

Better Energy for Us & Earth

2025 KNOC Sustainability Report



About this Report

Report Overview

As the nation's leading energy specialist, Korea National Oil Corporation (hereinafter referred to as KNOC) publishes the '2025 Sustainability Report' to disclose and actively communicate its Environmental, Social, and Governance (ESG) management activities and performance to various stakeholders. This report details key issues for ESG management within the organization, identified through a double materiality assessment that measures both financial and social/environmental impacts. KNOC published its first Sustainability Report in 2012 and has been publishing reports annually since 2022.

Reporting Period and Scope

This Sustainability Report covers KNOC's 12-month performance from January 1, 2024, to December 31, 2024; with some qualitative achievements, including activities planned for the first half of 2025. For quantitative achievements, three years of data are provided to illustrate the trends. This report focuses on our ESG activities and performance, and some of the disclosed data include the performance of our offices, overseas operations, subsidiaries, and supply chain.

Reporting Standards

This report was prepared in compliance with the Global Reporting Initiative (GRI) Standards (2021), an international ESG management guideline, and the principles of the United Nations Sustainable Development Goals (UN SDGs), United Nations Global Compact (UNGC), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), and ISO 26000. The reporting standards and financial information definitions comply with the Korean International Financial Reporting Standards (K-IFRS). Furthermore, the report was verified by a professional verification agency, to enhance the reliability and quality of the report's content. Detailed information on the verification results is included in the appendix.

Report Contact

This Sustainability Report can be downloaded as a PDF file from the KNOC website. For any comments or inquiries regarding the report and KNOC's ESG activities, please refer to the contact information below. We also welcome any feedback from you.

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COVER STORY

As a public institution responsible for energy security directly linked to the daily lives of citizens, KNOC is pursuing balanced growth across its business portfolio—not only in petroleum exploration, development, and stockpiling, but also through low-carbon new initiatives such as CCS, offshore wind farm, and hydrogen and ammonia projects. This cover design visually represents KNOC's overall business flow and its strong commitment to ESG management.

Contents

● Introduction

CEO Message	04
About KNOG	06
Major Businesses	09

● ESG Management

ESG Highlight	14
KNOG ESG Management	15
Double Materiality Assessment	18
Stakeholder Engagement	22

● Material Issues

Material Issue 1. Climate Change Response	24
Material Issue 2. Worksite Safety and Health	26
Material Issue 3. Community Impact Management	28

● Environmental

Environmental Management	32
Contribution to the Nation's Carbon Neutrality Goals	40

● Social

Safety and Health	46
Human Resource Management	53
Human Rights Management	60
Mutual Growth	64
Shared Growth with Local Communities	65

● Governance

Governance	72
Ethical Management	76
Risk Management	83

● Appendix

ESG Data	86
GRI Index	96
K-ESG Evaluation Report	102
UN SDGs	105
TCFD Index	107
SASB Index	108
Third-Party Verification Statement	109
Awards and Recognitions	111
Memberships and Associations	112

Interactive PDF

This report has been published as an interactive PDF, featuring functions such as navigation to related pages within the report and direct links to relevant web pages.



Cover



Previous Page



Contents



Next Page

CEO Message



“ **KNOG will take another step forward as a sustainable public institution leading the future energy industry.** ”

To the esteemed citizens and all our valued stakeholders

First and foremost, I would like to express my sincere gratitude for your continued interest in and unwavering support of the Korea National Oil Corporation (KNOG). For the past 46 years, we have faithfully fulfilled our national responsibility of ensuring South Korea's energy security and sustainable development, overcoming many challenges and achieving significant accomplishments along the way. In recent years, the international energy landscape has changed rapidly because of the global proliferation of carbon neutrality initiatives, advancements in artificial intelligence (AI) technology, the increasing climate crisis, and the resulting uncertainties in energy supply chains. In the midst of epochal shifts, we are redefining our strategy and strengthening our foundation to proactively address the dual challenges of enhancing national energy security and achieving carbon neutrality.

● **First, we will dedicate our utmost efforts to create a safe worksite where everyone feels secure.**

With the lives and safety of South Korean citizens as our top priority, in line with our commitment to zero serious accidents, we are establishing a safety culture centered on prevention, one that is embraced by our employees and partner companies alike. Furthermore, to strengthen efficient and systematic safety management, we have built an Integrated 'Smart Safety Management' System. We are also using AI and smart technologies to improve our smart safety management system, which detects and prevents risks in advance. Additionally, we are solidifying our 'Business Continuity Management System (BCMS)' to ensure that core operations continue uninterrupted during unforeseen crises, such as natural disasters and social calamities.

● **Second, we will persistently pursue financial soundness and enhance our risk management capabilities.**

Despite challenging domestic and international conditions, including declining international oil prices and a global economic slowdown, we have achieved net profits for three consecutive

CEO Message

years and have consistently improved our financial structure. We have also made sustained and intensive efforts toward self-reliance, such as selling non-core assets and improving management efficiency. Going forward, we will enhance our Enterprise Risk Management (ERM) system to improve the effectiveness of our risk management processes. At the same time, we will proactively respond to global market volatility to secure financial stability and sustainability.

● **Third, we will strengthen low-carbon new businesses and eco-friendly management activities in alignment with the net-zero era.**

Leveraging the capabilities and experiences accumulated in resource development sector, we are implementing South Korea's first carbon capture and storage (CCS) demonstration project. We are collaborating with domestic and international private companies on cross-border CCS projects, as well as accelerating joint research to identify promising storage sites in South Korea. Meanwhile, we have systematically implemented floating offshore wind farm projects to lay the groundwork for entering the field of low-carbon new businesses. Moving forward, we aim to contribute substantially to achieving national carbon reduction targets by successfully executing the 'H2-Nexus Project', which involves a clean energy hub that is linked to securing overseas supply chains for hydrogen and ammonia and establishing domestic infrastructure. Moreover, we are contributing to improving atmospheric environment by installing eco-friendly equipment, such as the Vapor Recovery Unit (VRU) or Vapor Recovery System (VRS) at domestic petroleum stockpile sites and economical gas stations, while operating eco-friendly stockpile sites, which include operating effluent recycling systems.

Further, all employees practice carbon emission reduction in their daily lives by participating in energy conservation and resource recycling programs. We promote the importance of eco-friendly activities among local communities through programs such as joint plogging events with local citizens and the 'KNOG Dream Solar Energy Project'.

● **Fourth, we will concentrate on strengthening our oil development and stockpiling projects to enhance national resource security.**

As part of the 'Gwanggaeto Project'—our mid-to-long-term domestic continental shelf exploration plan—we have recently completed exploratory drilling in the East Sea. This secured the technological foundation for developing deep-sea resources. We are also enhancing the project's credibility and international cooperation base by attracting investment from leading global oil companies. Further, we are actively participating in oil field development projects both domestic

and overseas to safeguard national energy security.

Additionally, we have established a multi-layered response system for energy security crises, encompassing strategic stockpiling, private stockpiling, international joint stockpiling, and imports of crude oil from overseas production sites. Currently, approximately 100 million barrels of crude oil are stockpiled across nine stockpile sites in South Korea. In addition, we have secured a total of 23 million barrels through international joint stockpiling, including 13.3 million barrels stockpiled jointly with major Middle Eastern oil-producing nations, such as Saudi Arabia, Kuwait, and the UAE. We will solidify energy security to ensure the public's sense of security, even amid international instability and supply chain shocks.

● **Fifth, in partnership with local communities, we will take the lead in realizing shared-growth-oriented cooperation and integrity management practices.**

We are expanding our support for small business owners and job creation for socially vulnerable groups to vitalize the local economy. Through the economical gas station business, we are also contributing to alleviating the financial burden for the public. Further, we are strengthening transparent organizational operations by improving our ESG disclosure framework, while establishing a foundation for responsible management by securing the expertise and independence of our Board of Directors. Additionally, we will foster a culture of integrity throughout the organization by practicing ethical management, improving internal control systems, and further solidifying public trust.

Dear citizens and stakeholders,

KNOG will faithfully fulfill its national responsibilities in the rapidly changing global energy environment and take another step forward as a sustainable public institution leading the future energy industry. We will harmoniously balance the realization of the two pillars of energy security and carbon neutrality, and work with the public to open a new energy future for South Korea. We ask for your continued interest and support.

Thank you.

2025. 10.
CEO, Korea National Oil Corporation
Dong Sub Kim



About KNOC

Overview of KNOC

KNOC was established in 1979 to contribute to oil supply stability and national economic development by implementing projects related to oil resources development, oil stockpiling, oil distribution structure improvement, carbon neutrality, and greenhouse gas (GHG) emission reduction. Since its establishment, KNOC has contributed to the development of the national economy by ensuring stable acquisition and supply of petroleum resources. Recently, we have been accelerating the transition to low-carbon and eco-friendly energy. We strive to build a foundation for a sustainable future and strengthen our competitiveness in the global energy market by actively promoting low-carbon new businesses such as CCS¹⁾, floating offshore wind farm, hydrogen and ammonia projects. This will allow us to fulfill our role as a responsible energy company.

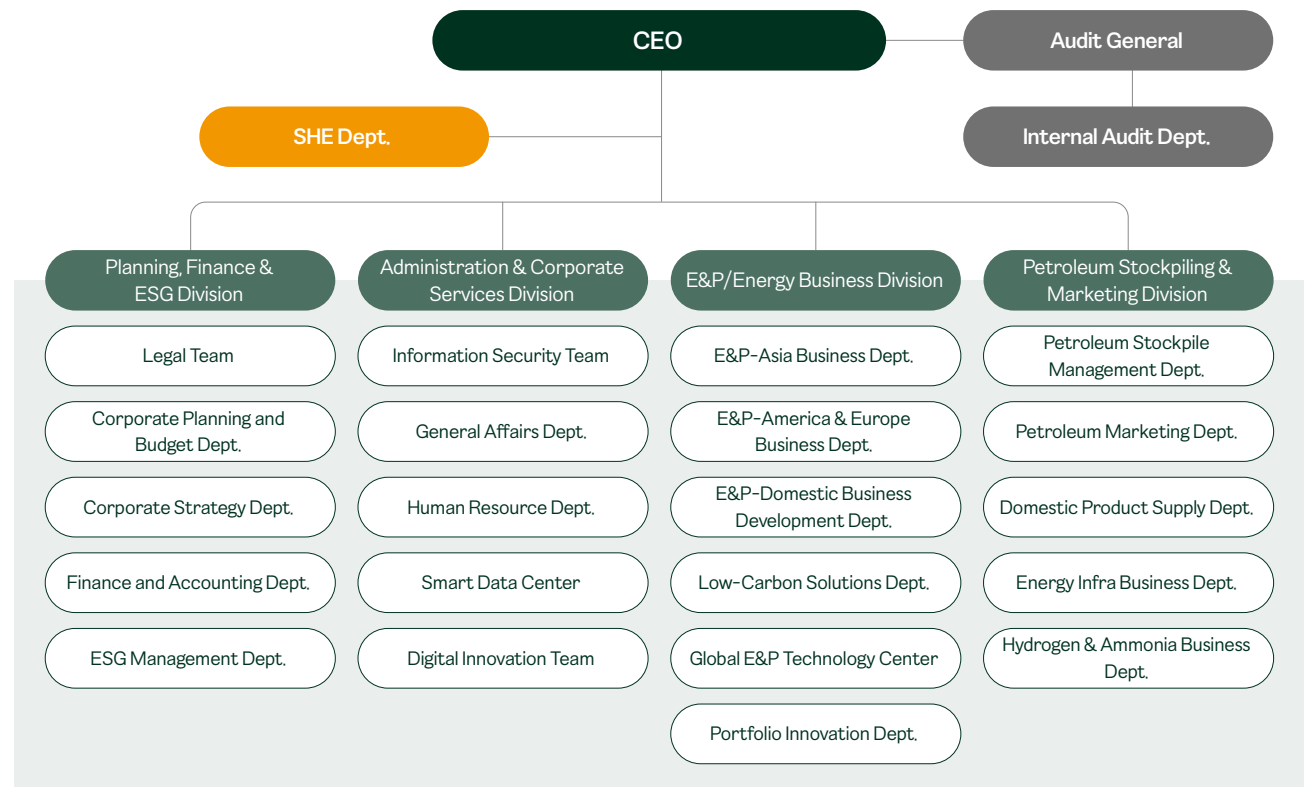
1) CCS: Carbon Capture and Storage

General Information

(As of the end of 2024)

Company name	Korea National Oil Corporation
CEO	Dong-sub Kim
Establishment date	March 3, 1979
Number of employees	1,329 (Current employee)
Headquarters	305 Jongga-ro, Jung-gu, Ulsan
Legal basis	Korea National Oil Corporation Act
Paid-in capital	10.9089 trillion KRW
Operating profit	1.2734 trillion KRW

Organization Chart



Domestic Stockpile Sites

- Yeosu Office
- Seosan Office
- Geoje Office
- Ulsan Office
- Pyeongtaek Office
- Guri Office

- Yongin Office
- Gokseong Office
- Donghae Office

Overseas Subsidiaries

- Dana Petroleum Ltd.
- KNOC Eagleford Corp.
- Harvest Operations Corp.
- KNOC Kaz B. V.
- KADOC Ltd.
- ANKOR E&P Holdings Corp.
- KNOC Trading Singapore Pte. Ltd.

About KNOC

Mid- to Long-Term Management Strategy

KNOC's core mission is to contribute to improving the quality of life of the communities by ensuring a stable supply of sustainable energy. As we move forward to become a global integrated energy company leading the transition toward carbon neutrality, we will pursue four strategic directions: strengthening energy security, securing financial soundness, accelerating AI- and data-driven innovation, and reinforcing our social roles and responsibilities.



Mission

Stable Supply of Sustainable Energy to Make People's Lives and Environment Better

Vision

Global Energy Company Leading Energy Security and Carbon Neutrality

Core Values

Passion and Challenge

Safety and Environment

Innovation and Growth

Management Goals (2030)

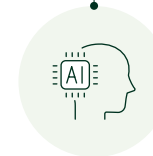
Resource Security Stockpiles
(306 million barrels)



Debt to Asset Ratio
(77.5%)



AI Innovation
(Government Evaluation Rating: 'Excellent')



Enhanced Safety Management
(Zero Serious Accidents)



Strategic Directions

Strengthening energy security

- Strengthening the petroleum resource supply chain
- Enhancing crisis response capability through stockpiling
- Reinforcing energy and distribution business functions

Securing financial soundness

- Increasing profitability of core businesses
- Strengthening financial management functions
- Promoting management efficiency

Driving AI and data-driven innovation

- Improving AI-based operational efficiency
- Securing core technological capabilities
- Strengthening public services

Reinforcing social roles and responsibilities

- Strengthening safety and environmental management systems
- Establishing a foundation for energy transition
- Enhancing transparent management

Strategic Tasks

About KNOG

KNOG History

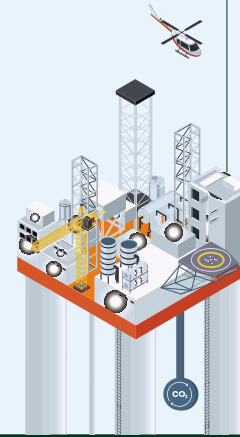
1979 >> 1999

- 1978.12** Promulgation of The Korea Petroleum Development Corporation Act.
- 1979.03** Inauguration of the Korea Petroleum Development Corporation (Foundation date: March 3).
- 1987.12** First discovery of gas on the Korean continental shelf
- 1989.12** Completion of the 1st Oil Stockpile Plan (Total stockpiling capacity reaching 43.6 million barrels)
- 1998.07** Discovery of domestic continental shelf gas field (Block 6-1)
- 1999.01** Renamed as KNOG(Korea National Oil Corporation) launch of the comprehensive petroleum information network Petronet service.



2002 >> 2008

- 2002.11** Completion of the 2nd Oil Stockpiling Plan (Total stockpiling capacity reaching 95.5 million barrels)
- 2003.10** Start oil production in Vietnam Block 15-1
- 2004.05** Start oil production in Libya Elephant field
- 2004.09** Start gas production in Donghae-1 field
- 2006.12** Start gas production in Vietnam Block 11-2
- 2008.01** Acquisition of Taylor Energy assets in the United States (Established local subsidiary ANKOR Energy).
- 2008.04** Launch of the Petroleum Price Information Network Opinet service.



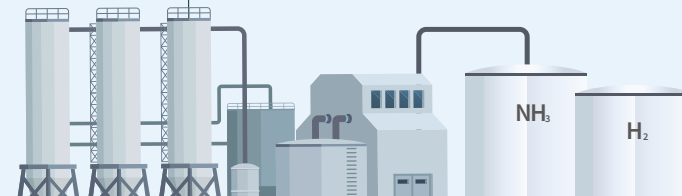
2009 >> 2014

- 2009.10** Acquisition of Harvest Energy Trust of Canada
- 2009.12** Acquisition of Sumbe in Kazakhstan (Currently known as KNOG Caspian)
- 2010.05** Completion of the 3rd Oil Stockpile Plan (Total stockpiling capacity reaching 146 million barrels)
- 2010.09** Acquisition of Dana Petroleum in the UK
- 2011.03** Acquisition of Altius in Kazakhstan
- 2011.04** Acquisition of Anadarko assets in the United States (Established subsidiary KNOG Eagle Ford Corporation).
- 2011.12** Start of the economical gas station business (Opening of the first gas station)
- 2012.06** Acquisition of EP Energy assets in the United States
- 2013.06** Completion of the Northeast Asia Oil Hub Yeosu Storage Facility (Establishment of the invested company OKYC)
- 2014.01** Establishment of Korea Oil Terminal (Currently Korea Energy Terminal (KET)), a joint venture for the Northeast Asia Oil Hub Ulsan North Port Project.
- 2014.11** Completion of Ulsan Headquarters and Relocation of Headquarters (Anyang-si, Gyeonggi-do -> Ulsan Metropolitan City) Commencement of the 4th (2014-2025) Oil Stockpile Plan



2016 >> 2024

- 2016.07** Start gas production in Korea Donghae-2 field
- 2018.09** Start oil production from Canada BlackGold project
- 2019.07** Start oil production in UAE Haliba field
- 2020.04** Participated in the ADNOC Onshore production concession in the UAE
- 2021.10** Completion of the Ulsan Strategic Reserve Base Underground Construction Project
- 2024.01** Amendment of the Korea National Oil Corporation Act (Securing Legal Basis for Promoting Low-Carbon New Businesses)
- 2024.06** Completion and commercial operation commencement of the Ulsan North Port (KET)



Major Businesses

Oil Stockpiling Business



Strategic Stockpile Sites

9 sites nationwide

Storage Capacity

146 million oil barrels

Strategic Oil Reserves

99.49 million oil barrels

Major Achievements

Joint oil reserves from three major oil-producing countries in the Middle East

- Secured 13.3 million barrels of crude oil, equivalent to 4.8 days' worth of domestic imports

Trading profits

- Generated 230.3 billion KRW, a 40.2% increase compared to the previous year

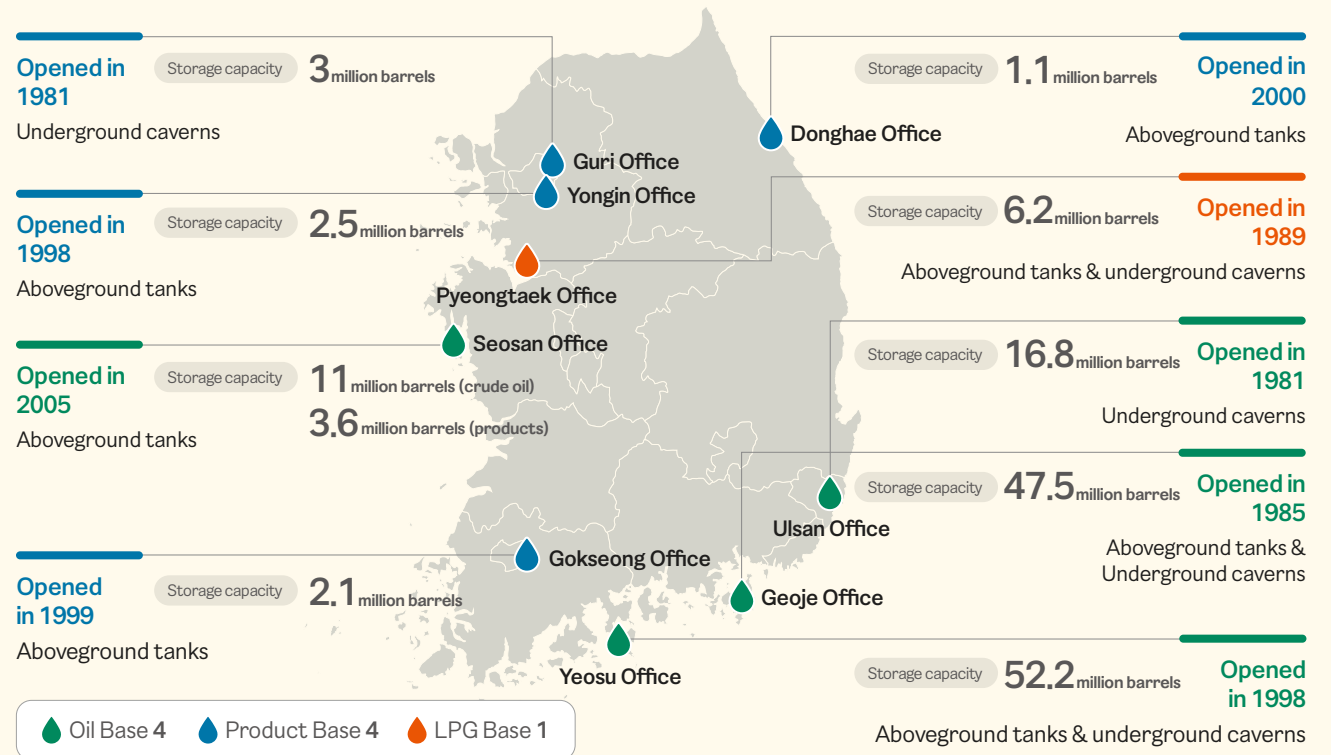
Official operation of northeast asia energy hub

- Completion and commercial operation of the Ulsan North Port KET*

*KET: Korea Energy Terminal

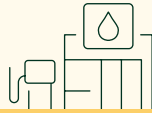
KNOG is implementing a national-level oil stockpiling project to proactively respond to fluctuations in the international oil market and supply chain crises. As of the end of December 2024, we operated nine strategic oil stockpile sites, with a total storage capacity of 146 million barrels and a strategic petroleum reserve of 99.49 million barrels (excluding joint reserves). Additionally, we are strengthening our crisis response capabilities to prepare for oil supply and demand instability through international joint stockpiling projects. After three years of joint stockpiling negotiations with three major oil-producing countries in the Middle East, we signed agreements with the national oil companies of the UAE and Saudi Arabia in 2023. In 2024, we signed a joint stockpiling agreement with Kuwait Petroleum Corporation (KPC), and we are currently operating a joint stockpiling project with a total capacity of 23.13 million barrels, including 13.3 million barrels of Middle Eastern crude oil. Additionally, we completed the construction of the nation's first integrated energy terminal (KET) in Ulsan North Port, officially commencing the storage and supply of petroleum products and liquefied natural gas (LNG). Through system improvements and facility conversions, we laid the foundation for commercial operations and signed contracts with global clients. Consequently, we achieved annual sales of over 100 billion KRW, solidifying our position as an energy hub.

