics signature rate	Employees	%	100	100	100
		Subsidiary employees	%	0	0	0
Code of Conduct	Violation of Code of Conduct	Total	Cases	0	0	0
		- Embezzlement	Cases	0	0	0
		- Corruption and bribery	Cases	0	0	0
		- Discrimination and harassment	Cases	0	0	0
		- Other	Cases	0	0	0
Action taken for violation		Total	Cases	0	0	0
		- Suspension	Cases	0	0	0
		- Salary reduction	Cases	0	0	0
		- Reprimand	Cases	0	0	0
		- Other	Cases	0	0	0

1) Conducted only for regular employees, including executives

ESG Data

Governance

BGF Ecocycle

Composition of the Board

Category	Details	Unit	2023	2024	2025
Independence	Independent director	Persons	0	0	0
	Executive director	Persons	3	3	3
	Independent director ratio	%	0	0	0
Diversity	Number of female directors	Persons	0	0	0
	Ratio of female directors	%	0	0	0
Efficiency	Attendance rate	%	100	100	100
	Average Board Tenure	Years	3	3	3
Operation of the Board	Number of board meetings held	Times	13	20	14
	Number of agenda items reported or resolved	Cases	22	27	20
	Number of reported ESG agendas	Cases	0	0	0

Compensation Policy

Category	Unit	2023	2024	2025
Total CEO annual compensation	KRW million	180	144	171
Average compensation per independent director	KRW million	0	0	0
Audit fee	KRW million	0	0	0

Compliance

Category		Unit	2023	2024	2025
Number of violations of laws	Total	Cases	1	0	0
	- Violation of environmental laws	Cases	0	0	0
	- Violation of anti-competition laws	Cases	0	0	0
	- Violation of industrial safety regulations ¹⁾	Cases	1	0	0
Fine amount	Total	KRW million	3.2	0	0
	- Violation of environmental laws	KRW million	0	0	0
	- Violation of anti-competition laws	KRW million	0	0	0
	- Violation of industrial safety regulations ¹⁾	KRW million	3.2	0	0

1) No safety and health coordinator appointed in 2023

ESG Data

Governance

KNW

Composition of the Board

Category	Category	Unit	2023	2024	2025
Independence	Independent director ¹⁾	Persons	2	1	1
	Executive director ²⁾	Persons	3	3	4
	Independent director ratio	%	40	25	25
Diversity	Number of female directors	Persons	1	0	0
	Ratio of female directors	%	50	0	0
Efficiency	Attendance rate	%	92	100	100
	Average Board Tenure	Years	0.10	1.08	2.36
Operation of the Board	Number of board meetings held	Times	9	8	5
	Number of agenda items reported or resolved	Cases	16	18	9
	Number of reported ESG agendas ³⁾	Cases	0	0	0

1) Board of Directors: based on the May 2024 corporate governance report (or the business report, if there is no change)
2) Park Hyun-dal, Hong Kwon-gi, Yang Jae-seok, Kim Kang-min
3) Number of environment-, social-, and governance-related reports/approvals among Board of Directors agenda items in the business report

Anti-corruption

Category			Unit	2023	2024	2025
Internal Code of Ethics	Internal Code of Ethics signature ¹⁾	Total	Persons	0	51	50
		- Employees	Persons	0	51	50
		- Subsidiary employees	Persons	0	0	0
	Internal Code of Ethics signature rate	Employees	%	0	100	100
		Subsidiary employees	%	0	0	0
Code of Conduct	Violation of Code of Conduct	Total	Cases	0	0	0
		- Embezzlement	Cases	0	0	0
		- Corruption and bribery	Cases	0	0	0
		- Discrimination and harassment	Cases	0	0	0
		- Other	Cases	0	0	0
Action taken for violation		Total	Cases	0	0	0
		- Suspension	Cases	0	0	0
		- Salary reduction	Cases	0	0	0
		- Reprimand	Cases	0	0	0
		- Other	Cases	0	0	0

ESG Data

Governance

KNW

Compensation Policy

Category	Unit	2023	2024	2025
Total CEO annual compensation ¹⁾	KRW million	1,299	209	264
Average compensation per independent director	KRW million	0	3	3
Audit fee	KRW million	0	3	3

1) Including retirement severance pay for former CEO Oh Won-seok in 2023

Compliance

	Category	Unit	2023	2024	2025
Number of violations of laws	Total	Cases	0	0	0
	- Violation of environmental laws	Cases	0	0	0
	- Violation of anti-competition laws	Cases	0	0	0
	- Violation of industrial safety regulations	Cases	0	0	0
Fine amount	Total	KRW million	0	0	0
	- Violation of environmental laws	KRW million	0	0	0
	- Violation of anti-competition laws	KRW million	0	0	0
	- Violation of industrial safety regulations	KRW million	0	0	0

Ethics Education

Category	Details	Unit	2023	2024	2025
Ethics Education	Number of participants	Persons	0	45	45
	Training time	Hours	0	2	2
	Training hours per employee	Hours	0	2	2
	Participation rate	%	0	88	90
	Number of trainings	Times	0	1	1

Reporting and consultation

	Category	Unit	2023	2024	2025
By Policies	Number of ethical reports via hotline	Cases	0	0	0
	Number of clean line reports	Cases	0	0	0
	Number of ethical reports processed via hotline	Cases	0	0	0
	Number of clean line reports processed	Cases	0	0	0
By Stakeholders	Total	Persons	0	0	0
	- Employees	Persons	0	0	0
	- Business Partners	Persons	0	0	0
	- Clients	Persons	0	0	0

ESG Data

Governance

BGF Ecospecialty

Composition of the Board

Category	Details	Unit	2023	2024	2025
Independence	Independent director	Persons	0	0	0
	Executive director	Persons	3	3	3
Diversity	Number of female directors	Persons	0	0	0
Efficiency	Attendance rate	%	100	100	100
	Average Board Tenure	Years	0.83	1.85	1.63
Operation of the Board	Number of board meetings held	Times	2	3	7
	Number of agenda items reported or resolved	Cases	6	9	9
	Number of reported ESG agendas	Cases	0	0	0

Anti-corruption

Category		Unit	2023	2024	2025
Code of Conduct	Total	Cases	0	0	0
	- Embezzlement	Cases	0	0	0
	- Corruption and bribery	Cases	0	0	0
	- Discrimination and harassment	Cases	0	0	1
	- Other	Cases	0	0	0
Action taken for violation	Total	Cases	0	0	1
	- Suspension	Cases	0	0	0
	- Salary reduction	Cases	0	0	1
	- Reprimand	Cases	0	0	0
	- Other	Cases	0	0	0

ESG Data

Governance

BGF Ecospecialty

Compensation Policy

Category	Unit	2023	2024	2025
Total CEO annual compensation	KRW million	404	199	250
Average compensation per independent director	KRW million	0	0	0
Audit fee	KRW million	0	0	0

Compliance

	Category	Unit	2023	2024	2025
Number of violations of laws	Total	Cases	0	0	0
	- Violation of environmental laws	Cases	0	0	1
	- Violation of anti-competition laws	Cases	0	0	0
Fine amount	- Violation of industrial safety regulations	KRW million	0	0	0
	Total	KRW million	0	0	0
	- Violation of environmental laws	KRW million	0	0	0

Reporting and consultation

	Category	Unit	2023	2024	2025
By Policies	Number of ethical reports via hotline	Cases	0	0	0
	Number of clean line reports	Cases	0	0	0
	Number of ethical reports processed via hotline	Cases	0	0	0
	Number of clean line reports processed	Cases	0	0	0
By Stakeholders	Total	Persons	0	0	0
	- Employees	Persons	0	0	0
	- Business Partners	Persons	0	0	0
	- Clients	Persons	0	0	0

GRI Index

BGF reports its sustainability information in accordance with the GRI Standards 2021 for the reporting period from January 1 to December 31, 2025.