Operation Status of Stockpile Sites (Unit: Barrel)



Major Businesses

Oil Distribution Structure Improvement Business



Independent Economical Gas Stations

387 stations nationwide

(As of June 2025)

Oil Information Services (As of the end of 2024)

Opinet users

(Oil price information service)

Petronet users

(Total oil information network)

230

million users/year

1.04

million users/year

Major Achievements

Contribution to oil price stability

- As of 2024, the average selling price of gasoline at economical gas stations is 44 KRW per liter cheaper than the national average, and diesel is 49 KRW cheaper

Promotion of competition in the distribution market

- Increase consumer benefits by reducing the market share gap between oil refiners and alleviating the oligopoly structure through the promotion of competition

Achievement of 'Excellent' customer satisfaction rating for public institutions

Timely reflection of international prices

- The supply price for economical gas stations is linked to international product prices (MOPS*), which helps minimize the price difference between the international petroleum product and domestic markets, and serves as a 'benchmark price' for the market

*MOPS (Mean of Platt's Singapore): The benchmark price for international oil trading, based on the daily spot market trading prices in Singapore published by Platt's

KNOG has been operating the 'Economical Gas Station' program since 2011 to promote competition in the domestic oil distribution market, alleviate the oligopoly structure centered on refineries, and stabilize prices. Economical gas stations currently serve as the benchmark price in the domestic petroleum market. They contribute to promoting competition in the distribution market and stabilizing domestic oil prices by supplying low-cost petroleum products to the domestic market through joint purchasing and utilizing storage facilities. Moreover, VRS (Vapor Recovery System) is installed at KNOG-operated Economical Gas Stations, contributing to the improvement of air quality. In addition, we conduct in-depth research and analysis of international oil market trends and domestic oil supply, demand, and price information, making it accessible to approximately 170 related organizations. We also transparently and promptly disclose this information to the public through Opinet¹⁾ and Petronet²⁾. These data are widely used as basic data for the government's energy policy formulation and implementation, including improving the oil distribution structure. These activities play a significant role in enhancing the transparency of the oil distribution market and strengthening resource security based on relevant information.

1) Opinet: <https://www.opinet.co.kr/>

2) Petronet: <https://www.petronet.co.kr/>



Inspection of Economical Gas Stations to Stabilize Oil Price during the Holidays



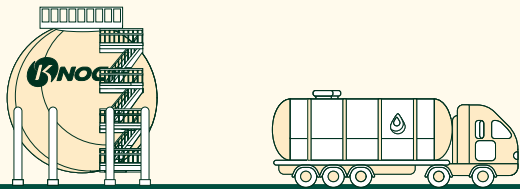
Opinet Site



Petronet Site

Major Businesses

Low-Carbon New Business



CCS Project

CCS Demonstration Project Using the Donghae Gas Field

Carbon Capture and Storage (CCS) is a technology that captures carbon dioxide and safely stores it underground and is key in reducing greenhouse gas (GHG) emissions. KNOG is currently advancing a CCS demonstration project utilizing the Donghae gas field with an annual capacity of 1.2 million tons, preparing for commercialization by concurrently conducting storage site evaluations and technological development. We also aim to contribute to the dissemination of CCS technology and the realization of carbon neutrality through cooperation with domestic and international private companies.

Main Activities

- Government preliminary feasibility study in progress
- Pursuing the acquisition of additional domestic and international repositories

Key Achievements

- Preliminary basic design completed for the CCS demonstration project
- Secured large-scale additional storage structure

KNOG is pursuing a low-carbon new business that leverages the company's exploration data, infrastructure, and technological capabilities to respond to the energy paradigm shift toward a decarbonized economy and align with the government's carbon neutrality policy. Accordingly, we are developing projects such as CCS, one of the core technologies for GHG emission reduction, floating offshore wind farm project utilizing platforms from the decommissioned Donghae gas field, and low-carbon hydrogen and ammonia import and distribution projects that leverage our expertise in oil development, stockpiling, and distribution. Through these low-carbon new businesses, KNOG strives to lead the transition to a low-carbon economy and take the initiative in building a sustainable energy ecosystem.



Floating Offshore Wind Farm Project

Donghae 1 Floating Offshore Wind Farm Project

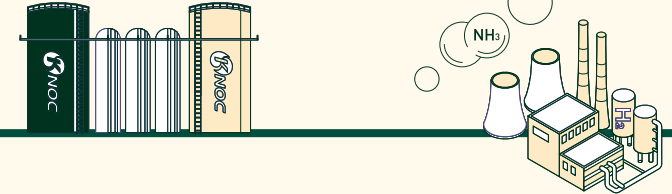
KNOG is building a floating offshore wind farm in the Ulsan Donghae area. This project is planned to be located approximately 58 km east of the Ulsan Port, within a 5 km radius of the Donghae gas field offshore platform. Preparation and construction are scheduled to be completed from 2023 to 2030, respectively, with operations planned for 20 years, from 2031 to 2050. KNOG will continue to promote the expansion of clean energy based on the marine resources and infrastructure of the Donghae.

Main Activities

- Special Purpose Company (SPC) investment and organizational structure completed
- Proceeding with permit procedures such as EIA (Environmental Impact Assessment)

Key Achievements

- Secured the foundation for power generation project operation by completing SPC investment and organizational structure



Hydrogen and Ammonia Projects

A Pilot Project to Establish a Clean Hydrogen Compound Distribution Infrastructure and Oversea Supply Chain Base

KNOG is promoting the construction of terminals capable of receiving, storing, and distributing ammonia in three regions near coal-fired power plants: the West, East, and South Seas, to establish the distribution infrastructure, which is a key means of introducing clean hydrogen. We are also collaborating with domestic companies to promote production and import projects aimed at securing stable ammonia production bases and import sources in the Middle East, North America, Australia, and Southeast Asia.

Main Activities

- FEED (Front End Engineering Design) and business model development for ammonia overseas supply chains and domestic infrastructure
- Participation in the fuel supply bidding for the CHPS (Clean Hydrogen Portfolio Standard)

Key Achievements

- Participated in FEED for overseas production and built domestic distribution infrastructure

ESG Management

KNOC is strengthening its ESG management across environmental, social, and governance dimensions to establish a foundation for sustainable growth. Through double materiality assessments and active communication with stakeholders, we proactively identify and address key issues, while pursuing responsible management to realize the social value of the public institution.

ESG Highlight 14

KNOC ESG Management 15

Double Materiality Assessment 18

Stakeholder Engagement 22

ESG Highlight



Environmental

Resource Upcycling Activities

Reduced Greenhouse Gas Emissions by 855 kg

(704 kg in 2023 ▶▶ 855 kg in 2024)

Strategic Stockpile Sites

ZERO Environmental Accidents and Complaints

Energy Award

**Received an Award from the Ministry of Trade,
Industry and Energy**

(Renewable energy category)

For 13 Consecutive Years

Achieved Greenhouse Gas Reduction Targets

Through the Resource Circulation System Agreement,

Reduced Scope 3 Emissions by 2,777 kg

**Provided Support for Installing Solar Power
Systems at Social Welfare Facilities**

(8 kW in 2023 ▶▶ 10 kW in 2024)



Social

For 7 Consecutive Years

Achieved ZERO Serious Accidents

At The Highest Level In Korea

**Maintained the Process Safety
Management (PSM) System**

(Achieved a P-grade acquisition rate of 89%, compared to
the national average of 5%.)

Received a

Korea Volunteer Award for the Second Half of 2024

(Hosted by the United Nations Volunteers Korea)

**Received a 2024 Korea Human Resource
Development Grand Award**

(Hosted by the Korea HRD Association)

For 14 Consecutive Years (2012–2025)

**Received a Family-Friendly Certification by
the Ministry of Gender Equality and Family**

Received a 'Gender Equality in Employment and
Work-Life Balance'

**Award from the Ministry of Employment and
Labor in 2024**

in Government Assessments ('Safe Korea' Drill and National
Critical Infrastructure Disaster Management Assessment),

Received the 'Highest' Rating



Governance

Ethical Violation Cases

ZERO Achieved

(19 cases in 2023 ▶▶ 0 cases in 2024)

For 3 Consecutive Years, Conflict of Interest Act
Violation Cases

ZERO Achieved

Comprehensive Evaluation of Information
Disclosure by the Ministry of the Interior and
Safety Shows Improvement for

3 Consecutive Years

(97.4 points in 2023 ▶▶ 98.6 points in 2024)

Comprehensive Integrity Rating

Grade 2 Achieved

(Grade 3 in 2023 ▶▶ Grade 2 in 2024)

In the 'Leadership Commitment and Effort'
Indicator of the 2024 Integrity Assessment by
the ACRC,

Achieved a Perfect Score of 100

At the 2024 Korea Audit Conference

Received the Best Institution Award

KNOG ESG Management

At KNOG, we have adopted 'A Trusted KNOG Creating a Clean Environment and a Warm Society' as our ESG vision, practicing sustainable management to respond to climate change and enhance the quality of life for South Korean citizens. Through transition to low-carbon new businesses, carbon reduction, and eco-friendly management, we are strengthening our environmental responsibility and systematically implementing our ESG management strategy centered on social values, including safe organizational operations, regional co-prosperity, and public benefit enhancement.

ESG Management Strategy

ESG Vision

A Trusted KNOG Creating a Clean Environment and a Warm Society

Strategic Directions

Leading low-carbon new businesses	Efforts to reduce carbon emissions	Embedding eco-friendly management into daily operations	Operating safe and healthy organization	Strengthening shared-growth-oriented cooperation with local communities	Improving public benefits	Transparent governance
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Strategic Tasks

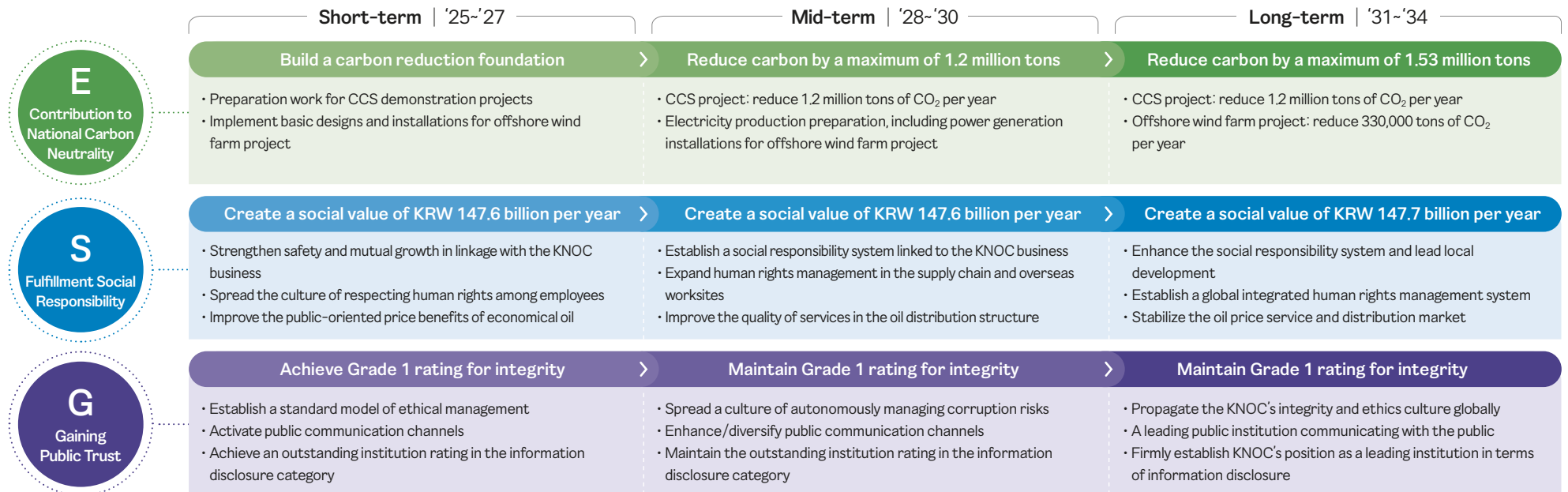
Establishing hydrogen and ammonia stockpiling infrastructure	Establishment of a CCS demonstration project Foundation	Improving the environment in collaboration with local communities	Improving the worksite safety management level	Expanding social contributions in linkage with the KNOG businesses	Providing valuable oil information	Strengthening communication with the public
Successfully implement the offshore wind farm project	Continuously effort to reduce GHG	Improving the environmental management level at domestic and overseas worksites	Advancing security and protection measures	Vitalizing the creation of local jobs	Improving the price benefits of thrifty oil	Strengthening integrity-ethical management
			Creating an optimal working environment	Establishing and spreading human rights management	Establishing energy security	Vitalizing the Board of Directors

Achievement Targets

<p>Environmental</p> <p>✔</p> <p>Contribution to National Carbon Neutrality</p> <p>Carbon Reduction: 1.53 million tons/year</p>	<p>Social</p> <p>✔</p> <p>Fulfillment Social Responsibility</p> <p>Public Benefit: KRW 147.7billion/year</p>	<p>Governance</p> <p>✔</p> <p>Gaining Public Trust</p> <p>No. 1 Integrity Company</p>
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KNOC ESG Management

Mid-to-Long-Term ESG Management Roadmap



ESG Management Governance

KNOC is building a governance structure with clearly defined roles and responsibilities to implement ESG management systematically. The ESG Committee takes the lead in managing the life cycle, from strategy formulation to execution review. Through organic collaboration between execution teams in each domain, ESG tasks are implemented in an integrated manner. Composed entirely of non-executive directors, the ESG Committee deliberates and resolves ESG strategies and management issues based on independence and expertise. We are implementing specific implementation tasks company-wide through the ESG Management Department, including greenhouse gas (GHG) reduction, energy conservation, resource circulation, and environmental preservation.

Organizational Chart for ESG Management



KNOC ESG Management

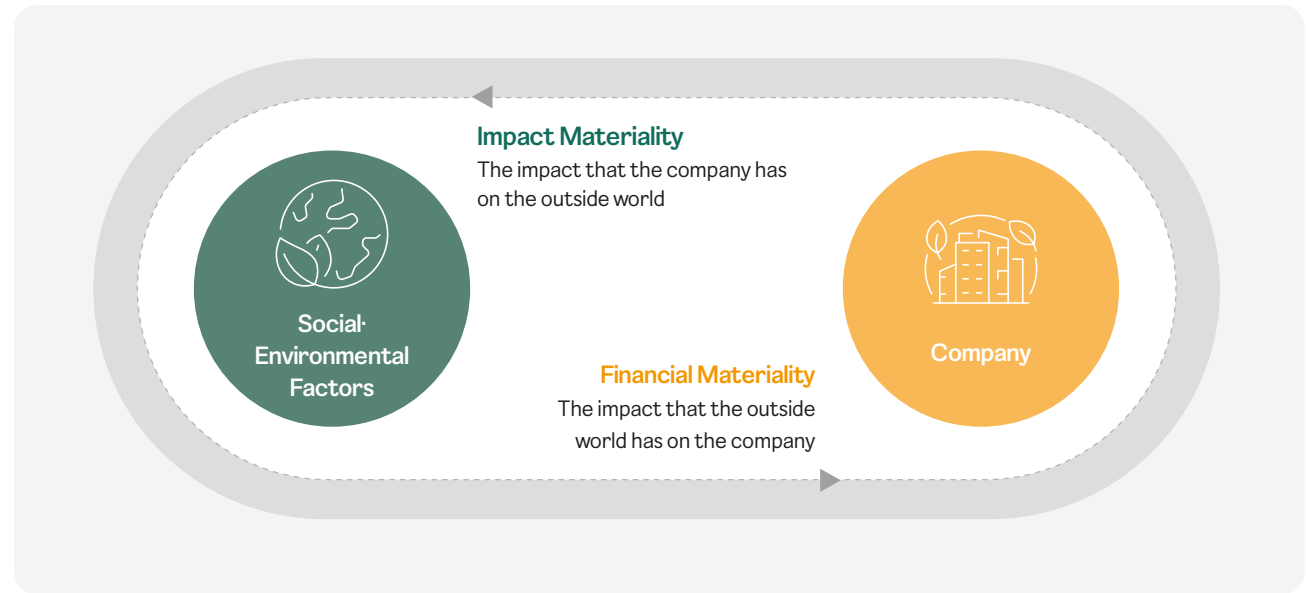
ESG Management Performance

Category	ESG Area	ESG Performance Indicator	Unit	2022 Performance	2023 Performance	2024 Target	2024 Performance	Implementation Level
Environmental	Climate change	GHG reduction outcome	tCO ₂ eq	5,009	5,438	1,896	1,066	● Excellent
	Environmental management	Oil spill incidents at overseas worksites	Incidents involving 100 barrels or more	0	0	0	0	● Excellent
		No environmental incidents at domestic worksites	Incidents	0	0	0	0	● Excellent
		Expansion of self-operated economical integrated refueling stations	Number of stations	2	3	4	4	● Good
	Eco-friendly purchase	Green product purchase	KRW 1 million	149	408	229	165	● Excellent
Social	Mutual growth	SME product purchase	KRW 1 billion	725	731	813	739	● Excellent
		Contribution to rural community coexistence fund	KRW million	88	90	90	90	● Good
	Safety management	Safety management grading	Grade	Grade 3	Grade 3	Grade 2	Grade 3	● Excellent
		No safety incidents at domestic worksites	Number of cases	1	4	1	0	● Good
		Safety activity level assessment	Grade	B	B	B	B	● Good
	Disaster management	Government disaster management assessment	Points	90	90	Average	Average	● Good
		LTIF at overseas worksites	%	0.12	0.13	0.38	0.35	● Excellent
	Social contribution	Compliance with mandatory employment of persons with disabilities	Points	75	100	100	100	● Good
	Public benefits	Effort to increase public benefits of economical gas stations	Points	83.5	92.6	92.4	88.6	● Excellent
	Energy security	Stockpiled oil volume (stockpiling)	1,000 barrels	97,916	98,322	99,485	99,177	● Excellent
		Efficient production increase (development)	Mboe/unit	290.4	325.3	334.1	311.8	● Excellent
		Contribution to resource security (development)	Points	93.9	85.9	91.5	82.4	● Excellent
	Customer satisfaction	Public institution's customer satisfaction	Points	76.7	81	85.8	84.6	● Excellent
		Public institution's public perception	Points	63.1	64.3	65.8	70	● Good
	Human rights management	Human rights management index	Points	84.2	90.7	94.5	90	● Excellent
Governance	Transparent management	In-house auditing activity assessment	Grade	A	C	B	A	● Fair
		Integrity management	Grade	4	3	2	2	● Good
		Management disclosure	Points	80	80	80	80	● Good
		Information disclosure	Grade	Excellent (97 points)	Outstanding (97.4 points)	Excellent (98.6 points)	Outstanding	● Good
	ESG assessment	ESG institutional assessment by an evaluation agency	Grade	A	A	A	A	● Good

● Excellent: Exceeded 100% of the target | ● Good: Achieved between 90% and 100% of the target | ● Fair: Achieved between 70% and 90% of the target | ● Poor: Achieved less than 70% of the target

Double Materiality Assessment

KNOG conducted a double materiality assessment to identify sustainability issues that require management prioritization. Through the assessment, we selected key material issues by considering the social and environmental impact (Social/environmental impact materiality) of corporate activities and the impact of social and environmental factors on corporate finances (Financial impact materiality). The 2024 assessment adhered to the materiality assessment guidance outlined in the European Sustainability Reporting Standards (ESRS) 1 and European Financial Reporting Advisory Group Implementation Guidance 1 (EFRAG IG 1). It was conducted from an IRO (Impact, risk, and opportunity) perspective. During the assessment process, diverse opinions were gathered from internal and external stakeholders.



Double Materiality Assessment Process

Step 1 | Derive an issue pool

Based on ESRS 1 and IG 1, we compiled a long list of issues. We then derived a short list comprising 27 issues by incorporating KNOG's existing material issues, ESG disclosure standards, key management indicators from a major assessment agency, and issues from benchmarked companies.

- Global disclosure standards (SASB, ESRS, etc.)
- ESG assessment agency (MSCI)
- KNOG's material issues of the previous year
- Domestic and international benchmarking

Step 2 | Identify IRO

Based on the short-listed issues, we systematically identified the risks (R) and opportunities (O) faced by the company from a financial perspective, as well as the positive and negative impacts (I) from a social and environmental perspective. To ensure consistency throughout this process, stakeholders, such as relevant department employees and external experts in sustainable management, reviewed the identified IRO. We finally selected the key IRO most relevant to KNOG.

Step 3 | Assess the IRO

For each identified IRO, we conducted a comprehensive assessment using a five-point scale by dividing financial impacts (Risks and opportunities) and social/environmental impacts (Positive and negative) into the categories of magnitude, scope, likelihood of occurrence, and irrecoverability.

- Assessment Participants
 - Internal Stakeholders: ESG department, departments related to IRO
 - External Stakeholders and Experts: Partners, customers, government officials, academic scholars, analysts, ESG experts

Assessment Factors

Financial Impacts		Social/Environmental Impacts	
Risks	Opportunities	Positive	Negative
Magnitude, likelihood of occurrence	Magnitude, likelihood of occurrence	Magnitude, scope, likelihood of occurrence	Magnitude, scope, likelihood of occurrence, irrecoverability

Step 4 | Select material issues

From the IRO assessment results, a total of eight issues exceeding the threshold in at least one of the financial or impact materiality areas were selected as material issues. The threshold was set at greater than or equal to 10% of the average financial and impact materiality scores.

Double Materiality Assessment

Double Materiality Assessment Results

A total of eight material issues were derived as a result of the double materiality assessment. Climate change mitigation, energy, health and safety in worksites, and human resources management and competency development were re-selected as material issues from the previous year. Reflecting industry characteristics, latest trends, regulatory changes, and stakeholder demands, we added biodiversity loss, community impact and conflict management, job creation and sharing, and corruption and bribery as new material issues. Material issues included all those corresponding to the high or medium rating among the matters that scored above the threshold in at least one of the financial or impact materiality areas.