Universal Standards

GRI 1: Foundation 2021

Statement of use	BGF Retail has reported in accordance with the GRI Standards for the period from 1 January 2025 to 31 December 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No applicable sector standard as of the publication date

GRI 2 : General Disclosures 2021

Category	Disclosure Indicators		Page
The organization and its reporting practices	2-1	Organizational details	6-13
	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	Corrected information is indicated via a footnote at the bottom of the corresponding item.
	2-5	External assurance	-
Activities and workers	2-6	Activities, value chain, and other business relationships	6-13
	2-7	Employees	129, 132, 142-145, 148, 151, 154, 157
	2-8	Workers who are not employees	132

Category	Disclosure Indicators		Page
Governance	2-9	Governance structure and composition	98, 101
	2-10	Nomination and selection of the highest governance body	98, 101
	2-11	Chair of the highest governance body	98, 101
	2-12	Role of the highest governance body in overseeing the management of impacts	17
	2-13	Delegation of responsibility for managing impacts	17
	2-14	Role of the highest governance body in sustainability reporting	17
	2-15	Conflicts of interest	63, 98, 100
	2-16	Communication of critical concerns	17, 159-160
	2-17	Collective knowledge of the highest governance body	98, 102
	2-18	Evaluation of the performance of the highest governance body	102, 161
	2-19	Remuneration policies	102, 134, 159, 162, 169, 171, 174, 176, 178
	2-20	Process to determine remuneration	102
	2-21	Annual total compensation ratio	134

GRI Index

Universal Standards

GRI 2 : General Disclosures 2021

Category	Disclosure Indicators		Page
Strategy, policies and practices	2-22	Statement on sustainable development strategy	5
	2-23	Policy commitments	24, 30, 39, 40, 44, 47, 50, 52, 56, 63, 64, 65, 69, 84, 85, 103
	2-24	Embedding policy commitments	16
	2-25	Processes to remediate negative impacts	42-43, 44, 48-49, 51, 57-59, 67, 97, 104
	2-26	Mechanisms for seeking advice and raising concerns	36, 37, 40, 45-46, 53-54, 59, 65-66, 80, 90-91, 93, 95, 104
	2-27	Compliance with laws and regulations ¹⁾	25, 59, 71, 97, 116, 120, 122, 124-126, 128, 136, 140, 159, 162-163, 169-171, 173, 175, 177
Stakeholder engagement	2-28	Membership associations	-
	2-29	Approach to stakeholder engagement	18
	2-30	Collective bargaining agreements	36

GRI 3: Material Topics 2021

Category	Disclosure Indicators		Page
Disclosures on material topics	3-1	Process to determine material topics	19
	3-2	List of material topics	20

Topic Specific Standards

Material Topics

Category	Disclosure Indicators		Page
Partner Sustainability Management	3-3	Management of material topics	50-51, 94, 137
GRI 308: Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	51, 137
GRI 414: Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	51, 137
Partner Sustainability Management	3-3	Management of material topics	23-25, 69-71, 123, 126, 128
NON-GRI		Environmental Management System Certification	24, 69-70, 123, 126, 128
Establishing an Ethical Management System	3-3	Management of material topics	63-67, 103-104, 159, 162-163, 168-172, 174-177
GRI 205: Anti- Corruption	205-2	Communication and training about anti-corruption policies and procedures	63-65, 103-104, 159, 162-163, 168-170, 172, 174-175
	205-3	Confirmed incidents of corruption and actions taken	65, 159, 162, 169-172, 174-177
Climate change response	3-3	Management of material topics	26-28, 72-73, 116-118, 121, 124-125, 127
GRI 302: Energy	302-1	Energy consumption within the organization	27, 73, 116, 118, 121, 124-125, 127
	302-3	Energy intensity	27, 73, 116, 118, 121, 124-125, 127
	302-4	Reduction of energy consumption	27, 73, 116, 118, 121, 124-125, 127
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	28, 73, 116-117, 121, 127
	305-2	Energy indirect (Scope 2) GHG emissions	28, 73, 116-117, 121, 127
	305-3	Other indirect (Scope 3) GHG emissions	28, 117
	305-4	GHG emissions intensity	28, 73, 116-117, 121, 127
	305-5	Reduction of GHG emissions	28, 73, 116-117, 121, 127
Product safety and quality	3-3	Management of material topics	47-49, 92-93, 163
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	48, 93, 140
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	163
GRI 417: Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	163
	417-3	Incidents of non-compliance concerning marketing communications	163