Eight Material Issues Selected in 2024

Category	Issue Name	Compared to the Previous Year	
E	Climate Change	Climate change mitigation	Same as the previous year
	Biodiversity and Ecosystem	Energy	Same as the previous year
		Biodiversity loss	New
S	Workers at Worksites	Health & safety at worksites	Same as the previous year
		Human resources management & competency development	Same as the previous year
	Local Community	Community impact & conflict management	New
		Job creation & sharing	New
G	Business Implementation Approach	Corruption & bribery	New

Materiality Assessment Matrix of KNOC



Double Materiality Assessment

Material Issues in 2024

Category	Issue	Key IRO	Materiality*			Occurrence Period	Response Measures	Report Page
			Likelihood of Occurrence	Impact in Case of Occurrence	Materiality			
Environmental	Climate change mitigation	Increased investment and operational costs (e.g., the introduction of carbon reduction facilities) due to the government's policy strengthening for carbon reduction and public institutions' carbon neutrality implementation requirements	3.4	3.7	High	Long-term	<ul style="list-style-type: none"> Promote upcycling and resource circulation activities Increase the purchase and lease ratio of zero-emission vehicles Complete preliminary basic design for the CCS demonstration projects Introduce vapor recovery units (VRUs) 	24-25, 34-36, 41
	Energy	Risk of declining oil demand and profitability due to the spread of oil phase-out policies and accelerated low-carbon energy transition	3.2	2.9	Medium	Long-term	<ul style="list-style-type: none"> Promote energy efficiency enhancement activities at petroleum stockpile sites Establish a long-term growth foundation through low-carbon new businesses 	35, 40
	Biodiversity loss	Risk of permit delays or rejections due to concerns about potential ecosystem damage during project implementation	3.3	2.6	Medium	Mid-term to Long-term	<ul style="list-style-type: none"> Implement G9 KNOG Plogging campaign Hosting the EM (Effective Microorganisms) mud ball throwing event, a biodiversity conservation activity Conducted environmental impact analysis across all business sites 	37, 38
Social	Health & safety at worksites	Production disruptions, increased recovery costs, and liability for damages in the event of worksite safety accidents	3.3	3.3	High	Short-term to Mid-term	<ul style="list-style-type: none"> Build an integrated smart safety management system Establish and implement safety management strategies Build climate and earthquake response infrastructure 	26-27, 46-52
	Human resources management & competency development	Fostering specialized personnel and enhancing organizational productivity through expanded job training and competency development	3.2	3.3	Medium	Short/mid/long term	<ul style="list-style-type: none"> Operate an education system aligned with a job-centric organizational structure Support practical career development through customized training by career stage and job aptitude assessments 	53-55
	Community impact & conflict management	Potential for resident conflicts and project delays due to accident risks during the construction and operation of oil production and storage infrastructure	3.2	3.0	High	Short-term to Mid-term	<ul style="list-style-type: none"> Gather opinions through community stakeholder meetings Establish and operate local community field offices Develop an action manual for responding to delays in local community projects 	28-29, 38
	Job creation & sharing	Securing top talent and creating mutually beneficial outcomes with local communities by creating private-sector jobs in South Korea and expanding local hiring	2.6	3.6	Medium	Short/mid/long term	<ul style="list-style-type: none"> Directly create jobs across major business areas, including domestic exploration, new energy businesses, data openness, and system/facility operations Indirectly create jobs through local human resource development, tailored training for vulnerable groups, and support for SMEs' global expansion 	65-70
Governance	Corruption & bribery	Legal sanctions (Litigation, fines, etc.) and corporate reputation damage if corruption or unethical acts occur, driven by strengthened compliance requirements, such as the Improper Solicitation and Graft Act	2.0	3.4	Medium	Short-term to Mid-term	<ul style="list-style-type: none"> Systematically identify ethical risks Classify and manage common risks and inherent risks that may arise during organizational operations 	76-82

*Based on a 5-point scale

Double Materiality Assessment

Voices of Stakeholder on Critical Issues

Environmental

Climate and Energy Expert

As uncertainty surrounding the achievement of the Nationally Determined Contributions (NDC) grows, the government's strong commitment to carbon reduction is likely to be translated into concrete policy. Accelerating the energy transition may lead to reduced demand for fossil fuels and increased risks for stranded assets, making a mid-term industrial transition to prepare for it imperative. Bold investment and transition efforts in low-carbon new business are required in the next five years.



Citizen Supporters Representative

To strengthen ESG, KNOG should establish an actionable carbon neutrality roadmap in the environmental domain, expand renewable energy investments, and pursue the phased introduction of Carbon Capture, Utilization, and Storage (CCUS) and hydrogen technologies. We expect this to accelerate our eco-friendly transition strategy and build a foundation for sustainable growth.



Internal Employee A

KNOG is pursuing low-carbon new businesses such as CCS and offshore wind farm simultaneously, alongside crude oil and gas development, to ensure resource security and achieve carbon neutrality. However, given the high economic uncertainty relative to large-scale investments, the success of these businesses hinges on government policy and support. KNOG needs to continuously monitor policy trends, swiftly incorporate them into strategy, and focus its capabilities on securing national policy support from a mid-to-long-term perspective.



Journalist

Within the government's policy direction, it is crucial to seek a balance between decarbonization/carbon neutrality and resource security enhancement. We hope that KNOG will continue ESG efforts without forgetting the fundamental purpose of resource security alongside climate crisis response. We particularly request sufficient consideration of environmental risks when implementing the CCS demonstration projects for the Donghae-1 and Donghae-2 gas fields and domestic/international resource development projects.



Social

Korea Occupational Safety and Health Agency Official

Given KNOG's industry and business characteristics, its environmental impacts, such as climate change, and their resulting damages must be considered the top priority in ESG management. Further, a comprehensive review and field operability assessment are needed for the management of relationships with local communities and governments following the new administration's inauguration, as well as the establishment and implementation of occupational safety and health management systems to prevent worksite accidents.



Internal Employee B

The likelihood of safety incidents occurring that could impact local communities or the nation is judged to be very low. However, considering the severity of their potential impact, thorough preparedness and prevention are essential. This is a crucial matter that must always be managed as a priority.



An Expert from a Global ESG Agency

From a social perspective, KNOG must fulfill its social responsibilities, including shared growth with local communities, creating safe working environments, expanding diversity and inclusion, and realizing energy welfare. These efforts enhance trust in KNOG as a public institution and support sustainable growth.



Internal Employee C

To strengthen ESG management, KNOG must focus on preventing and strictly addressing misconduct such as worksite harassment, sexual violence, and abuse of power. Unnecessary leniency toward perpetrators damages organizational culture, worsens working conditions, and causes internal conflict. Further, institutional improvements to protect victims and provide substantive recovery must be actively pursued.



Governance

ESG Management and Governance Expert

As a public institution, KNOG should exercise caution with respect to corruption and fair trade risks. KNOG achieved a Grade 2 rating in the 2024 Comprehensive Integrity Assessment for Public Institutions, but the increase in the number of ethics violations and improvement guidance cases necessitates continued risk management.



Stakeholder Engagement

Stakeholder Communication Channels

KNOG has redefined its stakeholder classification criteria to facilitate more active communication with a wider range of stakeholders. Previously, stakeholders were classified uniformly across the entire company based on their level of interest and influence. However, this approach had limitations in fully reflecting the characteristics of individual businesses and the actual points of contact with stakeholders. Accordingly, we are re-identifying stakeholders with a substantial connection to each major business area and establishing and operating customized communication strategies centered around them. Through this strategic approach, we are strengthening collaboration and empathy with various stakeholders and continuously enhancing the transparency and credibility of our institutional operations.



Oil E&P

Stakeholders

Government, Partners, Communities, Academia

Communication Channels

- Strategy Meeting on East Sea Deepwater Gas Project
- Safety Response Expert Discussion Forum
- Domestic Continental Shelf Industry-Academia-Government Collaboration Platform

Communication Directions

Empathy · Cooperation

- Building consensus on community projects
- Ensuring scientific validity in academia

Major Achievements

Smooth execution of East Sea deep-sea exploratory drilling through conflict resolution and issue-focused communication



Oil Stockpiling

Stakeholders

Government, Refining Companies, Private Companies, Public Institution

Communication Channels

- International Joint Stockpiling MOU
- South Port Feasibility Study Promotion Committee
- Marine Facility Safety Management Council

Communication Directions

Solidarity · Dissemination

- Specifying the communication system between participating companies
- Strengthening cooperation on the common interest of 'safety'

Major Achievements

Attracted joint oil stockpiling agreements with three Middle Eastern oil-producing countries, securing a total of **13.3 million barrels**



Oil Distribution Structure Improvement

Stakeholders

Government, Business Operators, Partners

Communication Channels

- Economical Gas Station Owners Meeting
- Economical Oil Supply Coordination Committee
- Oil Market Review Meeting

Communication Directions

Closeness · Stability

- Enhancing acceptance of economical oil policies through close regional communication

Major Achievements

Satisfaction on economical gas stations increased by **1.39%p**
94.96% in 2020 ▶▶ 96.35% in 2024



Open Management

Stakeholders

Public, Employees, Communities, Policy Agencies

Communication Channels

- General Citizen Advisory Group
- Regional Development Agreement Body
- Online Communication Channels

Communication Directions

Flexibility · Participation

- Expanding the scope of those consulted for opinions
- Strengthening open communication functions

Major Achievements

Online channel subscribers increased by **17%**
41,000 at the end of 2023 ▶▶ 48,000 at the end of 2024

Material Issues

KNOC has identified climate change response, worksite safety and health, and community impact management as its material issues. Through these priorities, the company pursues environmental responsibility, social trust, and safe business operations in parallel. The management of these material issues establishes the strategic priorities of KNOC's ESG management and serves as a foundation for a sustainable future.



Material Issue 1

Climate Change Response

Recognizing climate change response as an essential corporate task, KNOG is reviewing its importance comprehensively to establish a sustainable management system. However, the government's strengthened carbon reduction policies and the requirement for public institutions to achieve carbon neutrality create additional investment and operational burdens for our operations. Consequently, large-scale investments are unavoidable, such as introducing carbon reduction facilities and expanding eco-friendly equipment. These investments could lead to increased management costs and financial burdens in the short term. To respond to intensifying carbon emission regulations, we are strategically investing in the development of greenhouse gas reduction technologies, such as carbon capture, utilization, and storage (CCUS) and offshore floating wind farm projects. These investments aim to contribute to global climate change mitigation. Accordingly, regulatory tightening and cost increases due to climate change have become major issues for the stable operation of KNOG.

Materiality Score (Based on a 5-point scale)

Financial Impact

3.40

Social & Environmental Impact

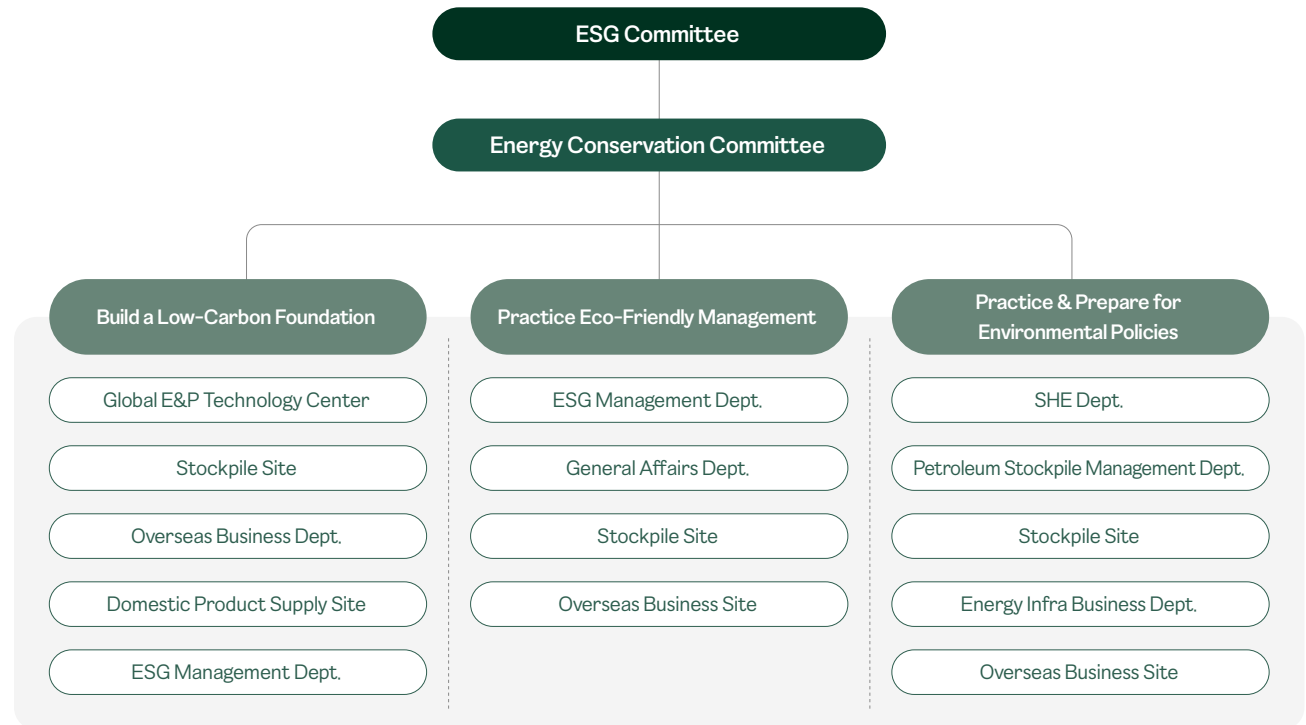
3.70



Governance | Climate Management and Oversight System

KNOG has established an organizational system centered on the ESG Committee and supplemented by an Energy Conservation Committee. This system strengthens our capabilities for establishing and executing policies in response to climate change. Further, we have enhanced efficiency and execution by creating an integrated management system for tasks that were previously managed separately by each department. By identifying and implementing action items on our own, we contribute to achieving the national net-zero goal. Through this integrated operation, we strengthen the foundation for internal cooperation and actively consider various perspectives to expand our climate change response capabilities at a higher level.

Climate Management and Supervision System Organization Chart



Strategy | Climate Change Response Strategy

In response to strengthened regulations and demands for carbon neutrality stemming from climate change, KNOG is implementing systematic low-carbon management activities. We have enhanced our eco-friendly management practices by achieving the energy-saving target for our headquarters building and realizing 100% adoption of zero-emission vehicles. Moreover, we have established an upcycling and resource circulation system through our waste electrical and electronic product resource circulation program and the signing of a memorandum of understanding (MOU) for the 'E-Waste Zero'¹⁾. Additionally, we are enhancing energy efficiency by installing insulation film at petroleum stockpile sites and improving geothermal facilities. We are also expanding the 'KNOG Dream Solar Energy Project' to increase renewable energy adoption. Through these efforts, KNOG aims to address the climate crisis, achieve the national carbon neutrality goal, and lead the way in sustainable energy transition.

1) An agreement to build a resource circulation system with a social enterprise

Major Response Activities

Upcycling Resource Circulation Activities

- Introducing a waste electrical and electronic product resource circulation program
- Signing a Memorandum of Understanding (MOU) to build 'E-Waste Zero' (A resource circulation system)
- Providing support with eco-friendly products to contribute to achieving carbon neutrality in local communities

➤ Move to p. 34

Eco-Friendly Management

- Achieving the energy-saving target for the HQ building (An outcome of 940 TOE compared to a target of 962 TOE)
- Achieving 100% for the zero-emission vehicle purchase and lease ratio

➤ Move to p. 35

Efforts to Spread Carbon Neutrality Implementation

- Engaging in activities to increase energy efficiency in stockpile sites (A saving of 0.5tCO₂/year based on the installation of insulation film in buildings)
- Increasing geothermal power production by improving facilities
- Expanding the KNOG Dream Solar Energy Project

➤ Move to p. 35

Risk Management | Climate Risk Management

KNOG operates and maintains an ISO 14001-certified environmental management system (EMS) to systematically manage risks arising from climate change and strengthened environmental regulations. Through this system, we identify environmental impacts proactively, monitor compliance with relevant laws and regulations continuously, and minimize potential environmental risks. Further, the system prevents environmental accidents by preemptively blocking factors that cause water, soil, and air pollution. The system also enhances facility safety and environmental protection by upgrading environmental equipment at petroleum stockpile sites and strengthening inspection standards.

Maintaining and operating an ISO 14001-certified Environmental Management System

Improving environmental equipment at stockpile sites and strengthening inspection standards

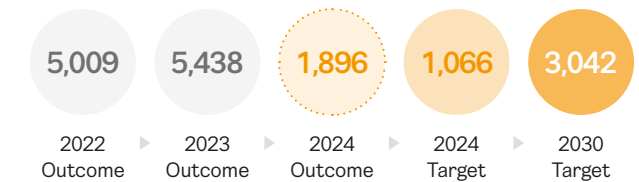
Preventing environmental accidents by blocking factors that cause water, soil, and air pollution

Metrics & Targets | Climate Change Response Outcomes and Targets

We set quantitative performance indicators, such as GHG reduction, green product purchase expansion, and economical integrated refueling station operation, to systematically manage our annual target achievement. Further, we plan to expand climate change response outcomes by setting mid-to long-term targets, such as reducing GHG by 3,042 tCO₂eq and increasing the number of multi-fuel charging stations to eight by 2030.

GHG Reduction Targets

(Unit: tCO₂eq)



Achieved the GHG reduction targets for

13 Consecutive Years



Implemented an annual 1.2 million ton

CCS Demonstration Project Utilizing the Donghae Gas Field



Material Issue 2

Worksite Safety and Health

The 2025 Materiality Assessment confirmed that safety and health are key elements that must be managed to ensure stable operations at KNOC's business sites. Recently, revisions to the Occupational Safety and Health Act and the trend toward stricter regulations across the energy industry further highlight the importance of safety and health management. The crude oil and gas industry inherently carries risks of serious accidents such as fires, explosions, and hazardous gas leaks. Accidents can directly disrupt production and supply activities, potentially incurring significant costs in the short term. Consequently, 'safety and health', which was a material issue last year, was selected again this year. Accordingly, safety and health are core areas for our sustainable management, requiring continuous and systematic monitoring.

Materiality Score (Based on a 5-point scale)

Financial Impact

3.30

Social & Environmental Impact

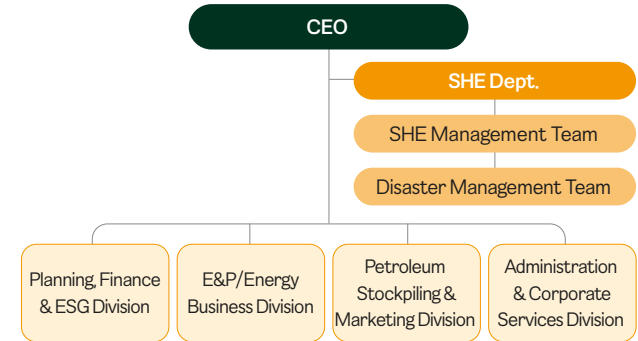
3.30



Governance | Safety and Health Management-Oversight System

At KNOC, the CEO is the highest decision-maker, with the SHE Department positioned beneath to oversee company-wide safety management. The SHE Department, centered around the Chief Safety Officer (CSO), consists of the SHE Management and Disaster Management Teams, responsible for company-wide safety management and disaster response. It operates a system- and technology-based disaster management framework to enhance effectiveness and plans to link performance indicators with the execution of safety management strategies.

✓ **Safety and Health Management and Supervision System Organization Chart**



Strategy | Safety and Health Response Strategy

KNOC is implementing systematic management activities to proactively prevent occupational safety and health risks, which include production disruptions, restoration costs, and liability for damages resulting from safety accidents in worksites. To this end, we are strengthening our safety management system by obtaining the Korea Occupational Safety and Health Agency's Management System (KOSHA-MS) certification and upholding the highest standard of the Process Safety Management (PSM) certification (our ratio is 89%, compared with the national average of 5% for excellent grade: Pass (P)). Additionally, by establishing safety management strategies and building an integrated smart safety management system, we are expanding our management infrastructure to enable real-time monitoring and rapid response. In addition to safety management, we are strengthening our disaster management capabilities to prepare for unpredictable disasters, such as earthquakes and climate events. For instance, we are preemptively eliminating risk factors at petroleum stockpile sites and expanding response infrastructure. These efforts minimize the possibility of accidents occurring throughout all work processes and ensure stable business operations.

✓ **Major Response Activities**

Enhancing Safety Management System

- KOSHA-MS certification
- Maintaining Grade P for PSM

➤ [Move to p. 48](#)

Strengthening Safety Management Infrastructure

- Establishing and operating safety management strategies
- Building an integrated smart safety management system

➤ [Move to p. 49](#)

Strengthening Disaster Management Infrastructure

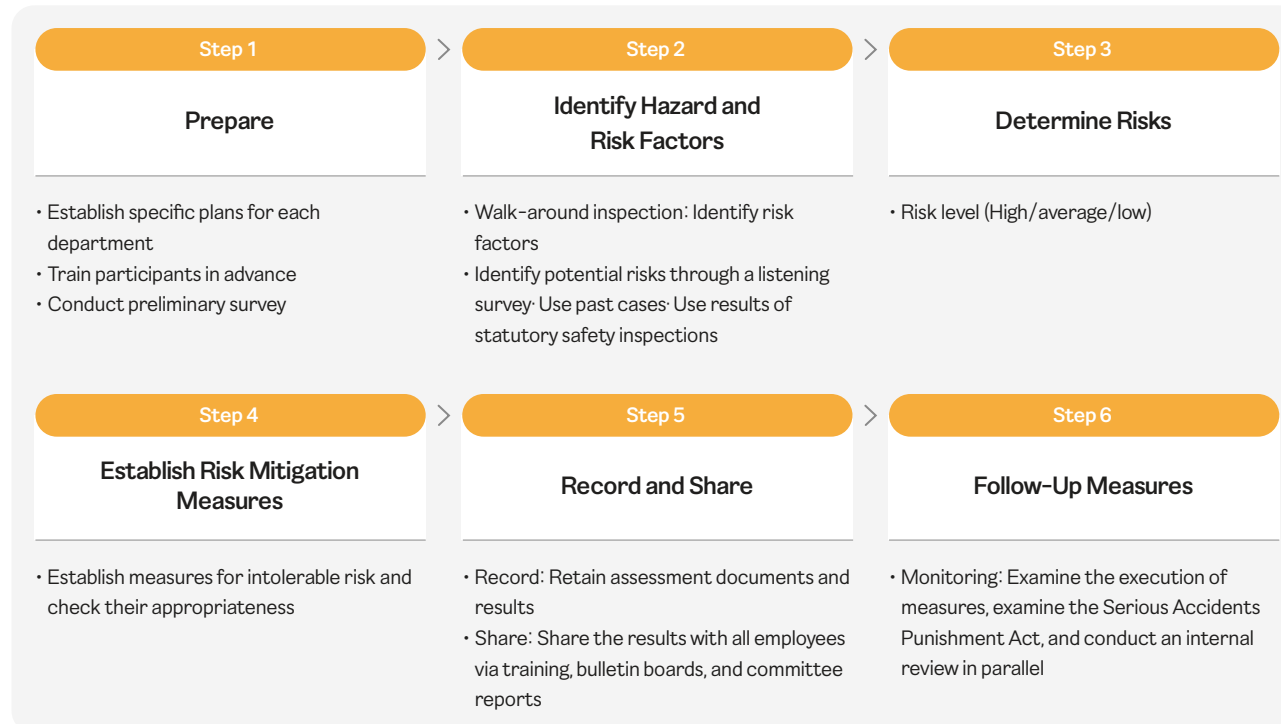
- Eliminating risk factors at petroleum stockpile sites in advance
- Building climate/earthquake response infrastructure

➤ [Move to p. 52](#)

Risk Management | Safety and Health Risk Management

At KNOG, we conduct risk assessments to preemptively identify and eliminate hazard and risk factors that exist in work processes, equipment, and facilities. Employees participate in all company-wide risk assessment processes to identify, eliminate and reduce hazard and risk factors, and the results are shared. By going through the preparatory steps, the hazard and risk factors are identified and assessed to determine whether they can be tolerated. If they cannot be tolerated, mitigation measures are established, implemented, and reevaluated. Once all actions are completed, the process concludes, and the results are recorded and managed to maintain a safe working environment.

✔ Risk Assessment Procedure



Metrics & Targets | Safety and Health Performance and Targets

KNOG achieved Grade B, our target, in the 2024 Safety Activity Level Assessment. Through expanded regular safety inspections and strengthened field-centric risk assessments, our safety management rating improved to Grade 2, surpassing the Grade 3 target. To maintain zero serious accidents and enhance our safety and health standards, we are strengthening our smart safety management system and spreading a safety culture across all sites.

ZERO

serious accidents for seven consecutive years



Safety Activity Level Assessment

2024 Target **Grade B**
Outcome **Grade B**



Safety Management Rating

2024 Target **Grade 3**
Outcome **Grade 2**



Material Issue 3

Community Impact Management

Community Impact Management was not identified as a material issue in the 2024 materiality assessment, but was newly recognized as a material issue in the 2025 assessment. During the construction and operation of petroleum production and stockpiling infrastructure, potential safety incidents—such as storage tank fires, gas leaks, or equipment failures—as well as environmental impacts including noise and air pollution, may occur. These risks could lead to conflicts with local residents or delays in project implementation, potentially arising in the short to medium term. Accordingly, community impact management has emerged as a key management priority, and KNOG continues to operate a management system to minimize potential risks and build mutual trust with local communities through continuous engagement and communication.

Materiality Score (Based on a 5-point scale)

Financial Impact

3.25

Social & Environmental Impact

3.30



Governance | Community Impact Management and Oversight System

KNOG proactively manages potential impacts on local communities throughout all stages of domestic exploration, development, and oil stockpile site construction projects. In the stockpiling sector, management is carried out through formal organizational structures led by each office task force (T/F) and the Energy Infra Business Dept., while the E&P - Domestic Business Development Dept., as the dedicated organization for domestic exploration and development, operated the Domestic Continental Shelf Safety Response Task Force during the drilling period (concluded in February 2025). These organizations have strengthened transparency and professionalism in management and supervision by operating regular consultative bodies and reporting systems between headquarters and field sites to share project progress and risk factors, as well as by holding expert forums, engaging external advisors, and cooperating with relevant institutions.

Strategy | Community Impact Response Strategy

KNOG implements concrete response strategies to prevent potential community damage and concerns while promoting shared growth with local communities. During the construction of oil stockpile sites, we promptly address complaints raised by residents through a dedicated communication channel. In addition, we have established compensation procedures in accordance with legal and institutional standards to ensure the rights and interests of local residents regarding land acquisition and compensation. To prevent potential environmental impacts such as vibration and noise, we have enacted the 'Regulations on Support for Areas Surrounding stockpile Site Construction Projects' and the 'Compensation Management Guidelines,' to minimize community impacts and ensure prompt and transparent compensation procedures. For domestic drilling operations, we established the 'Earthquake Disaster Response Action Manual for Offshore Drilling Sites' and, in collaboration with relevant departments, built a real-time earthquake monitoring and response system to ensure the safety of operations. Furthermore, beyond prevention and compensation systems, we promote initiatives aimed at achieving shared growth with local communities. We have been conducting the 'G9 KNOG Plogging' beach cleanup campaign with local residents in Pohang, near the East Sea deep-sea gas field, and continue to make tangible contributions by providing eco-friendly fishing gear and supporting sustainable local livelihoods.

Major Response Activities

Meetings with Stakeholders

- Holding frequent meetings with local stakeholders (Pohang City Hall, Pohang Regional Office of Oceans and Fisheries, etc.) to discuss matters related to the damage

Installation and Operation of the Community Mutual Development Cooperation Center

- Operating a field office for gathering opinions and strengthening local development cooperation in the East Sea deep-sea gas field area (Pohang)

Development of an Action Manual

- Developing a manual for responding to earthquakes during offshore drilling operations

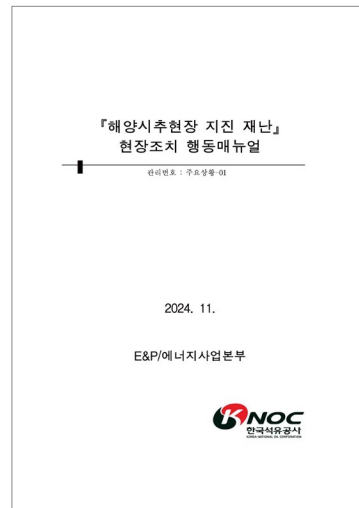
Support and Compensation Related to Impact on Communities

- Operation of the Guidelines for Community Damage Support and Compensation Management related to oil stockpile site construction projects
- Implementation of community beach cleanup activities
 - Continuous operation of the 'G9 KNOG Plogging' beach cleanup campaign in cooperation with local residents in Pohang

[Move to p. 38](#)

Risk Management | Management of Community Impact Risks

KNOG promotes comprehensive risk management activities to minimize potential earthquake risks and community concerns that may arise during exploration, drilling, and oil stockpile site construction. During the construction phase of stockpile sites, we reflect local community feedback through public briefings and preliminary environmental impact assessment. In addition, we have verified that the likelihood of induced earthquakes is extremely low by conducting correlation analyses between offshore drilling activities and earthquake occurrences in the East Sea, investigating submarine fault structures, and consulting with experts. We also ensure operational stability by applying a phased drilling approach based on geological strength. Furthermore, we hold discussion forums with participation from earthquake and drilling experts, local governments, and civic organizations to discuss response measures. During drilling operations, we have established a hotline with the Korea Meteorological Administration, the Korea Institute of Geoscience and Mineral Resources, and the Pohang Earthquake Observatory to monitor any abnormal signs in real time and have developed the On-site Earthquake Disaster Response Action Manual for Offshore Drilling Sites. Through these initiatives, we proactively prevent potential community-related risks during project implementation and foster a safe and trustworthy development environment.



Earthquake Disaster Response Manual for Marine Drilling Sites



Signboard Ceremony for KNOG-Pohang Mutual Development Cooperation Center

Metrics & Targets | Outcomes and Targets of Managing Impacts on Communities

KNOG places the highest value on shared growth with local communities during the construction and operation of oil stockpile sites and promotes a systematic approach to managing community impacts. As a result of these efforts, we have achieved zero environmental accidents and zero environmental complaints at our stockpile sites, while further strengthening our cooperation with local communities through the signing of a business agreement with Gyeongsangbuk-do Province and Pohang City.

Achieved ZERO Environmental Accidents and ZERO Environmental Complaints at Oil Stockpile Sites



KNOG · Establishment and Operation at the Pohang

Mutual Development Cooperation Center



Signing of an MOU

between Gyeongsangbuk-do Province, Pohang City, and KNOG



Interview

Climate Change Response

ESG General Affair Team

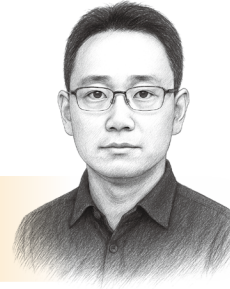
Chang Ok Kim · Team Leader



Worksite Safety and Health

SHE Management Team

Jung Ho Im · Team Leader



Community Impact Management

Domestic Development Strategy Team

Ji Hoon Won · Team Leader



- The 2024 greenhouse gas reduction (GHG) target was 1,066 tCO₂eq, while the outcome was 1,896 tCO₂eq. Could you explain the factors behind the significant decrease in both target and outcome figures compared with 2023, and outline the key efforts that KNOG undertook to achieve the target?**

The 2024 revision of the public sector target management system changed the reference year for GHG, leading to a relative decrease in the 2024 GHG reduction target and outcome figures compared with 2023. However, the actual GHG reduction target to be achieved by 2030 has been strengthened. To achieve the strengthened GHG reduction targets, we enhanced the energy use efficiency of buildings by expanding the installation of solar panels and continuously applying insulation film at domestic sites, including petroleum stockpile sites. We also replaced existing internal combustion engine vehicles at sites with electric vehicles and bicycles, reducing the use of fossil fuels such as diesel. Through these company-wide and substantive GHG reduction efforts, we achieved our GHG reduction targets for the 13th consecutive year.
- What key GHG reduction efforts and improvements were achieved over 2023?**

To achieve the strengthened GHG reduction targets, we recognized that relying solely on reducing electricity and energy consumption through facility investments would be insufficient. We determined that activities that could induce changes in the behavior of our employees to become more eco-friendly were necessary. We implemented campaigns that employees could practice in their daily lives and strengthened carbon neutrality-oriented activities such as resource circulation activities and collecting electrical and electronic waste products. We also expanded eco-friendly activities in partnership with local communities, such as plogging and supporting solar panel installations at local welfare facilities. This approach helped internalize employees' awareness of eco-friendly carbon neutrality, leading to environmentally conscious behavioral changes. Consequently, we achieved our GHG reduction targets for the 13th consecutive year and received the Ministry of Trade, Industry and Energy Award at the 2024 Korea Energy Awards.
- What are the key implementation plans and strategies to achieve the 2030 GHG reduction target?**

To reduce GHG emissions by 40% by 2030 compared with 2018 levels, KNOG will strive to decrease electricity consumption by continuously expanding the installation of solar power equipment in parking lots and unused spaces within petroleum stockpile sites. At the same time, we will replace aging streetlights and electrical substation equipment with high-efficiency equipment to enhance energy efficiency. Thus, we aim to achieve GHG reduction targets and prepare thoroughly for the energy transition era toward a future decarbonized society. Further, to contribute to achieving the national carbon neutrality goal, we have set mid-to-long-term carbon neutrality targets and are striving to achieve them. For example, we will implement GHG injection through a 100,000-ton CCS project starting in 2028 and reduce 300,000 tons of GHG annually starting in 2032 through power generation from floating offshore wind farm facilities in Donghae.
- What factors do you believe enabled KNOG to achieve significant accomplishments in the field of safety and health throughout 2024?**

Based on the philosophy that 'Safety is the highest value that cannot be compromised for anything,' KNOG holds safety as the paramount value in all operations and activities. Further, we establish strategies and foster a sustainable organizational culture under the clear objective of 'Creating an accident-free, safe, and healthy worksite.' I believe that this distinct safety philosophy and objective were the primary factors enabling KNOG to achieve significant accomplishments in the field of safety and health throughout 2024.
- What specific safety and health activities did KNOG implement to enable the major achievements you mentioned?**

For years, we have conducted 'Safety Talks and Active Caring' persistently before meetings to establish a safety culture, heightening safety awareness. We established the KNOG Safety Management Strategy to ensure the systematic nature and execution capability of safety management. We strengthened on-site management led by the head of the organization to enhance safety activity levels, including on-site safety inspections and listening to workers' opinions. We also contributed to strengthening safety capabilities by expanding on-site safety organizations' opportunities for external expert consulting and joint inspections. To improve workers' physical and mental health management, we strengthened mental health management tailored to job stress and developed an IT system (K-Health+) to enhance health checkups and follow-up management for employees.
- Based on the achievements and experiences of 2024, what safety and health activities will be strengthened or newly pursued in the safety and health field going forward?**

In March of this year, we held a Safety Resolution Ceremony and Signing Event with the KNOG CEO and Union Chairperson as representatives to reinforce all employees' safety awareness and establish a turning point for preventing accidents due to human error. To realize safety as our top priority, we selected 13 specific action items for our safety management strategy and are diligently implementing them. Further, we will actively promote a safety culture campaign to protect the lives and health of all employees and partner workers, encouraging voluntary participation in safety activities by all members. To ensure the smooth operation of the Integrated Smart Safety Management System, which our department is focusing on promoting, and to enhance its usability, we plan to strengthen cooperation with the departments that use it.
- As domestic projects progress, cooperating with local communities has become an important challenge. What prompted KNOG to focus on communication and discussion with local communities, and what were the main challenges encountered during this process?**

Concerns about resident safety and the environment arose during deep-sea exploration and drilling. Consequently, KNOG prioritized securing the safety and trust of the local community. Key challenges included information asymmetry and residents' insufficient understanding. To address these issues, we established communication channels by operating a dedicated task force, the Mutual Development Cooperation Center, and consultative bodies such as those for seismic monitoring.
- Regarding project activities, KNOG has implemented various activities, such as establishing field offices and operating consultative bodies, to communicate with local communities. Could you explain how these activities are operated specifically and how opinions received through the field offices or consultative bodies are addressed?**

The Mutual Development Cooperation Center at Pohang City Hall serves as a permanent communication channel, and opinions are regularly exchanged with community representatives through the consultative body. Received opinions are reviewed by the responsible department and reflected in project plans. As for concerns about disasters, such as earthquakes, during drilling, we have made efforts to incorporate community opinions. For example, we have created an on-site action manual to systematize response procedures.
- Are there any additional plans or new communication methods that will be implemented to address potential environmental and safety impacts during the drilling process and strengthen mutually beneficial cooperation with local communities in the future?**

To minimize environmental and safety risks that may arise during future exploration and drilling, we plan to expand resident briefings and our social contribution activities to foster understanding among local residents. Further, we strive to gather community feedback promptly and strengthen mutually beneficial cooperation by considering the establishment of a digital platform and a company-wide ESG response organization, as well as by conducting on-site visits.

Environmental



KNOG is accelerating its transition toward a carbon-neutral era and actively responding to the climate crisis. We are minimizing environmental impacts throughout the entire energy production process and introducing technologies and systems that enhance resource efficiency, thereby contributing to the preservation of a sustainable global environment.

Environmental
Management
32

Contribution to the Nation's
Carbon Neutrality Goals
40

Environmental Management

Environmental Management Promotion System

KNOG has established and is implementing an eco-friendly and carbon-neutral strategy to address climate change issues, fulfill its social responsibility, and promote environmental sustainability. In line with the government's 2050 carbon neutrality declaration, KNOG is strengthening its GHG emissions reduction targets and actively participating in energy conservation efforts. As the demand for eco-friendly activities centered on citizen participation is increasing, KNOG has established a vision of 'Creating a carbon-neutral society through eco-friendly management' and is implementing GHG reduction initiatives, resource recycling programs, eco-friendly community activities, and eco-friendly stockpile site operations as strategic tasks. We also promote continuous environmental improvement through our ISO 14001 environmental management system and maintain our certification by conducting annual audits.



ISO 14001 Environmental Management System

KNOG Environmental Management Promotion System

Vision

Creating a Carbon-Neutral Society through Eco-Friendly Management

Strategic Goals

Reduction of GHG Emissions by 37% (by 2030) and Achievement of 100% Net Zero (by 2045)



Building an environmental foundation for a sustainable low-carbon society



Eco-friendly management in partnership with communities



Preventive incident-free environmental management

Strategic Tasks

1 Reducing GHG emissions

2 Strengthening environmental facilities and infrastructure

3 Securing low-carbon technology

4 Eco-friendly activities

5 Resource upcycling

6 Purchasing green products

7 Zero environmental incidents

8 Enhancing the environmental management system

9 Preventive environmental management

Performance Indicators

- GHG emissions and reduction rates
- Improvement of worksite environmental facilities
- Promotion of low-carbon technology development

- G9 plugging and other activities
- Resource recycling activities
- Environmental product purchase performance

- Zero environmental incidents (e.g., no oil spills)
- Improvement of environmental management system
- Environmental employee training

Goals for 2024

Reduction of 1,074 tons of GHG emissions

Expansion of eco-friendly management

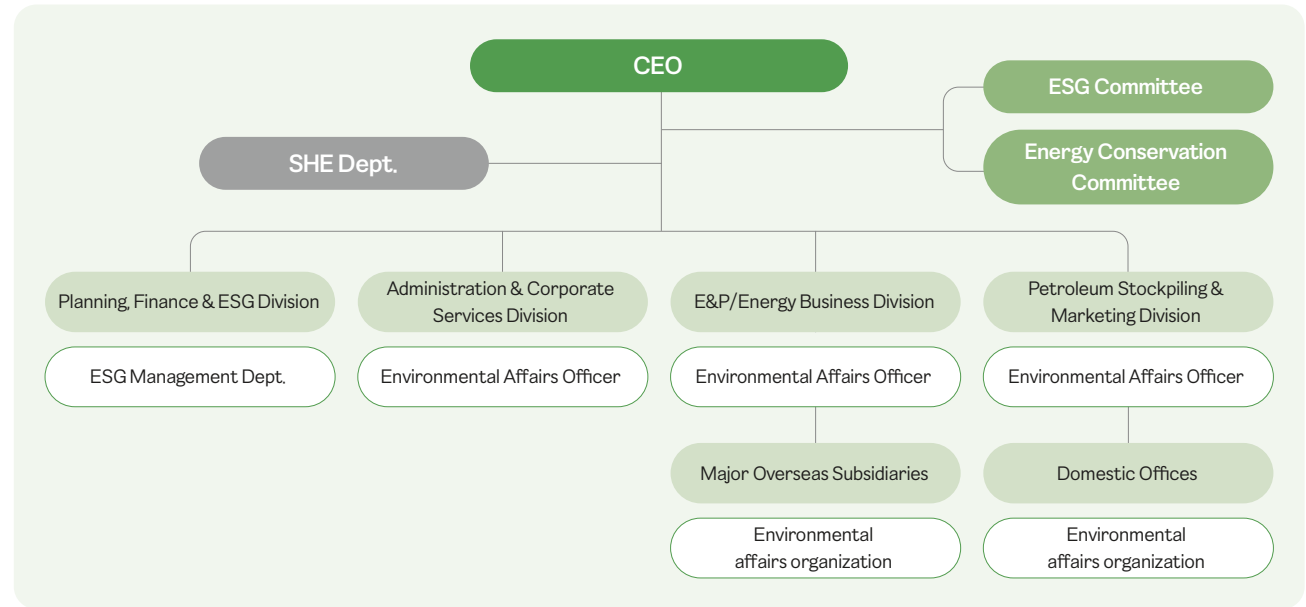
Zero environmental incidents

Environmental Management

Environmental Management Organization Chart

KNOG operates a company-wide environmental management system centered on the ESG Committee under the Board of Directors to fulfill its environmental responsibilities and embed ESG management into its corporate culture. The ESG Committee is composed of up to five non-executive directors, receives regular reports on ESG strategies and performance, and deliberates and makes decisions on key agenda items. The Head of the ESG Management Dept. serves as the committee secretary, and the committee operates transparently in accordance with the ESG Management Policy and ESG Committee Operating Regulations. In addition, pursuant to the Regulations on Promoting Rational Energy Use by Public Institutions, KNOG has established and operates an Energy Conservation Committee, which holds regular meetings at least once every half-year to review agenda items related to greenhouse gas reduction and energy conservation, and to identify implementation tasks for achieving carbon neutrality. The ESG Management Dept. oversees eco-friendly and carbon neutrality initiatives, while the SHE Dept. systematically manages environmental performance at business sites and prevents serious industrial accidents.

Environmental Management Organization Chart



Organizational Roles and Operational Regulations for Achieving Eco-Friendly and Carbon-Neutral Strategies

ESG Committee (Five or more non-executive directors)	Energy Conservation committee (Four members, including the standing director)	ESG Management Dept and SHE Dept.
<p>Roles</p> <ul style="list-style-type: none"> ESG management strategy and presentation of implementation results reporting and advisory services Deliberation and resolution of major ESG management agenda items 	<p>Roles</p> <ul style="list-style-type: none"> Deliberation and resolution of agenda items related to GHG reduction and energy saving Encouragement of efforts to practice carbon neutrality 	<p>Roles</p> <ul style="list-style-type: none"> Overall management of eco-friendliness and carbon neutrality implementation Worksite environmental management and prevention of serious accidents
<p>Operational Regulations</p> <p>ESG Operating Policy, ESG Committee Operating Regulations</p>	<p>Operational Regulations</p> <p>Carbon Neutrality Implementation Strategy</p>	<p>Operational Regulations</p> <p>Environmental Management System (UNGC Communication on Progress (CoP), ISO 14001)</p>

Environmental Management




Eco-Friendly Promotion Activities

Upcycling Resource Circulation Activities

KNOG conducts upcycling activities such as waste reduction, resource circulation, and eco-friendly products support to build a low-carbon society. Following the signing of the 'E-Waste Zero' resource circulation system agreement, we increased greenhouse gas reduction by 21% through a waste electrical and electronic product recycling program and 1.4 tons of upcycling activities using discarded PET bottles, earning Scope 3 reduction certification of 2,777 kg.

In addition, we plan to utilize Han River water as injection water, which is expected to reduce annual tap water costs by KRW 7.7 million and cut greenhouse gas emissions by 16 tons. Furthermore, we continue to strengthen public-private partnerships by providing local communities with eco-friendly items such as eco-bags, garbage bags, and ice packs.

Main Activities and Achievements of Upcycling

 <p>Waste Reduction</p> <ul style="list-style-type: none"> Introducing a resource circulation program for discarded electrical and electronic products Upcycling activities for 1.4 tons of waste PET bottle 	 <p>Resource Circulation</p> <ul style="list-style-type: none"> Signed a MOU with a social enterprise to establish a resource circulation system ('E-Waste Zero' Agreement) Promoting the use of Han River water for injection water at the Guri office 	 <p>Eco-Friendly Goods Support</p> <ul style="list-style-type: none"> Supporting eco-friendly goods, contributing to community carbon neutrality Delivering ice packs to local traditional markets in collaboration with the Ulsan Jung-gu Office
<p>E-Waste Zero Resource Circulation Agreement and Scope 3 Reduction Certification of 2,777 kg</p>	<p>Expected to save 77 million KRW and 16 tons of GHG emissions reduction annually by using Han River water for injection</p>	<p>Increased sponsorship for eco-friendly products 2023: 5 million KRW ▶▶ 2024: 7 million KRW</p>

Expanding resource circulation and upcycling activities

GHG Emissions Reduction Increased by 21%



704kg in 2023 ▶▶ 855kg in 2024



E-Waste Zero Resource Circulation Business Agreement



Scope 3 Greenhouse Gas Reduction Certificate for Waste Electronic Equipment

Environmental Management

Company-Wide Energy Saving Activities

KNOC continuously promotes GHG reduction and energy conservation efforts by all employees through company-wide eco-friendly management initiatives. As a result of initiatives such as the 'Energy Diet 10' campaign, which reduced energy consumption in the headquarters building by 10%; operating zero-emission vehicles; and purchasing green products, we contributed to achieving 177% of our GHG emissions reduction target. Furthermore, we contribute to carbon neutrality by expanding the proportion of renewable energy use, and actively promote the social return of cost savings, such as donating the profits from renewable energy utilization to social welfare facilities. Additionally, we promote a culture of energy conservation by participating in 'Earth Day' and 'Energy Day' light-off events, and also create and promote energy conservation content. Through these energy-saving activities, KNOC has achieved its GHG emissions reduction target for 13 consecutive years and received a group award at the Korea Energy Awards.