GRI Index

Topic Specific Standards

Material Topics

Category	Disclosure Indicators		Page
Developing products with environmental and social considerations	3-3	Management of material topics	30, 120
Non-GRI		Operation and sale of green products	30, 120
Managing worker safety and health	3-3	Management of material topics	38-43, 79, 81-89, 134, 136, 146, 149, 152, 155, 157
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	38-39, 81-82
	403-2	Hazard identification, risk assessment, and incident investigation	42-43, 85-86
	403-3	Occupational health services	40-41, 88-89
	403-4	Worker participation, consultation, and communication on occupational health and safety	40, 83, 134
	403-5	Worker training on occupational health and safety	41, 87-89, 136
	403-6	Promotion of worker health	32, 79
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	42-43, 85-86
	403-9	Work-related injuries	40-41, 89 , 136, 146, 149, 152, 155, 157
	403-10	Work-related ill health	40-41, 89 , 136, 146, 149, 152, 155, 157
Waste Management	3-3	Management of material topics	29, 74-76, 116, 119, 122, 124, 127
GRI 306: Waste	306-3	Waste generated	29, 76, 116, 119, 122, 124, 127
	306-4	Waste diverted from disposal	29, 76, 116, 119, 122, 124, 127
	306-5	Waste directed to disposal	29, 76, 116, 119, 122, 124, 127
Employee Competency Development and Training	3-3	Management of material topics	32, 35, 134, 135
GRI 404 : Training and Education	404-1	Average hours of training per year per employee	135
	404-2	Programs for upgrading employee skills and transition assistance programs	135
	404-3	Percentage of employees receiving regular performance and career development	35, 134
Compliance	3-3	Management of material topics	63-67, 103-104, 159, 169, 171, 173, 175
GRI 206: Anti- competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti- trust, and monopoly practices	159, 169, 171, 173, 175

Non-material Topics

Category	Disclosure Indicators		Page
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	106-115
GRI 202: Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	35, 133
GRI 401: Employment	401-1	New employee hires and employee turnover	129, 132, 144, 147, 150, 153, 156
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	32-34, 79-80, 134
	401-3	Parental leave	130, 135, 146, 149, 155, 157
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	98, 101, 129-131, 141-145, 147-148, 150-151, 153-154, 156-157
	405-2	Ratio of basic salary and remuneration of women to men	35, 130, 133, 145, 148, 152, 154
GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	136, 159, 162, 169, 170, 172, 174, 176
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	59, 97, 139

UNGC

The UN Global Compact (UNGC) is an initiative that encourages companies to pursue sustainable management based on social responsibility and is composed of 10 principles across four areas: human rights, labor, environment, and anti-corruption. BGF supports the Ten Principles of the UNGC and strives to implement them across all areas of its business operations.

Category	Principles	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights.	44-45, 90
	2. Make sure that they are not complicit in human rights abuses.	44-46, 90-91
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	36
	4. The elimination of all forms of forced and compulsory labor.	45
	5. The effective abolition of child labor.	45, 51
	6. The elimination of discrimination in respect of employment and occupation.	32, 79
Environment	7. Businesses should support a precautionary approach to environmental challenges.	24, 69
	8. Undertake initiatives to promote greater environmental responsibility.	23-31, 69-78
	9. Encourage the development and diffusion of environmentally friendly technologies.	30, 119
Anti-Corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	63-67, 103-104

BGF