GHG emissions reduction target

**Achieved for 13
Consecutive Years**



Received

**The Ministry of Trade,
Industry, and Energy
Award at the Korea
Energy Awards**



for contributions to the development and promotion of
the renewable energy industry

Activities and Achievements for Company-Wide Eco-Friendly Management

Activities	Main Contents	Achievements
Energy diet 10	Practicing energy conservation in the headquarters building	▶ Headquarters building achieved 102% of its energy saving target (Energy usage limit 962 TOE, actual energy usage 940 TOE)
Purchasing and leasing zero-emission vehicles	Expanding zero-emission vehicle leasing to all vehicles	▶ Achieved 100% zero-emission vehicle ratio (A 6% increase compared to the previous year)
Purchasing green products	Promoting green product purchases and campaign implementation	▶ Achieved 144% of the purchase target (Target: 160 million KRW, Actual Purchase: KRW 230 million)

Activities and Achievements for Carbon Neutrality Practice

Activities	Main Contents	Achievements
Practicing on-site carbon neutrality	Purchasing electric bicycles and motorcycles and replacing diesel vehicles	▶ Annual reduction of 2 tCO₂
Improving energy efficiency of stockpile sites	Energy efficiency improvement measures, such as installing insulation film on the stockpile site buildings	▶ Annual reduction of 0.5 tCO₂

Activities and Achievements for Energy Conservation and Renewable Energy Expansion

Activities	Main Contents	Achievements
Practicing energy saving	Campaigns for all employees, SNS promotion, etc	▶ Established an energy-saving culture
Expanding the use of renewable energy	Continuously Increasing proportion of renewable energy use	▶ 2022: 12.4% 2023: 14.6% 2024: 19.6%
'KNOC dream solar energy' social contribution	Returning savings from electricity bills through Net Zero to society	▶ Donated solar panels to two facilities annually (senior welfare centers and daycare centers)

Environmental Management

Training and Capacity Building for Environmental Personnel

KNOG strives to raise the environmental awareness and capabilities of its employees to practice eco-friendly management and preserve a healthy ecosystem. We conducted training programs such as 'Strengthening Climate Crisis Competencies' and 'Energy Management Training for Public Institution'. We also launched environmental management and energy manager training within our internal education program, completing environmental training for a total of 74 employees.

✔ Environmental Training

Classification	Main Contents	Participants
Strengthening Climate Crisis Competencies	Training to strengthen capacity for climate crisis adaptation measures	23 people (Including 3 professional trainee)
Training for Energy Managers at Public Institutions	Training for GHG and energy managers at public institutions	10 people
KPA ¹⁾ (Internal Education) Environmental Management Training Course	Internal auditor training for ISO 14001 Environmental Management System	24 people
KPA (Internal Training) Energy Manager	Practical training for carbon neutrality and energy efficiency management personnel	17 people

1) KPA : KNOG Petroleum Academy



Strengthening Climate Crises Competencies Training

Efforts to Reduce Environmental Pollution

KNOG is preventing environmental pollution by proactively preventing water, soil, and air pollution, which are potential environmental media that can be polluted during business operations. We have installed a wastewater recycling system in the underground pipeline facilities and converted effluent into recycled water, minimizing actual effluent discharge. Additionally, we have replaced the underground oil pipelines in the Ulsan Industrial Complex, preventing potential soil contamination. Furthermore, we contribute to improving air quality by introducing vapor recovery units (VRUs) at our Yeosu and Pyeongtaek offices.



Yeosu Office Vapor Recovery Unit

Equipment Improvement and Management Standards Enforcement

KNOG is actively promoting facility improvements to prevent environmental incidents. We have improved our wastewater treatment facilities to enhance pollutant removal effectiveness, and we are working to conserve marine ecosystems by strengthening wastewater inspection standards. Additionally, we are contributing to achieving zero environmental incidents by strengthening our environmental incident prevention system through continuous monitoring of soil and water measurements and inspections.

Achievement of ZERO Environmental Incidents and ZERO Environmental Complaints

in stockpile sites



Environmental Management

Eco-Friendly Management in the Community

KNOG considers shared growth with local communities as a core value throughout its business operations and conducts eco-friendly and carbon-neutral social contribution activities in partnership with citizens. In particular, we operate eco-friendly programs at our strategic stockpile sites that encourage active participation of local residents, and support vulnerable groups by providing high-efficiency energy equipment. We also contribute to the development of renewable energy infrastructure in local communities and work to improve energy efficiency in aging homes of vulnerable populations, thereby realizing both environmental value and social responsibility in collaboration with the community.

Community Eco-Friendly Activities

Eco-friendly practices with citizens

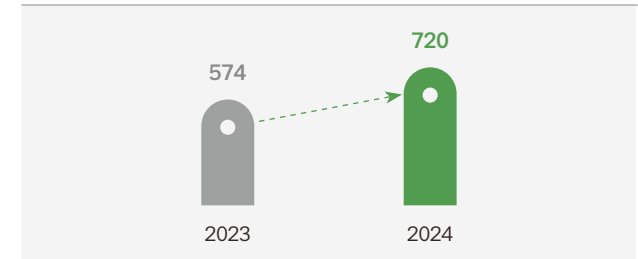
- ▶ Participation of local citizens in eco-friendly and carbon-neutral activities at stockpile sites
 - 'G9 KNOG plogging' campaign
 - Biodiversity conservation activities: Effective Microorganisms (EM) mud ball throwing event
- ▶ Participation in building the renewable energy industry infrastructure for community revitalization.
 - Construction of renewable energy transmission line infrastructure utilizing repurposed old pipelines

Social contribution activities for a carbon-neutral society

- ▶ Support for vulnerable groups with high-efficiency energy equipment
 - Support for high-efficiency equipment for cooling and heating during summer and winter
- ▶ Energy efficiency repairs for aging homes of vulnerable populations
 - Home repair activities to improve energy efficiency, such as replacing insulation materials
2023: 1 case ▶▶ 2024: 2 cases

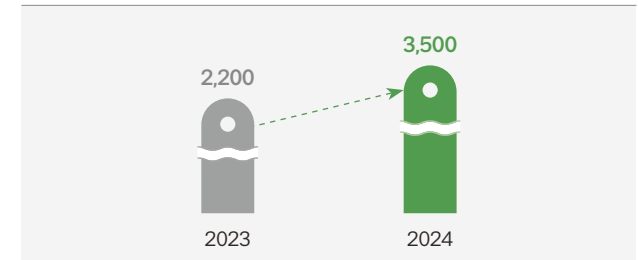
Number of participants in 'G9 KNOG plogging'

(Unit : people)



Cooling/heating supplies support amount

(Unit : 10,000 KRW)



East Sea Marine Biodiversity Conservation Campaign



Throwing Microbial Mud Balls Event in the Taehwa River



MOU for Recycling Old Pipes



Support for Community Heating and Cooling Supplies



Home Repair Volunteer Activities

Environmental Management

Community Impact Management

KNOC prioritizes environmental conservation and shared growth with local communities in all stages of stockpile site construction and exploration drilling projects. Project necessity and progress are communicated transparently to residents, and stakeholders' opinions are actively gathered through briefings and regular communication channels. During construction, KNOC applies community impact management regulations and compensation guidelines to minimize disruptions to daily life, such as traffic, noise, and vibrations, while strictly complying with relevant laws and regulations. Environmental impact assessments and monitoring of key indicators are performed to identify the potential negative effects on the natural environment and local communities, with the results shared with stakeholders when necessary. In addition, we have established emergency response manuals for earthquakes, disasters and other emergencies to strengthen our capabilities in ensuring human safety and protecting local communities.



Environmental Impact Analysis

KNOC conducts comprehensive environmental impact assessments across all domains, including air, soil, water resources and quality, waste, and ecosystems. Operations and processes at worksites are subdivided to identify significant environmental aspects and impacts. These are analyzed based on likelihood of occurrence, severity of consequences, and detectability to establish management priorities. In particular, items rated Grade¹ 3 or higher in the environmental impact analysis are designated as priority management targets and proactively addressed. In 2024, analyses were carried out at nine offices and the headquarters building, identifying 108 processes with significant environmental impact factors. Based on these findings, KNOC has implemented measures such as strengthening emission reduction facilities, responding to pollutant leaks, and reinforcing or replacing facilities.

1) Grade 0: No impact ▶ Grade 1: Very minor impact ▶ Grade 2: Minor impact ▶ Grade 3: Moderate impact ▶ Grade 4: Major impact ▶ Grade 5: Severe impact

Types of Negative Environmental Impacts



Environmental Management

✔ 2024 Environmental Impact Analysis Results and Improvement Initiatives by Office

Office	Detailed Process	Key Environmental Impact Factors	Improvement Initiatives
Yeosu Office	Odor prevention facility	• Air pollution resulting from odor generation	▶ Strict odor management through controlled chemical dosing
Seosan Office	Wharf facilities	• Oil pollution, generation of hazardous waste and odor during vessel loading/unloading due to operation of Loading Arm	▶ Monitoring of operation status by assigning personnel for loading arm operation during vessel loading/unloading
Geoje Office	Wastewater treatment plant operation	• Risk of water pollution and waste generation due to crude oil discharge during the oil-water separation process	▶ Operation of redundant equipment such as turbidimeters ▶ Two or more daily on-site inspections
	Crude oil loading/unloading	• Water and marine pollution, soil and groundwater contamination, generation of designated waste, and ecosystem impact due to leakage of crude oil	▶ Enhanced inspection and log keeping during loading/unloading ▶ Increased patrols in vulnerable areas ▶ Emergency response plans in case of crude oil leakage (work plans)
Ulsan Office	Fluid transfer equipment	• Soil and marine pollution caused by oil leaks from crude oil pipelines, product pipelines, and BUOYs ¹⁾	▶ Thorough implementation of semi-annual regular inspections
	Heating and cooling systems	• Resource depletion and air pollution from city gas (LNG) leaks	▶ Thorough implementation of annual regular inspections
Pyeongtaek Office	VRU equipment operation	• Generation of hazardous waste and odor in nearby areas	▶ Operation with final discharge valves closed and personnel presence during work
	Economical oil offshore loading/unloading	• Risk of water pollution, generation of hazardous waste, and destruction of marine ecosystems in cases of pipeline damage	▶ Presence of offshore service personnel and inspection of loading/unloading equipment in case of loading arm operation during vessel loading/unloading
Guri Office	Petroleum product loading/unloading process	• Risk of leaks due to damage to vulnerable parts such as flange gaskets and piping from overpressure during reserves transfers	▶ Preparation of work plans and training ▶ Development of on-site emergency response manuals and establishment/execution of annual training plans ▶ Provision of disaster prevention equipment
Yongin Office	VCU equipment operation	• Emissions of chemicals, air pollution and increased energy use due to VCU equipment operation	▶ Inspection of VCU treatment equipment (three times daily) ▶ Measurement of air pollutants
Gokseong Office	Drain work during equipment maintenance	• Waste generation, chemical emissions and production of acids/corrosives during drain operations	▶ Preparation of tools and equipment to prevent soil contamination during drain work ▶ Preparation of tools and equipment for collection in case of leaks
Donghae Office	Reserves procurement	• Potential chemical spills and leaks due to accidents during transport of purchased reserves	▶ Safety training before work ▶ On-site inspections every two hours ▶ Pre-inspection prior to loading/unloading
Headquarters Building	Boiler	• Exceeding emission standards for air pollutants during operation of emission facilities	▶ Installation of low-NOx burners and establishment/implementation of emission reduction measures through self-measurement of pollutants (twice annually)

1) BUOY leak: An incident in which crude oil or petroleum products leak from offshore oil transfer facilities

Contribution to the Nation's Carbon Neutrality Goals

Low-Carbon New Business

✔ Status of Low-Carbon New Businesses

CCS¹⁾ projects

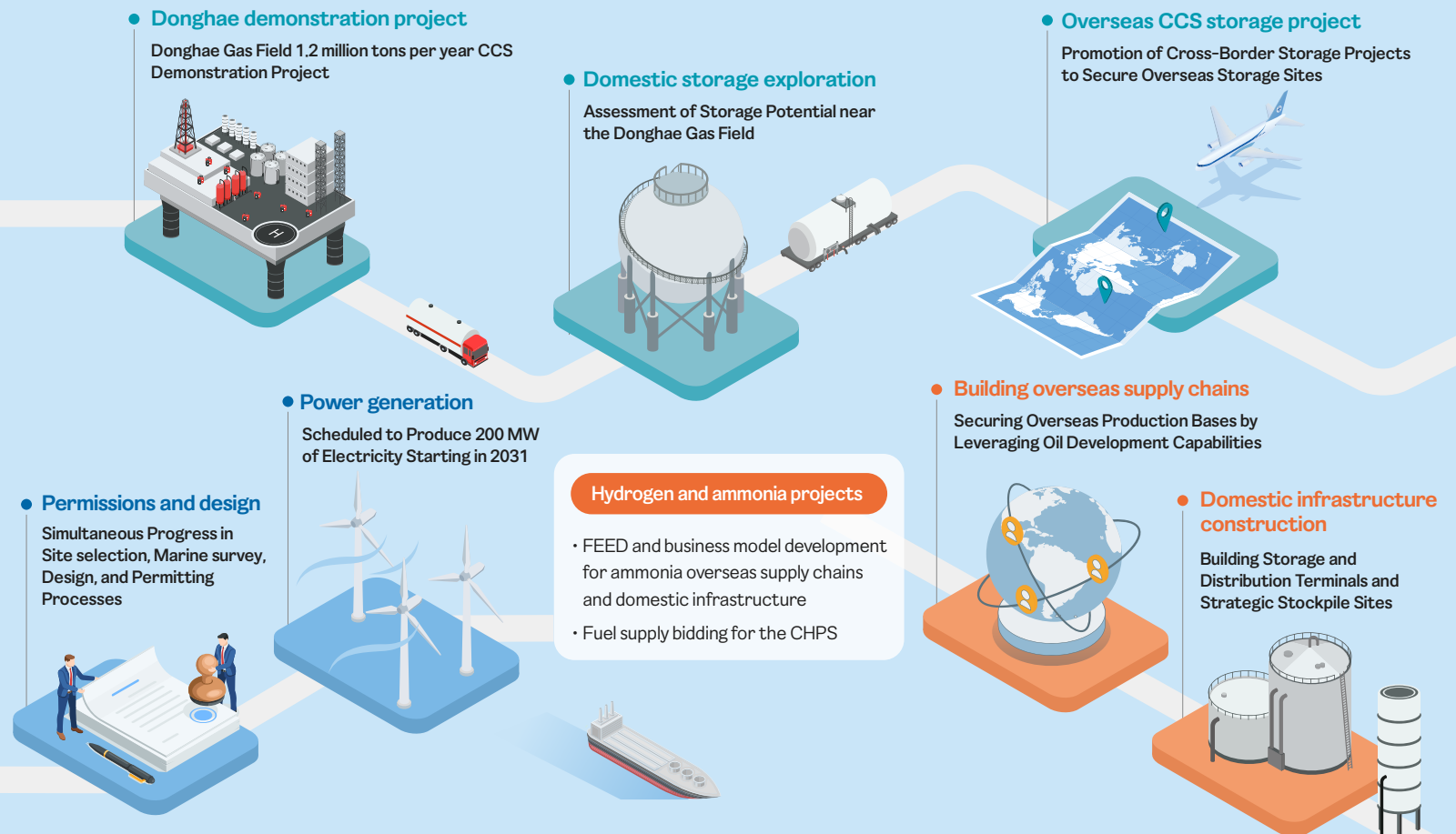
- Preparation of Korea's first CCS demonstration project
- Completion of preliminary basic design
- Acquisition of new physical exploration data in the West Sea (300 km²)
- Discovery of additional large-scale potential storage structures in the East Sea
- Cooperation on the construction of regional (Southeast, Southern, West Sea) hub terminals
- Establishment of a cooperation system, including MOUs for private sector CCS projects (Three cases)

1) CCS (Carbon Capture and Storage):
A technology that permanently and safely stores CO₂ captured from emission sources in underground geological formations

Offshore wind farm projects

- SPC investment and equity acquisition
- Presentation of direction based on EIA plan
- Strengthened funding base through additional capital contributions

KNOG aims to respond to the global energy paradigm shift and secure future growth engines through low-carbon new businesses. To this end, KNOG has identified CCS, floating offshore wind farm project, and hydrogen-ammonia as new growth drivers and is striving to establish a foundation for these businesses. The offshore wind farm project is being developed near the Donghae gas field, where production ended in 2021. KNOG has completed its investment and organizational structure for the Special Purpose Corporation (SPC) and is currently in the process of obtaining the necessary permits and approvals, including an Environmental Impact Assessment (EIA). The CCS demonstration project, led by the government, is part of a national infrastructure development initiative. KNOG is formulating facility construction plans for the transportation and storage sectors and conducting technical reviews of underground storage sites. To secure additional domestic storage capacity, KNOG is expanding collaboration and joint research with major international oil companies and domestic private firms. In addition, KNOG is pursuing hydrogen and ammonia as key new growth businesses that will lead the energy transition, exploring opportunities across the entire value chain—from production and import to utilization.

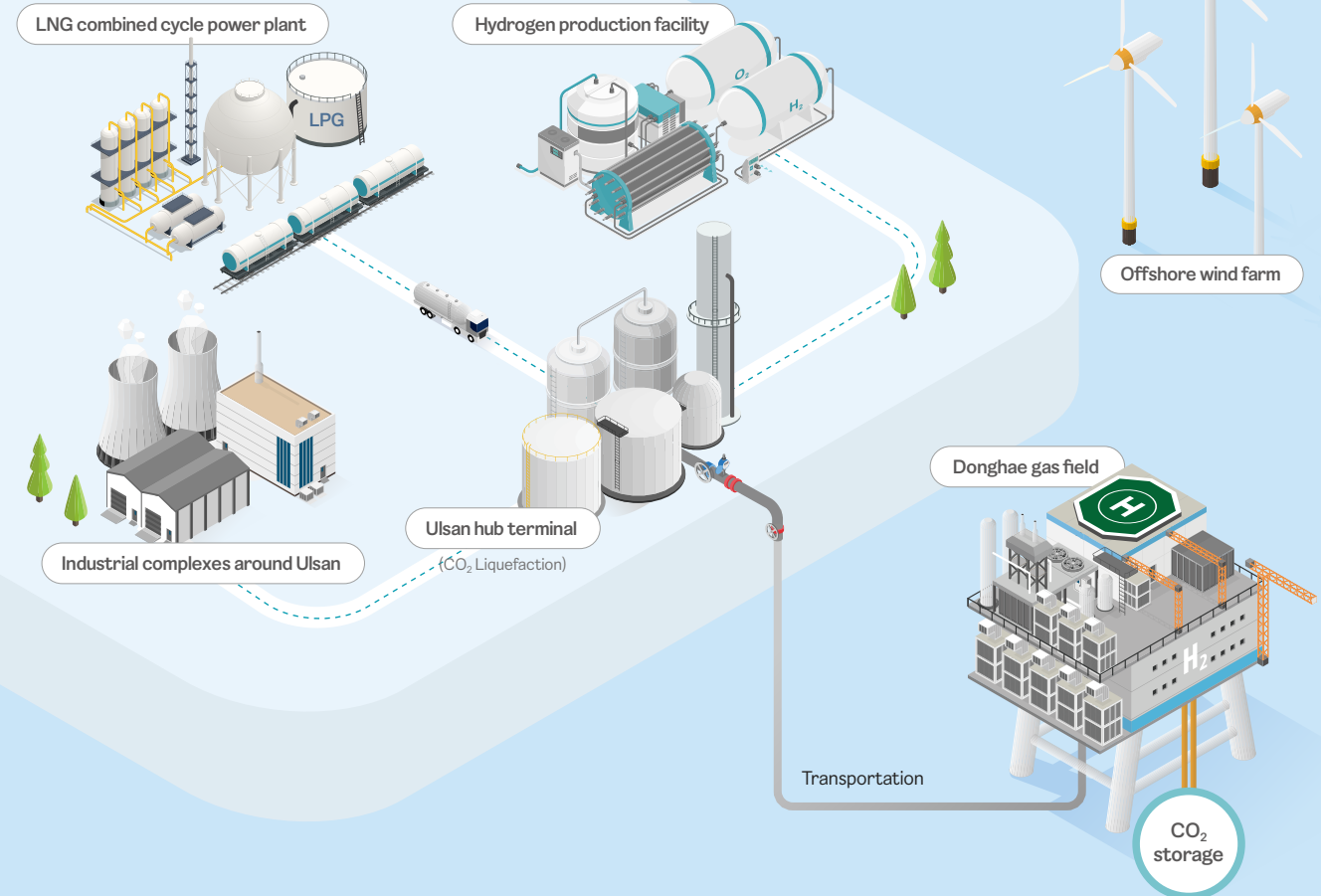


Contribution to the Nation's Carbon Neutrality Goals

Promoting Domestic and International CCS Projects to Lay the Foundation for the CCS Business

Carbon capture and storage (CCS) technology is emerging as a major carbon reduction method, with the International Energy Agency (IEA) considering it impossible to achieve the 2050 carbon neutrality target without the application of CCS technology, highlighting its importance. KNOG is actively promoting domestic and international CCS projects as a core strategy to contribute to the government's carbon neutrality goals and secure new growth engines. KNOG is preparing Korea's first large-scale CCS demonstration project with an annual capacity of 1.2 million tons. The company has completed the preliminary basic design for the transportation and storage sectors and is conducting related technical reviews, including assessments of storage capacity and injection stability. Through joint research with domestic and international private companies, KNOG has identified additional large-scale promising storage structures within the Donghae-Ulleung Basin and is conducting further studies for potential integrated development with the CCS demonstration project. Recognizing that domestic storage capacity alone is insufficient to achieve the Korean government's 2050 carbon neutrality goal, KNOG is establishing a cooperative foundation by signing a business agreement with private sector partners to promote cross-border CCS projects.

Conceptual Diagram of the Donghae Gas Field CCS Demonstration Project



CCS Business Mid-to-Long-Term Roadmap

2025 - 2026

- CCS demonstration project design and permits securing
- Additional domestic storage evaluation
- Cross-border CCS projects feasibility study

2027 - 2028

- Commencement of CCS demonstration project Engineering, Procurement, and Construction (EPC)
- Acquisition of additional domestic storage
- Formation of cross-border CCS operators and promotion of EPC

2030

- Operation of CCS demonstration project (1.2 million tons per year)
- Promotion of CCS demonstration-linked development and business expansion
- Commencement of CCS project operations for border crossings

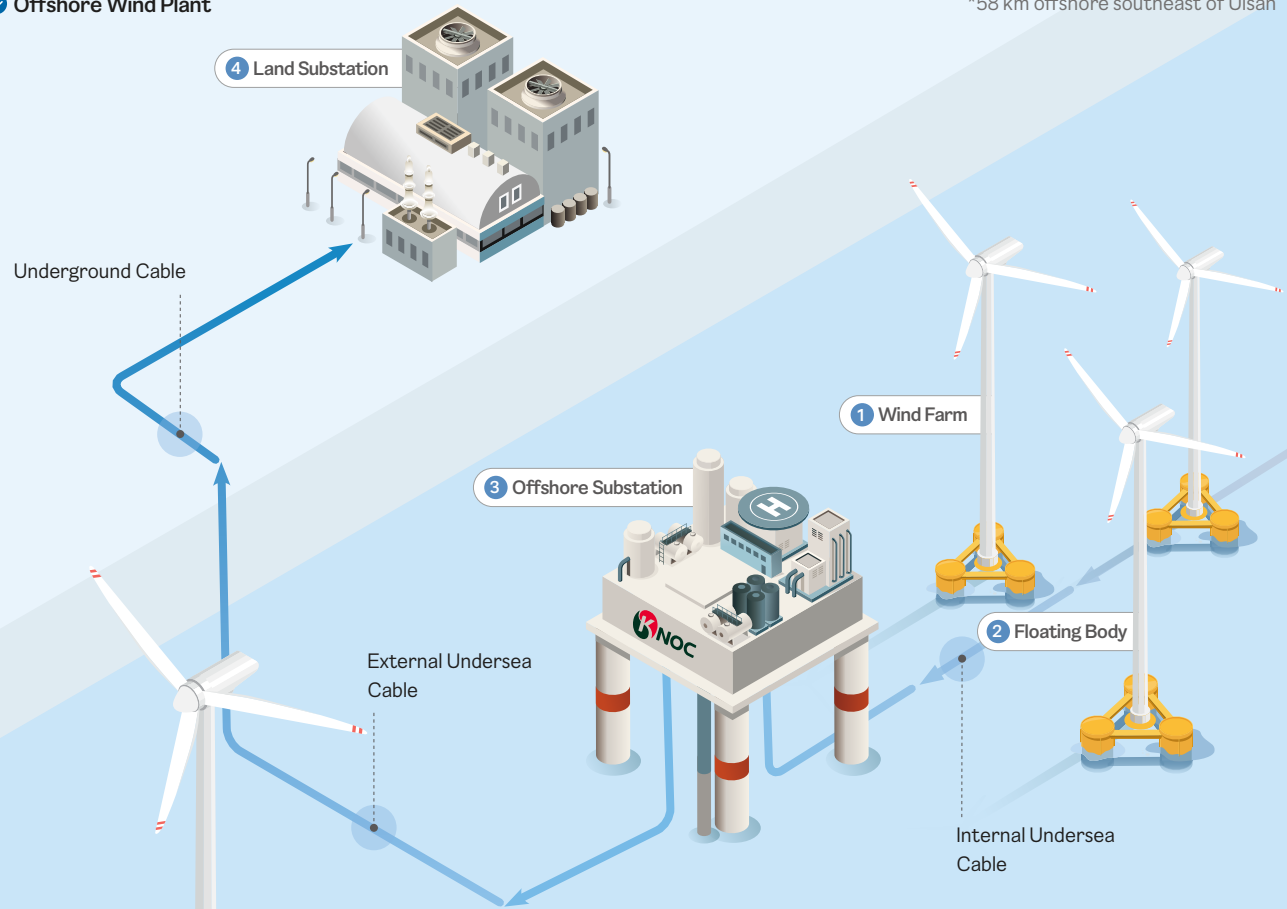
Contribution to the Nation's Carbon Neutrality Goals

Establishing an Operational Base for Floating Offshore Wind Farm Project

KNOC is actively pursuing eco-friendly energy projects, such as floating offshore wind farms, by repurposing existing facilities in the Donghae gas field and integrating oil development technology. This is a 200MW floating offshore wind farm to be installed within a 5 km radius area around the Donghae gas field offshore platform, 58 km east of Ulsan Port. The project is planned to produce electricity from 2031 to 2050, following preparation and construction work from 2023 to 2030. To ensure stable business operations, KNOC acquired a 50% stake in the SPC, securing a leading position. We also completed key permitting procedures, such as an EIA, in preparation for long-term investment and strengthened our funding base through additional government investment. Additionally, to enhance SPC's business drive, we have established an implementing organization and allocated relevant personnel, and we are systematically preparing the execution foundation of the project, including reviewing the bid guidelines, reexamining business feasibility, and collaborating on the supply chain. Through this, we are further strengthening the responsibility and legitimacy of environmentally friendly development projects, such as protecting marine ecosystems and ensuring community acceptance.

Offshore Wind Plant

*58 km offshore southeast of Ulsan



Mid-to-Long-Term Roadmap for Floating Offshore Wind Farm Generation Projects

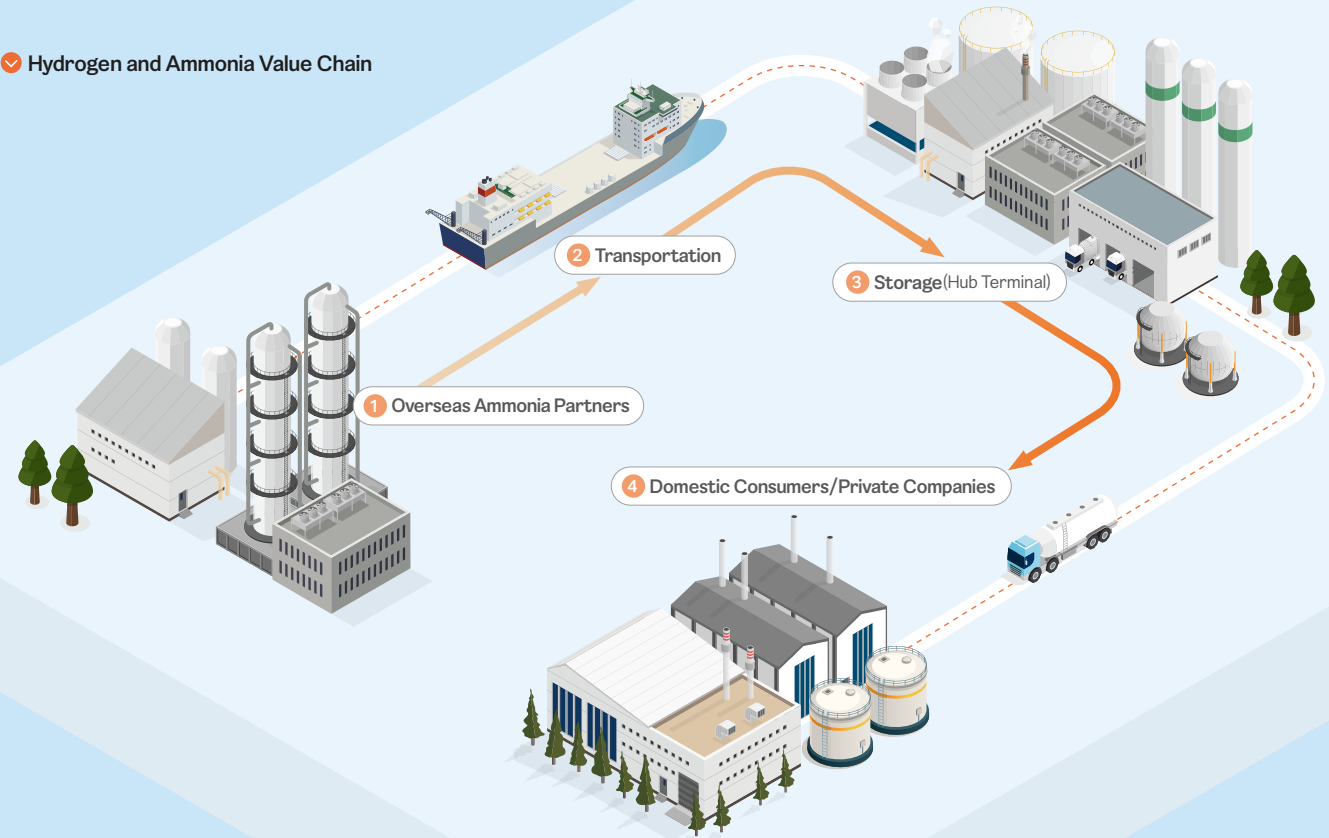
Business preparation ~2023	Establishing a business foundation 2024	Permits and design 2025~2026	Power generation 2031~2050
<ul style="list-style-type: none"> Approval of the power generation project permit review Secure connection points within KEPCO's Dangwol substation 	<ul style="list-style-type: none"> Acquisition of SPC investment and equity Formation of the SPC business organization Setting up an EIA 	<ul style="list-style-type: none"> Seabed geotechnical survey/EIA Participation in fixed-price bidding Launch of basic design 	<ul style="list-style-type: none"> Power generation: 200MW

Contribution to the Nation's Carbon Neutrality Goals

Building Hydrogen and Ammonia Supply Chain and Infrastructure

In line with the government's policy of creating a clean hydrogen ecosystem, KNOG is leveraging its oil development and stockpiling capabilities to establish a clean ammonia overseas supply chain and domestic import infrastructure. First, we are establishing a supply chain system to import clean hydrogen produced using renewable energy or CCS technology, synthesized into ammonia. Additionally, leveraging our experience and capabilities in oil stockpiling and energy infrastructure construction, we are also promoting the establishment of domestic infrastructure to expand the clean hydrogen and ammonia economy. We are conducting projects to establish acquisition and distribution infrastructure, focusing on regional hubs in the West, South, and East Sea areas where demand for power generation, industrial use, and other purposes is expected to increase. Through this project, we plan to gradually build ammonia logistics hubs to expand the clean hydrogen economy in the future.

Hydrogen and Ammonia Value Chain



Hydrogen and Ammonia Business Roadmap

Business Planning | 2022 - 2023

- Planning the clean hydrogen-ammonia businesses
- Establishment of a business foundation through domestic and international networking

Embodiment | 2024 - 2025

- Execution of FEED for overseas ammonia import supply chains and domestic infrastructure
- Participation in the fuel supply bidding for CHPS

Full-scale Implementation | 2026~

- Continuation of participation in CHPS and commencement of production facilities and domestic infrastructure construction
- Promotion of supply chain diversification and ammonia stockpiling plans

Contribution to the Nation's Carbon Neutrality Goals

Low-Carbon Fuel Conversion Business

The domestic SAF¹⁾ industry is still in its early stages, with insufficient investment in production facilities. It is a time when policy support from the government and the increased private investment are needed. In response to the global trend of SAF adoption, KNOG is working to establish an industrial foundation for achieving carbon neutrality in the domestic aviation sector. To this end, we are strengthening public-private partnerships and pursuing a global market entry strategy based on international certifications. In particular, we are supporting SAF exports by leasing unused stockpile sites to private refineries and providing storage and export infrastructure to facilitate private sector entry into the industry. Additionally, we are securing international certification (ISCC-EU²⁾) for our stockpile site, laying a foundation for entry into the global market. The SAF industry forms a value chain across its entire lifecycle, from raw material supply to production and distribution, and KNOG is solidifying the foundation for creating a sustainable industrial ecosystem within this structure.

- 1) Sustainable Aviation Fuel: Environmentally friendly bio-jet fuel that replaces conventional fossil fuel-based jet fuel
- 2) International Sustainability and Carbon Certification – European Union: An international certification system that certifies the sustainability and carbon emission reduction of biomass, biofuels, recycled raw materials, etc., in accordance with the EU Renewable Energy Directive



Supporting Exports of Private Oil Refineries by Utilizing KNOG's Stockpile Sites

KNOG's Support

Lease Unused Strategic Petroleum Reserve Tanks to Private Refineries, for Them To Use as Aviation Fuel Storage Facilities

Public-Private Partnership Management Performance

South Korea's First SAF Production and Export Using KNOG's Stockpile Sites

Efficient Utilization of Public Infrastructure, Strengthening Carbon Neutrality and Export Competitiveness of Private Industries, and Establishing a Public-Private Partnership Model for Energy Transition

Achievements of SAF Business

Results

Construction of a global SAF supply chain

Support for the first export of domestic SAF

Signed MOUs for raw material procurement and SAF export with the world's top two traders.

Exported domestically produced SAF overseas for the first time using its stockpile sites



Achievements

- KNOG laid the foundation for the nascent domestic SAF industry by reflecting the global trend of expanding SAF adoption
- KNOG's stockpiling division has accumulating know-how related to SAF in preparation for the spread of SAF

Social



KNOG places the highest priority on safety and health, protecting the well-being of employees and local communities while fostering a trusted organizational culture through job-centered HR innovation. In addition, we are committed to fulfilling our responsibility as a public institution that grows together with the nation by promoting shared growth with our partners and local communities.

Safety and Health
46

Human Resource
Management
53

Human Rights
Management
60

Mutual Growth
64

Shared Growth with Local Communities
65

Safety and Health

Safety Management Promotion System

Safety Management Promotion Strategy

In response to increasing stakeholder safety demands, stricter legal regulations, and increased risk factors due to business diversification and to realize its safety-first value, KNOG has redefined its safety vision, core values, and future image and established a mid- to long-term safety management strategy system. Through this, we aim to achieve zero accident rates and safe worksites, and to spread a culture of safety through a smart technology-based prevention system and field-centered safety management.



KNOG Safety Vision



KNOG Safety Vision for the Future

▼ Safety Management Strategy System

Safety Vision

KNOG, a Global Safety Leader of the Energy Industry

Core Value

Safety First, Together with Partner Companies

Goal

ZERO Accident Rate and Safe Worksite

Strategic Directions



Establish a smart self-discipline and prevention system



Strengthen field-centered management



Create a safety and health ecosystem

Strategic Tasks

1 Building a digital safety integrated platform

2 Introducing advanced safety equipment

3 Continuous improvement of SHE¹⁾ regulations

4 Improving the operability of on-site safety activities

5 Supporting subcontractor safety accompaniment

6 Minimizing negative environmental impacts

7 Enhancing incentives and expertise

8 Strengthening the K-Health system

9 Creating a participatory and communication culture

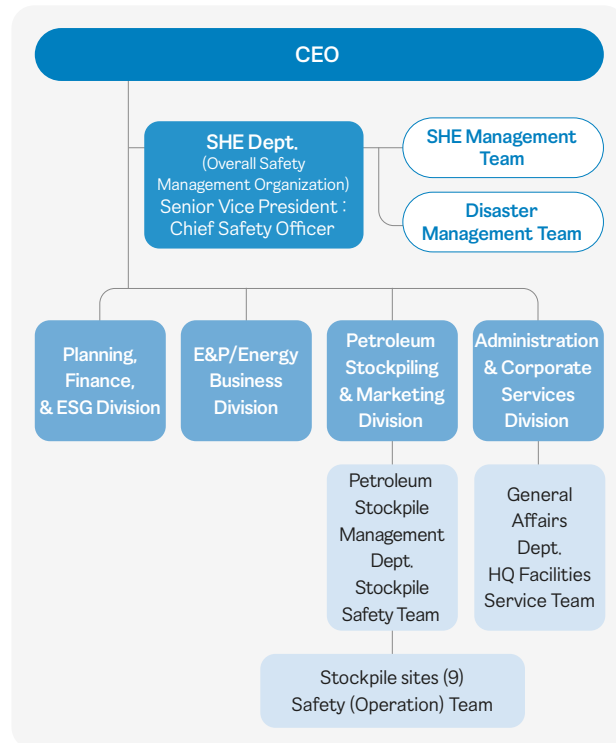
1) SHE: Safety, Health, Environment

Safety and Health

Safety Management Organization Chart

KNOG has established the SHE Dept. under the leadership of the CEO to operate a company-wide safety and health management system. As the organization in charge of overall safety management, the SHE Dept. oversees safety operations under the leadership of the Chief Safety Officer (CSO), strengthens its execution capacity by working in close coordination with teams dedicated to safety and disaster management and facility management of each division. Through these efforts, KNOG systematically manages safety risks across all worksites and fosters a preventive and safety-oriented corporate culture.

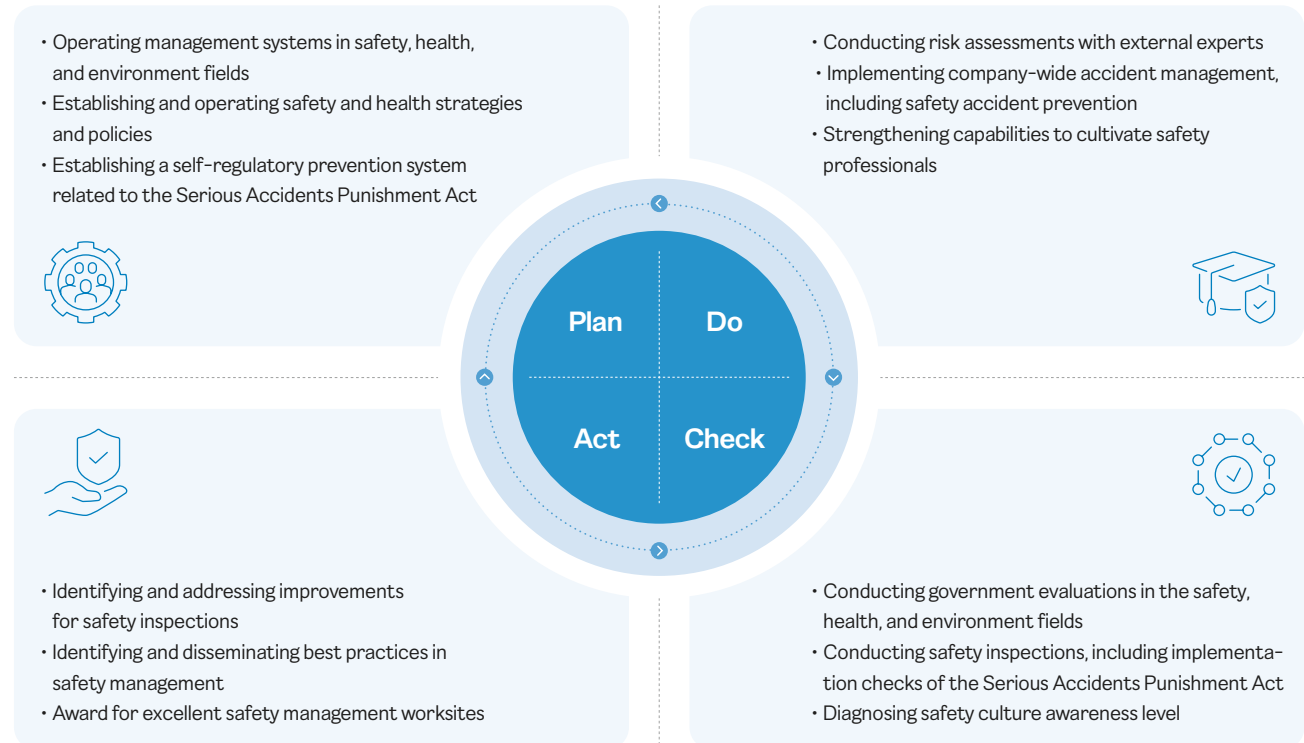
✓ Safety Management Organization Chart



Operation of the Safety Management System

KNOG operates a Safety, Health, and Environment Management System based on the Plan-Do-Check-Act (PDCA) cycle and promotes systematic management and improvement activities to prevent serious accidents. We contribute to the spread of a safety culture through risk assessments conducted by external experts, the training of safety professionals, regular inspections, and the dissemination of best practices. We also strive to improve our safety standards through government evaluations and safety culture awareness diagnostics for employees.

✓ Safety and Health Management System based on PDCA



Safety and Health

Safety Management Enhancement Activities

Enhancing the Safety Management System

KNOG conducts systematic safety and health activities based on the Korea Occupational Safety and Health Management System (KOSHA-MS) and ensures the reliability and effectiveness of the system through domestic and international certifications. Furthermore, we have illustrated continuous improvement and performance by acquiring safety and health management system certification and undergoing subsequent audits. Additionally, we supported our subcontractor subsidiary in obtaining Occupational Safety and Health Management System (ISO 45001) certification, completing the introduction of the management system, and strengthening our accident management capabilities by establishing a self-disciplined prevention system. Consequently, there have been no serious accidents and industrial accidents are being managed as a single case. In particular, the Process Safety Management (PSM) System operating at the nine domestic stockpile sites maintains the highest P grade at eight sites. This demonstrates that KNOG's safety management is at the highest level, considering that only about 5% of worksites nationwide have achieved a P rating, whereas KNOG's achievement rate stands at 89%.

Performance in Enhancing the Safety Management System

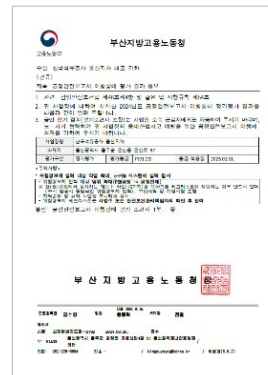
Korea Occupational Safety and Health Management System (Kosha-MS)¹⁾



Supporting Subcontractors' Certification of the Occupational Safety and Health Management System (ISO 45001)



Operating Process Safety Management (PSM) System and Maintaining P Grade at various sites



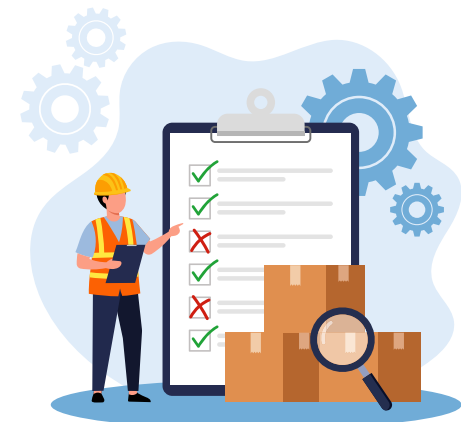
Maintaining the Highest P Grade in PSM

at eight stockpile sites

(Achieved a P-grade acquisition rate of 89%, compared to the national average of 5%)



'ZERO' Serious Accidents for Seven Years



1) Maintaining the Occupational Health and Safety Management System Certification

Safety and Health

Strengthening Safety Management Infrastructure

KNOG prioritizes safety as its core value and actively responds to changes in the internal and external environment. We have established safety management strategies to prevent serious and industrial accidents and continuously expand safety-related infrastructure to achieve zero accident rates and create safe worksites. We systematically manage worksite hazards and risks by strengthening the implementation review of the Serious Accidents Punishment Act and developing a standard risk assessment guide. We are also enhancing the capabilities of safety personnel through advanced safety training programs and special lectures by external experts. Additionally, we strengthen communication between labor and management through the Safety and Health Management Committee and the Occupational Safety and Health Committee and actively support employee health management through health checkups and the operation of our Employee Assistance Program (EAP). Furthermore, we are promoting an integrated smart safety management system that aligns with government policies, such as building digital platforms, to improve safety management standards. As a result of strengthening our safety infrastructure, we achieved a Grade 2 rating in the public institution safety management grading system and a Grade B in the safety activity level assessment.

Public Institution Safety Management Grading System

Grade 3 in 2023 ▶▶

Grade 2 in 2024



Grade B

for Public Institution Safety Activities Level Assessment



Activities to Strengthen Safety Management

Activities	Achievements
Establishing and operating safety management strategies <ul style="list-style-type: none"> • Redefining safety vision/core values/future image (Benchmarking, reflecting on internal and external feedback) 	▶ Zero serious accidents and creating safe worksites
Developing a prevention system centered on smart technologies <ul style="list-style-type: none"> • Promoting the establishment of an integrated smart safety management system • Expanding smart safety equipment adoption (Remote gas detectors for confined spaces, smart airbag systems, VR training, etc.) 	▶ Standardization of a digital-based safety management system
Strengthening compliance with the 'Serious Accidents Punishment Act' <ul style="list-style-type: none"> • Strengthening compliance inspection standards • Implementing rewards for exemplary management sites 	▶ Strengthening implementation management and motivating safety management through rewards
Enhancing implementation of risk assessment <ul style="list-style-type: none"> • Unifying company-wide risk assessment standards (Integration of procedures and establishing a standard risk assessment guide) • Joint risk assessments for high-risk tasks (Including collaboration between contractors and subcontractors, and consultation with external experts) 	▶ Improving evaluation levels and strengthening the management of harmful and hazardous factors
Safety education <ul style="list-style-type: none"> • Enhancing safety education programs • Expanding special lectures by external experts (On risk assessment, internal auditor training for safety management systems, and strengthening PSM capabilities, etc.) 	▶ Enhancing employee safety competencies and training safety professionals
Participation and communication <ul style="list-style-type: none"> • Operating the Safety and Health Management Committee and the Occupational Safety and Health Committee • Formalizing an annual company-wide safety workshop • Introducing a new award system for outstanding performance in safety management 	▶ Strengthening safety management through communication between labor and management or executives
Health management <ul style="list-style-type: none"> • Implementing health checkups and follow-up management through an IT-based health management system • Continued expansion of the Employee Assistance Program (EAP) 	▶ Promoting employee health and strengthening systematic health management



Safety Management Committee (Second Half of 2024)



Risk Assessment Expert Course

Safety and Health

Internalizing Safety and Health Culture

Establishing a Participatory Safety Culture

KNOG prioritizes safety as a core value and is implementing various activities to establish a safety culture within the organization. In 2024, we introduced three new categories for organizational safety awards and provided prize money to encourage employee participation in safety initiatives. Additionally, we have enhanced safety awareness and practice through company-wide safety workshops, including expert lectures and discussions, and 'Safety Day' events. To ensure safety collaboration with our partners, we have expanded our risk assessments, on-site virtual reality (VR) safety training, and EAPs¹⁾. We have also recognized and rewarded outstanding safety partners and enhanced their safety capabilities through support from external experts.

These safety culture dissemination activities extend beyond KNOG and its partners to the local community, contributing to the formation of a local safety culture. We participated in the Local Safety Culture Practice Promotion Team and expanded the implementation of PSM²⁾ matching consulting for small and medium-sized enterprises (SMEs). As a result, the safety awareness of KNOG and its partner company employees has improved, and the achievement of zero industrial accidents for partner companies has been realized. Furthermore, we have also been recognized externally for our excellence in establishing a safety culture, winning the Chairman's Award from the Korea Occupational Safety and Health Agency at the PSM Presentation Competition and receiving a plaque of appreciation from the Ministry of Employment and Labor.

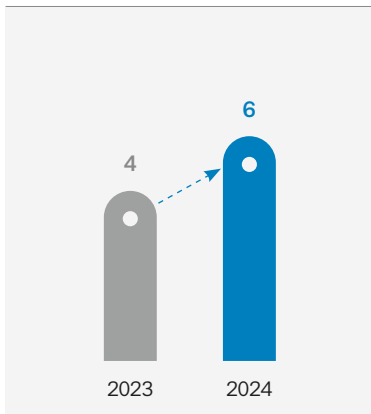
1) EAP: Employee Assistance Program

2) PSM: Process Safety Management

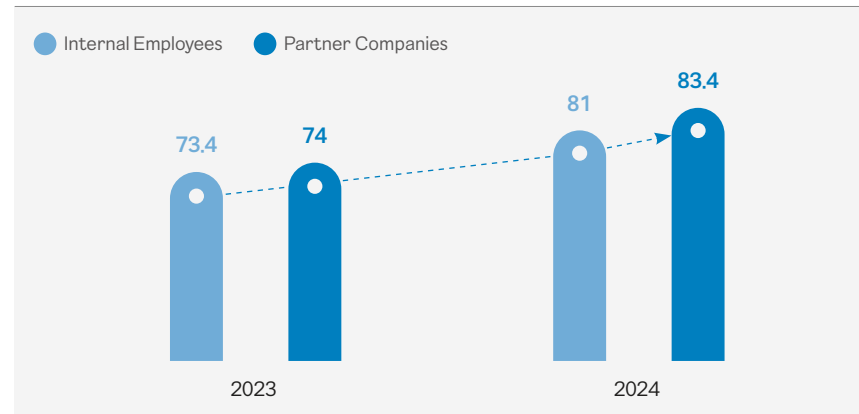


Visiting VR Safety Education

Strengthening PSM Matching Consulting for SMEs (Unit: case)



Safety Awareness Score Improvement for KNOG and its Partners (Unit: point)



PSM Matching Consulting

Safety and Health

Disaster Management Promotion Activities

Participation of External Experts in Safety Inspections

To address the root causes and improve recurring safety blind spots, KNOG has expanded the participation of external experts in key safety management activities such as on-site inspections, consulting, and facility diagnostics. This has increased the thoroughness and objectivity of inspections and strengthened the field-centered safety management system. In 2025, we conducted on-site intensive safety inspections and diagnoses with the participation of external experts, as well as joint safety mobile inspections with other organizations from various perspectives.

Deriving improvements

138 cases



Reinforcing fall prevention facilities

44 locations



Participation of external experts

13 times



Enhancement of Disaster Management System

KNOG conducts systematic disaster management activities based on the Business Continuity Management System (BCMS) following the PDCA cycle, and ensures the reliability and effectiveness of the system through domestic and international certifications. We demonstrate continuous improvement and performance through the Disaster Resilience Excellence Certification and the ISO 22301 follow-up audit success. We are also strengthening business continuity for our subsidiaries and have completed the introduction of BCMS in our subsidiaries through external expert consultation led by the parent company. From a scientific disaster management perspective, we introduced AI-based CCTV and implemented intruder motion detection and alarm functions to strengthen the defense capabilities of the oil stockpile sites. Additionally, we are building a drone response model through an anti-drone system, automatically neutralizing invading drones to enhance the protection capabilities of nationally important facilities, such as stockpile sites, and establishing and operating an advanced energy security system.

Progress of Disaster Management System Implementation

Operation of BCMS

Systematic disaster management activities based on the PDCA cycle



Ensuring business continuity for subsidiaries



Scientific Disaster Management

Introducing AI CCTV for protection of stockpile sites



Installing anti-drone systems at all stockpile sites



Safety and Health

Strengthening Disaster Management Infrastructure

KNOG continuously expands its disaster management infrastructure to proactively respond to various disasters, such as climate change, earthquakes, and fires. We ensure physical safety by improving facilities, creating firebreak forests, and reinforcing earthquake-resistant equipment, primarily at our stockpile sites. We have also enhanced our practical response systems to protect the lives and property of the public. To proactively eliminate risks and prevent disasters, we improved the fire protection and fire detection facilities within the stockpile site through detailed diagnostics and review by external professional organizations. We also expanded the creation of firebreak forests in areas such as Yeosu, Gokseong, and Geoje offices to delay the spread of wildfires. Additionally, we have improved the safety of the structures by enhancing drainage and lightning protection facilities to prepare for climate change and earthquakes and by verifying wind loads on crude oil tanks and reinforcing them against earthquakes. Moreover, we continuously enhance our on-site response capabilities, including equipping the entire office parking lot with fire suppression equipment such as smothering blankets and conducting hands-on training with employee participation.

Disaster damage at all worksites of KNOG

ZERO



Received an 'Excellent' Rating for Three Consecutive Years

in the 'Safe Korea' Drill



Activities to Enhance Disaster Management at Stockpile Sites

Activities				
<p>Strengthening the safety of the stockpile sites</p> <p>Precision Diagnosis and Fire Detection System</p>	<p>Creating firebreak forests</p> <p>Creating firebreak forests</p>	<p>Reinforcing background equipment and lightning protection equipment</p> <p>Reinforcing background equipment and lightning protection equipment</p>	<p>Seismic reinforcement of crude oil tanks</p> <p>Seismic reinforcement of crude oil tanks</p>	<p>Strengthening electric vehicle fire response capabilities</p> <p>Extinguishing an electric vehicle fire</p>
Achievements				
<p>Proactively eliminated potential risk factors at each stockpile site</p>	<p>Construction of 36ha in 2023 Expansion of 296ha in 2024</p>	<p>Established a system to prevent flood and lightning disasters</p>	<p>Seismic resistance grade secured for Richter scale 7.0 or higher</p>	<p>Electric vehicle fire suppression equipment and protective gear deployed to all sites</p>

Introducing Safety and Disaster Education and Performance Indicators

KNOG established a customized training system and enhanced a performance indicator-based disaster management system to systematically strengthen its disaster response capabilities across the organization. This is a strategic approach aimed at enhancing the expertise and execution capabilities of disaster management and establishing a sustainable safety management foundation. To enhance disaster management capabilities, we have established customized training guidelines for each target group and operating training programs based on position and experience. We have also significantly expanded the education budget, focusing on strengthening practical skills through BCMS¹⁾ operation, mock drills, and the establishment of core infrastructure protection plans.

1) BCMS: Business Continuity Management System

Human Resource Management

KNOG's Talent Philosophy

Based on its unique talent image and personnel philosophy (3C: Proactive Career Planning, Meta-Cognition, Constructive Competition), KNOG has established and operates a 'job-centered KNOG-style organizational personnel management system' that organically links all aspects of personnel management, including recruitment, placement, evaluation, and compensation, with job roles, and establishes training programs to enable members to design their own careers. Since introducing a job-based pay system for all employees in May 2024, based on cooperative labor-management relations, we have been actively promoting a job-centered management system to provide fair opportunities, foster a healthy competitive culture, and actively pursue sustainable talent development.

✓ KNOG-Type Job-Centered Personnel Management System

Vision

A Global Energy Leader in Energy Security and Carbon Neutrality

Ideal Employee

Petroleum Professionals Who Constantly Innovate and Passionately Embrace Challenges Together with the People

KNOG
New HR Philosophy (3C)

Proactive Career Planning

Meta-Cognition

Constructive Competition

Operation of Organic Linkages Between All HR areas and Job Functions

Recruitment and Placement

- Practical job-based recruitment
- Operating an open personnel transfer system
- Enhancing job-related placements

Job Management

- Job system design based on job analysis
- Developing an All-in-One Job Description
- Career development path design

Expert Training

- Establishing a job-based training system
- Operating Specialized Professional Technical Education (KPA)
- Selecting target job roles for intensive training

Evaluation and Compensation

- Reorganized as a job performance evaluation
- Operation of a job-based pay system for all employees
- Selection of high performers

Joint Effort by Labor and Management to Build Cooperative Labor-Management Relations

Adoption of a joint declaration on labor-management collaboration

Obtained labor-management excellence certification

Joint declaration on a respectful worksite policy by labor and management

Chatbot for strengthening communication between labor and management, establishment of a junior forum

✓ Major Achievements for Human Resource Management in 2024



Improved labor productivity through efficient workforce management

Achieved labor productivity of \$676,000 per person in 2024

*\$572,000 per person in 2023



Implemented the three major tasks to expand job expertise

- Expended implementation of special promotions
- Completed open position recruitment
- Implemented personnel exchange with other organizations



Certification of excellence of the KNOG talent development system

- Received the 'Human Resource Development Award' by the Korea Human Resource Development (HRD) Association
- Received the 'BEST Award' by the American Society for Talent Development

Human Resource Management

Fostering Talent

Operation of Job-Specific Training Programs

KNOG has established an education system that aligns with a job-centered organizational structure, operating training programs tailored to job characteristics and levels. We have shifted from traditional major-focused education and reorganized our curriculum into a systematic, job competency-based approach, offering differentiated programs for each career stage. Additionally, to enhance the effectiveness of training and its relevance to job duties, we continuously improve training quality through pre-training needs surveys, training performance measurement, and data-driven analysis.

✓ Educational Operation Programs

Classification	Education Programs
Petroleum technology (22 job titles)	Technical KNOG-specific in-house training (20 courses), including 'Understanding KNOG Producing block'
Oil stockpiling (27 job titles)	Commissioned Education Office-specific job environment and job improvement training, such as 'Port Security Manager Refresher Training' (109 courses) Group Training Security, safety, audit, and other common job competency training by office (7 courses)
Management/Support (37 job titles)	Management Training in specialized professional fields such as Accounting and Law (18 courses) Department-led Department-led training on common job competencies such as labor relations and report writing (5 courses)
Relocated personnel	Training Support Program for Reassigned Personnel in 2024 (Basic Practices of In-house Employee Welfare Fund)

Expanding the Job Expertise of Employees

KNOG is strengthening its job-based evaluation system to enhance employees' job expertise and expand fair performance verification. While maintaining the existing competency and performance-based evaluation system, we have actively incorporated job-based factors such as job experience and job grade and have also operated a multi-faceted evaluation process involving both supervisors and colleagues. Additionally, we have expanded the opportunity for performance presentations to twice a year and improved the system to allow recommendation of employees outside of the headquarters, actively identifying and supporting the dissemination of best practices throughout the organization. Consequently, we are actively sharing performance results among all employees, fostering a learning-centered organizational culture, and also promoting the sharing of operational know-how with other institutions.

Awarded 'The 2025 BEST HRD Award'

by the Association for Talent Development (ATD)



Received the 2024 'Korea Human Resource Development Award'

by the Korea HRD Association



Improvement in satisfaction scores for educational operations

90.1

an improvement of 1.8 points compared to 88.3 points in 2023.



31%

increase in curriculum hours

123 in 2023 ▶▶ 161 in 2024



80%

increase in graduates

1,006 in 2023 ▶▶ 1,809 in 2024



Human Resource Management

Fostering Female Talent

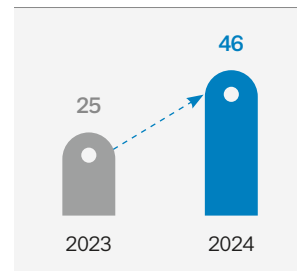
KNOG operates various capacity-building programs to systematically support female competence development and enhance diversity and inclusion within the organization. Through direct lectures and messages from the CEO, the active role of women within the organizational culture is emphasized, and practical career development is supported through customized training for each career stage and work style diagnostics. Through these efforts, we have achieved tangible results, such as a 6%p increase in the promotion rate of female compared to the previous year. Furthermore, we are expanding the discovery of female leaders and the foundation for women to become executives by establishing and operating the 'Gender Equality Executive Appointment Target System' and related management indicators.

Female Education System by Career Stage

Career Stage	Education Programs
Female administrators	• CEO's Direct Lecture: 'Innovation and Motivation'
Female prospective administrator	• Next-generation female leadership training for female employees below the rank of senior manager
Female practitioner	• Education and support to prevent career interruption • Basic and advanced job competency training

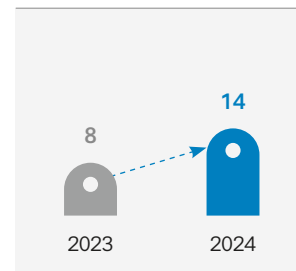
Female Hiring Rate

(Unit: %)



Female Promotion Rate

(Unit: %)



Female Executive Target System

Classification	Step 1 2023~2024	Step 2 2025~2026	Step 3 2027~2028
Mid-to-long-term Roadmap	Strengthening a culture of diversity within the organization	Strengthening women's leadership capabilities	Expanding social influence and achieving sustainable results
Appointment target	Female executive 1 (Non-executive) Female administrator 14 (2 people up annually)	2 (Executive 1, non-executive 1) 20 (3 people up annually)	3 (Executive 1, non-executive 2) 26 (3 people up annually)
2024 Action Items	<ul style="list-style-type: none"> • Increase interest in executive positions - Strengthening competency-based balanced personnel management - Promoting gender equality both internally and externally 	<ul style="list-style-type: none"> • Training candidates for executive director positions - Women-specific training at each career stage - Diagnostic-based training for weak competencies 	<ul style="list-style-type: none"> • Gender equality that employees empathize with - Hosting experiential organizational culture events - Improving work-life balance support systems

Received the Minister of Employment and Labor Award



at the '2024 Employment Equity Contribution Awards'

Achieved 107% of the Goal



for appointing female managers

Target 14, Actual 15



Communication Meeting with Female Employees and the CEO

Human Resource Management

Work-Life Balance

Generation-Specific Employee Benefits Support

KNOC promotes work-life balance by providing generation-specific benefit programs tailored to employees' life cycles. Through comprehensive benefits – including support for self-development and leisure activities, improvements in the work environment and health programs, and retirement preparation support – we enhance the overall quality of life for our employees.

Generation-Specific Benefits Programs

20s Self-Development and Cultural Life

- Company-owned condos during peak seasons
- Club activities during lunch hours
- Free admission to city-sponsored art performances in collaboration with Ulsan City
- Discounts on various types of accommodations through partnerships with private lodging platforms

40s Worksite & Wellness Initiatives

- Free meals from morning to evening
- Job stress self-assessment for mental health
- Smoking cessation clinic & walking event for physical health

30s Improvements to Leave Policies and Diversification of Flexible Work Systems for Work-Life Balance

- Introduced post-approval system for same-day emergency leave
- Expanded reduced working hours for pregnant employees to full term
- Launched Flexible Friday (Mon–Thu 8.5h, Fri 6h)
- Added Short-term Remote Work (5 days × twice)
- Applied time zone-based flexible work for overseas employees

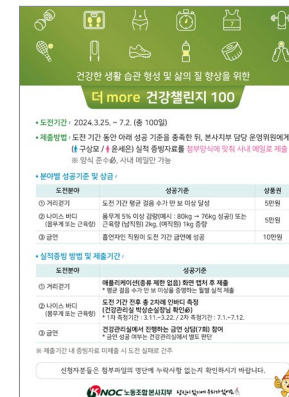
50s Enhanced Post-Retirement Support for a Second Life

- Reemployment assistance for retiring employees
- Strengthened pension and insurance benefits for financial stability after retirement
 - Automatic DC conversion before wage peak
 - Post-retirement medical coverage through transition from group insurance to individual insurance

Satisfaction on Compensation and Benefits

2024 score: 88.6

Exceeded the 2024 target score of 85.3 points



'The More' Health Challenge



Head Office Walking Event

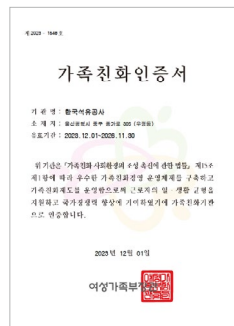


Employee Mental Wellness Check

Human Resource Management

Spreading a Family-Friendly Organizational Culture

KNOG is leading the way in spreading a family-friendly organizational culture by implementing family-friendly programs. We are strengthening our promotional activities along with system improvements to ensure that our employees can work and manage their families with peace of mind. We have increased the utilization of our systems through explanatory sessions introducing life-cycle-based customized programs and promotional calendars. In particular, we have expanded family-oriented activities such as childcare education, classes for employees and their children, and EAP counseling programs. We also contribute to improving the quality of life for our employees by simultaneously offering psychological stability and healing programs, such as job stress self-assessment, mental health services, and the distribution of healing letters.



Family-Friendly Certification

Received the Ministry of Gender Equality and Family's

Family-Friendly Certification for 14 consecutive years

(2012-2025)



Family-Friendly Programs and Performance



Childcare Support Program

- Childcare education during lunch breaks
- Tea ceremony and yoga classes during school vacations
- Plogging and field trips with parents



On-Site Learning Program with Parents



Mental Health Support

- Family and child counseling (195 cases)
- Job stress self-assessment (Once a year)
- Mental well-being services and Healing Letter provided (12 issues, monthly)



Family and Child Counseling Program



Health Promotion Activity

- Health Guardian Programs, such as Smoking Cessation Clinics (311 participants)



Smoking Cessation Clinic Operation

Human Resource Management

Strengthening Support for Work-Life Balance

KNOC is continuously improving its work-life balance system to enhance flexibility in the working environment and to respond to the diverse life-cycle needs of employees. By reflecting feedback gathered through communication channels such as company-wide surveys, on-site briefings, and junior forums, we have pursued practical improvements to our systems. In particular, work flexibility has been strengthened through the introduction of a post-approval system for emergency leave, the establishment of one-day sick leave, and a leave of absence program for self-development. Flexible arrangements have also been expanded to reflect the unique working conditions of overseas and field employees. Furthermore, to actively support work-life balance, we operate tailored support programs across pregnancy, childbirth, and parenting. Through these measures, KNOC helps employees achieve a stable balance between work and life throughout their entire life cycle, while fostering a sustainable organizational culture where everyone grows together.

✔ Promotion of Work-Life Balance and Related Achievements

- Short-term remote work**

0 in 2023 ▶▶ 63 in 2024
- Introduction of Friday early leave system**

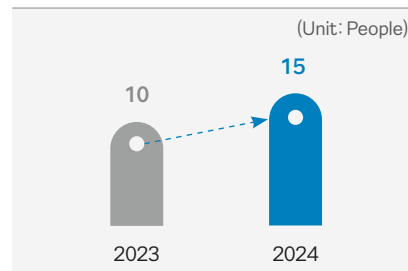
0 in 2023 ▶▶ 67 in 2024
- Establishment of 1-day sick leave and simplification of procedures**

0 in 2023 ▶▶ 64 in 2024
- Introduction of a self-development leave program**
- Introduction of pre- and post-approval leave system**
- Flexible work reflecting the local time of overseas employees**
- Expansion of flexible working hours system**

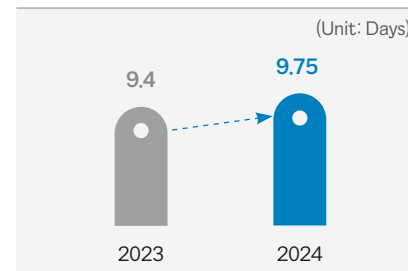
✔ Support System for Pregnancy, Childbirth, and Childcare

<p>Pregnancy</p> <ul style="list-style-type: none"> • Infertility leave: four days • Fetal check-up leave (Up to four days per month, depending on the gestational week) • 2-hour reduction in working hours throughout the entire pregnancy • Restriction on overtime, night, and holiday work 	<p>></p>	<p>Childbirth</p> <ul style="list-style-type: none"> • 90 days of maternity leave before and after childbirth • 10 days of spousal paternity leave • Childbirth incentive payment • Group insurance support for childbirth medical expenses 	<p>></p>	<p>Childcare</p> <ul style="list-style-type: none"> • Up to three days of childcare leave • Reduced working hours during childcare (1-5 hours/day) • Childcare allowance • Operation of on-site childcare facilities • Lunchtime childcare education • Operation of parenting counselling programs
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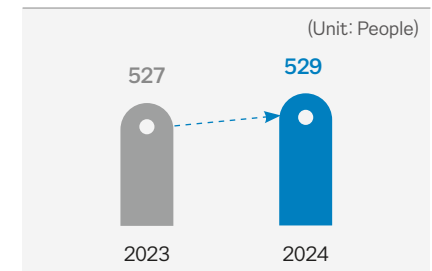
✔ Number of Pregnant Employees on Reduced Working Hours



✔ Number of Paternity Days Leave Used



✔ Number of Employees Using Childcare Leave



Human Resource Management

Support for Active Communication between Labor and Management

KNOC established a reciprocal and horizontal communication system to bridge the communication gap between generations and strengthen trust between labor and management. Through the digital communication platform 'KNOC Labor-Management Talk' and the 'Junior Forum,' we reflected the opinions of various generations in organizational operations and enhanced on-site communication by conducting 'On-site Labor-Management Meetings' and improving communication channels. As a result, the labor-management partnership improvement score reached 75.2 points, exceeding the target of 73.5 points, and the communication index also increased by 9% compared to the previous year.

Labor-Management Partnership Communication

9% Higher than Previous Year



Certified as an Excellent Labor-Management Relations Company

in 2024

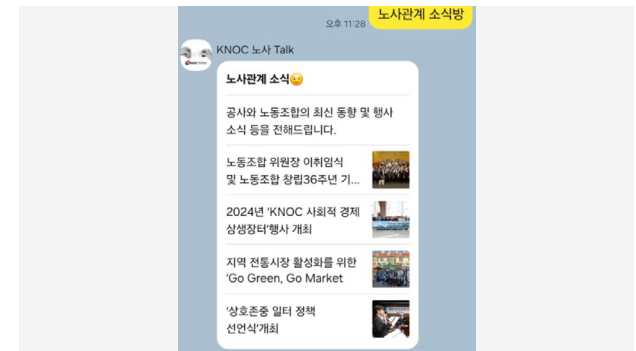


Communication Channel

Category	Key Details
KNOC Labor-Management Talk	<ul style="list-style-type: none"> Introduced a new digital communication platform - Enables real-time and anonymous communication, enhancing accessibility
Labor-Management Joint 'Refresher' Junior Forum	<ul style="list-style-type: none"> Expanded participation of the MZ generation - Promoted greater involvement in bridging intergenerational communication gaps and improving organizational culture
On-Site Labor-Management Meetings	<ul style="list-style-type: none"> Strengthened field-centered communication - Conducted reviews and improvement activities for communication channels, and promptly reflected on-site feedback



Labor-Management Joint Workshop



KNOC Labor-Management Talk



Certified as an Excellent Labor-Management Relations Company



Labor-Management 'Refreshment' Junior Forum

Human Rights Management

Human Rights Management System

KNOC considers human rights as a core value of its management and is systematically promoting human rights management to foster an organizational culture where all employees and stakeholders are respected. In 2024, reflecting the results of the previous year's assessment of human rights impacts and social demands, we established and implemented a company-wide human rights management strategy encompassing prevention of human rights violations, protection of victims, promotion of human rights awareness, and expansion of external communication.

Human Rights Management System

Goal

Achieve 'ZERO' Human Rights Violation

Strategies

Strengthening human rights management systems and impact assessments



Disseminating a communication-based culture of respecting human rights



Prompt restoration of rights for human rights victims



Tasks

Conducting risk management based on human rights impact assessment

Implementing mobile human rights consultation services

Spreading respect consciousness led by the head of the institution

Strengthening stakeholder communication

Strengthening internal regulations on human rights violations

Improving accessibility to the reporting center

KNOC Human Rights Management Charter

Our mission is to contribute to the stability of domestic oil supply and the development of the national economy by efficiently managing projects related to petroleum resource development, oil reserves, oil distribution structures improvement, carbon neutrality, and GHG reduction. In pursuit of this mission and throughout all management processes, we are committed to practicing human rights management to uphold human dignity and value. To this end, we hereby declare the 'Human Rights Management Charter' as a guiding standard for appropriate behavior and ethical decision-making to be observed by all employees. We pledge to practice the following:

- ▶ Support and comply with international standards and norms, including the Universal Declaration of Human Rights, which outlines values such as human rights, labor, environment, safety, and anti-corruption, and the ten principles of the UN Global Compact (UNGC).
- ▶ Respect diversity among stakeholders, including employees, and prohibit all discrimination without reasonable cause based on gender, age, race, disability, religion, political affiliation, place of origin, or any other characteristic.
- ▶ Guarantee freedom of association and collective bargaining.
- ▶ Comply with the labor principles of the International Labor Organization (ILO) that have been ratified by the state, and prohibit all forms of forced and child labor.
- ▶ Engage in transparent and fair transactions with our partners and support them in practicing human rights management.
- ▶ Respect and protect the human rights of local residents in areas where we conduct business activities.
- ▶ Comply with domestic and international environmental laws and regulations and strive to protect the environment and prevent environmental disasters.
- ▶ Strive for customer satisfaction and the protection of personal information.
- ▶ Prevent human rights violations proactively and implement timely and appropriate remedies for human rights violations that occur in the course of our business operations.

Overall, we pledge to work together to ensure that our employees and stakeholders can achieve sustainable development while enjoying universal freedom, rights, and human dignity.

Human Rights Management

Spreading a Culture of Respecting Human Rights

Communication Activities Based on Mutual Respect

KNOG promotes comprehensive communication activities in which the head of the institution directly participates to strengthen human rights management and establish a culture of mutual respect within the organization. In 2024, we declared our commitment to respecting human rights both internally and externally through the 'Respectful Worksite Policy Declaration Ceremony.' We also expanded direct communication between members from diverse backgrounds, including region, position, and gender, and the head of the institution, reflecting on-site voices and fostering a culture of empathy within the organization. Along with this, we have laid the foundation for establishing a practice-oriented culture of human rights management through diverse activities such as human rights education, visiting human rights counseling services, and worksite bullying eradication campaigns.

Communication Activities Based on Mutual Respect

Visiting Human Rights Counselling Services

- Conducted worksite harassment training and 1:1 human rights consultation using real-life examples from a human rights specialist labor lawyer
- 53 employees from 3 offices participated
 - Achieved high employee satisfaction (4.6 points out of 5)

Respectful Worksite Policy Declaration Ceremony

- The CEO, standing auditor, and 30 department heads read the declaration
- Fostering a culture of respect for human rights by posting the declaration in the workspaces of headquarters and all office employees

Campaigns to Eradicate Power Abuse

- Conducted a communication meeting to prevent abuse of power
 - Total of 21 sessions, comprising 121 people communicated
- Production of a music video to eradicate power abuse
 - Internal promotion and posting on KNOG YouTube

Human Rights Education Activities

Classification	Contents
Cyber Education	• Worksite harassment, sexual harassment, and sexual violence prevention education (99.8% completion rate in 2024)
Participatory Education	• 'E-E day Event' on the 22nd of every month (Encompasses human rights quizzes, self-diagnosis of human rights violations, simulations for responding to human rights violations, etc.)

Expanding Human Rights Education for Partners

2023: 1 company



2024: 9 companies



Visiting Human Rights Counseling Services for Stockpile site Employees



Promoting Respect for Superiors



The CEO's Lecture on Mutual Respect for Promoted Employees

Human Rights Management

Strengthening Communication with External Stakeholders

KNOG is expanding communication channels and opportunities for gathering opinions from various external stakeholders, including partners and local communities, to promote the value of respecting human rights both internally and externally. During 2024, we conducted a joint declaration of integrity practices with ICT service providers and expanded human rights education. These efforts have also expanded to communication with the public. Reflecting the opinions of the citizen advisory group, we have promoted public relations activities and win-win cooperation projects with local communities. Meanwhile, we also held a human rights slogan contest for youth in the Ulsan area, which helped us discover participatory human rights content and contribute to the spread of human rights awareness. Additionally, to build trust with the local communities, we have been promoting the Continental Shelf Safety Response T/F to address earthquake concerns, operating the Pohang Mutual Development Cooperation Center, and conducting beach plogging activities, thereby comprehensively promoting environment, safety, and community communication.

Major Requests from the Citizen Advisory Group and KNOG's Response

Request for a citizen advisory group



“We hope you will focus on video promotion that meets the public's expectations.”

“Local businesses need to take the lead in revitalizing the use of traditional markets.”

KNOG's responses

Special documentary 'The Dream of an Oil-Producing Nation' broadcast regarding the Donghae gas field project (Broadcasted on YTN)

Purchases of side dishes/agricultural products to revitalize the use of traditional markets in 2024 (35 million KRW)



Integrity Pledge Ceremony with ICT Service Providers



Human Rights Education for External Stakeholders

Operating the Human Rights Violation Reporting Center

KNOG has established a human rights violation reporting system that is openly accessible. In 2024, we enhanced the accessibility and convenience of the reporting center for internal members by adding a 'One-Click Reporting Channel' menu to the main screen of our internal portal. Additionally, we have established a reporting hotline at our overseas subsidiary (Dana, UK) to build a global framework for addressing human rights violations. Additionally, to check the effectiveness of the reporting system and strengthen actual response capabilities, we conducted a 'simulated reporting exercise'. We created virtual scenarios with a high likelihood of occurrence, such as abuse of power and sexual harassment, allowing participants to directly experience the reporting process in an environment similar to reality. We conducted intensive training, particularly for lower-level employees with low awareness of reporting channels, thereby significantly enhancing the human rights awareness and response capabilities of vulnerable groups.



One-Click Reporting Center on the Company Portal

Human Rights Management

Human Rights Risk Management

Human Rights Impact Assessment

KNOC conducts regular human rights impact assessments annually to proactively identify potential human rights violations and enhance the effectiveness of human rights management. In 2024, we selected the entire organization's operations, including the stockpiling business unit, for evaluation, allowing us to comprehensively identify human rights risks specific to each business operation. Furthermore, we have revised the checklist for human rights impact assessments to enhance the practicality of the assessment. The institution operations sector expanded the indicators related to stakeholder grievance mechanisms by 9% year-on-year to 203, and the stockpiling business sector also increased effectiveness by composing 177 indicators related to worker labor, safety, and environment. Specifically, we analyzed opinions derived from reported cases and discussions to supplement our preventive measures for human rights risks.

Indicator for Stakeholder Relief System
in the Institution Operation Sector

Expanded from 186 to
203 Indicators



2024 Human Rights Impact Assessment


Achieved 99.1 Points in
Institutional Operation
and 100 Points in
Stockpiling Projects



Human Rights Impact Assessment Results

KNOC conducted a human rights impact assessment in 2024 to examine human rights risks within the organization and identify areas for improvement. The 2024 evaluation results indicate that the institution's operations sector scored 99.1 points and the stockpiling business sector scored 100 points. The improvement tasks were derived from the 'Establishment of a Human Rights Management System' and 'Humane Treatment of Workers' areas within the institution's operational management sector, as shown in the table below. Based on this, KNOC plans to refine its 2025 plan for promoting human rights management and continuously implement the derived tasks.

Supplementary and Improvement Measures for Human Rights Impact Assessment

Items	Recommendations for improvements and enhancements to the human rights impact assessment	Improvement measures
Establishment of a human rights management system 	<ul style="list-style-type: none"> Conduct training and consider linking with external professional organizations to strengthen expertise in responding to and remedying human rights violations 	<ul style="list-style-type: none"> Training on enhancing the professional competence of those in charge of the relief process (July,2025) <ul style="list-style-type: none"> Attended the 'Worksite Harassment Prevention and Response Capacity-Building Training' hosted by the Ministry of Employment and Labor
	<ul style="list-style-type: none"> Establish regulations and measures for avoidance and disqualification to prevent conflicts of interest if the counselor, investigator, or committee member is related to the perpetrator 	<ul style="list-style-type: none"> Revision of Human Rights Management Regulations (July,2025) <ul style="list-style-type: none"> (Counseling/Investigation stage)Established basis for replacing counselors/investigators during human rights cases (Deliberation/Decision-making stage)Strengthened exclusion and recusal rules for committee members
Humane treatment of employees 	<ul style="list-style-type: none"> Regular human rights surveys are needed to improve human rights blind spots and address human rights risks 	<ul style="list-style-type: none"> Survey on worksite bullying (April,2025) <ul style="list-style-type: none"> Assessed employees' awareness and experience of power abuse Survey on the human rights situation of MZ generation employees <ul style="list-style-type: none"> Examined awareness of human rights systems and violation experiences among employees aged ≤35 or with ≤10 years of service
	<ul style="list-style-type: none"> Need to plan and implement activities to distribute content and stimulate communication to improve organizational culture 	<ul style="list-style-type: none"> Campaigns and content distribution (Year-round) <ul style="list-style-type: none"> Quarterly distribution of Integrity & Ethics Newsletter Production and release of Integrity Campaign Song Monthly E-E Day events conducted

Mutual Growth

Support for the Growth of Small and Medium-Sized Enterprises

Supporting Technology Development

KNOG has established and operates a full-cycle technology development support system, from item discovery to field verification, technology escrow, and performance sharing, to strengthen the technological competitiveness of SMEs. In 2024, regarding oil point leak sensor technology, we provided the crude oil tanks at the Seosan stockpile site as a testbed for SMEs to conduct field verification. SMEs supplemented their technology through demonstration tests, and KNOG directly verified its safety and ease of maintenance. Additionally, we have established a foundation to prevent technology leakage by signing a technology data escrow agreement between SMEs and Korea Foundation for Cooperation of Large & Small Business, Rural Affairs. Thus, we plan to enhance the safety management level of nationwide oil stockpiling facilities and continuously expand the on-site applicability of SME technologies.

Strengthening Technological Capabilities through Parts Localization

KNOG is collaborating with SMEs to jointly promote a parts localization strategy aimed at enhancing the stability of stockpile site operations. Representative examples include the localization of the RGA¹⁾ component in the crude oil tank roof and electric drive units for the product tank inlet/outlet valves, which are achieving results in expanding technology development support and business opportunities for domestic SMEs. Through this technical cooperation, we are not only contributing to the increase in sales of SMEs but also to the creation of a sustainable cooperative ecosystem.

1) RGA: Retractable Grounding Assembly

Tailored Capacity-Building Support for Partners

Supporting Partner Growth

KNOG provides tailored capacity-building support for various partners and utilizes its internal resources to simultaneously enhance the business competitiveness and human capabilities of SMEs. We are striving to contribute to the overseas expansion and competency enhancement of our partner SMEs by providing practical support based on different types of demand, such as utilizing overseas networks and disseminating online and offline educational content.

Strengthening Safety Capabilities of Partners

KNOG continuously strengthens its safety management foundation for mutual growth with its partners. In particular, we are expanding customized support to strengthen the PSM¹⁾ capabilities of small and medium-sized partners and improve on-site safety levels. Based on the analysis of the free PSM consulting pilot program conducted in 2023, customized consulting was provided to six partner SMEs in 2024. As a result, the SMEs' PSM rating increased, and they received an award plaque from the Central Employment and Labor Office for two consecutive years.

1) PSM: Process Safety Management

Key Activities for Supporting Partner Growth

Classification	Contents	Major Achievements									
Overseas network	<ul style="list-style-type: none"> Providing opportunities for technology-based SMEs to expand their sales channels and enter the local market after signing contracts Joint participation in overseas exhibitions such as the Abu Dhabi International Petroleum Exhibition&Conference (ADIPEC) and support for export consultations 	<p>▶ After participating in the ADIPEC exhibition with three companies, additional consultations are continuing for the participating companies and negotiations related to overseas exports are in progress.</p>									
On- and offline educational content	<ul style="list-style-type: none"> Free customized training provided to 44 employees from 43 SMEs Providing learning resources such as online courses (336 courses) Expanding VR-based safety training 	<p>▶ Number of employees trained and support companies for SMEs</p> <table border="1"> <caption>Number of employees trained and support companies for SMEs</caption> <thead> <tr> <th>Year</th> <th>Employees trained (Unit: people)</th> <th>Support companies (Unit: partners)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>30</td> <td>28</td> </tr> <tr> <td>2024</td> <td>44</td> <td>43</td> </tr> </tbody> </table>	Year	Employees trained (Unit: people)	Support companies (Unit: partners)	2023	30	28	2024	44	43
Year	Employees trained (Unit: people)	Support companies (Unit: partners)									
2023	30	28									
2024	44	43									

Shared Growth with Local Communities

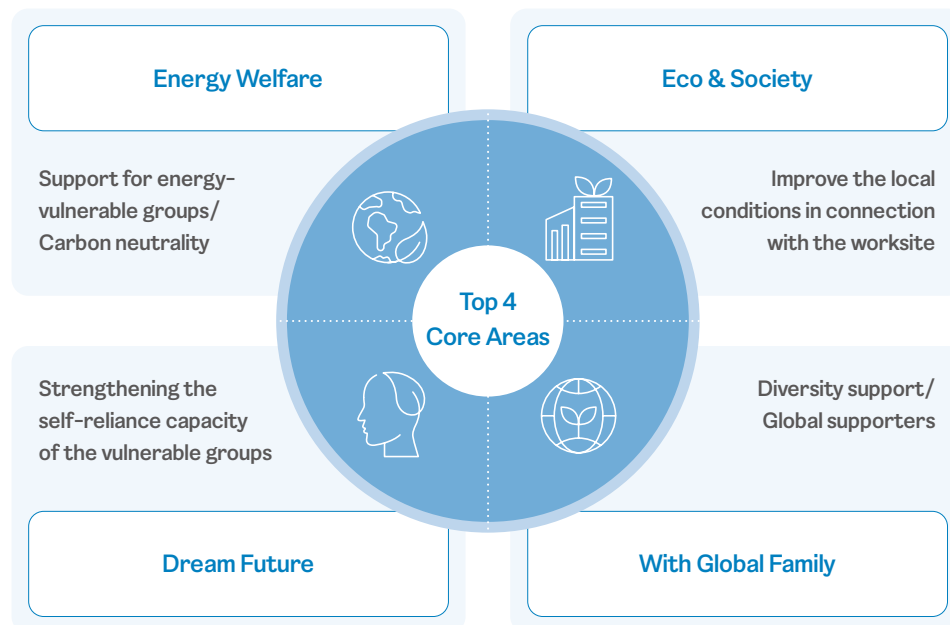
Promotion System for Shared Growth with Local Communities

KNOG practices social responsibility based on shared growth and cooperation with local communities and is building an implementation foundation to internalize ESG management throughout the organization. By analyzing external stakeholder opinions and field-based insights, we have identified customized tasks that meet community needs. Based on these, we are conducting social contribution activities centered around four core areas: 'Energy Welfare', 'Eco & Society', 'Dream Future' and 'With Global Family.'

Local Community Shared Growth Promotion System

Goal

Realizing Social Value Through Shared Growth and Cooperation With local Communities



Promoting a Culture of Community Donation and Sharing

Energy Welfare

KNOG contributes to efficient energy use of local residents through activities that link an energy company's unique characteristic with social contribution efforts.

'KNOG Dream Solar Energy' donation project

KNOG is implementing the 'KNOG Dream Solar Energy' project, which provides free solar power systems to support energy independence for vulnerable groups. In 2024, a total of 18 million KRW worth of solar power facilities were installed and donated in two locations: Donghae Silver Citizen Center (No. 3) and Geoje Daycare Center (No. 4).

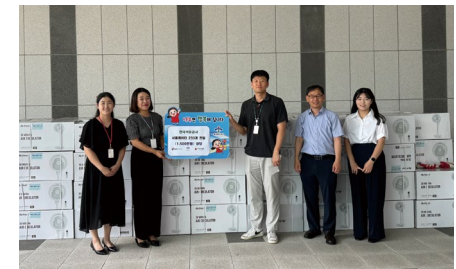


Dream Solar Energy Donation Project



Support for high-efficiency heating and cooling supplies and heating costs for vulnerable groups

KNOG provided a total of 68 million KRW in support of high-efficiency cooling and heating supplies, heating costs, and heating oil for vulnerable groups to overcome the severe hot and cold seasons and reduce energy costs at its headquarters and all offices nationwide.



Donation of Heating and Cooling Supplies for Vulnerable Groups



Shared Growth with Local Communities

Eco & Society

Based on its resource recycling business, KNOG conducts various social contribution activities for shared growth with the community, including eco-friendly activities, job creation for people with disabilities, environmental improvement near its business sites, and revitalization of traditional markets.

Building a shared growth model for resource circulation and employment for people with disabilities through the 'I'm UPcycler' Project

KNOG operates a model that reduces carbon emissions by recycling waste resources generated at its worksites and links vocational training and job creation for people with developmental disabilities through collaboration with local social enterprises and welfare organizations. These community-based shared growth models effectively connect the two goals of environmental improvement and social value creation, contributing to strengthening the foundation for collaboration with local communities.



Reduced 3,662 KgCO₂e_q Collected and Upcycled approximately 1.4 tons of Waste PET Bottles

Recycled waste electrical and electronic products



Signing of Job Co-Prosperity Model Agreement

KNOG promoting shared growth with local communities through revitalization of traditional markets

To simultaneously achieve revitalization of traditional markets and stabilization of the lives of vulnerable groups, KNOG individually packages side dishes and other items purchased from local traditional markets and delivers them to vulnerable groups, and holds traditional market group shopping events.

Flea Market Sales (Unit: Million KRW)



Purchases of Local Agricultural Products (Unit: Million KRW)



Packaging and Delivering Side Dishes and other Items to Vulnerable Groups

Promoting the eco-friendly cleanup activity 'G9 Plogging'

KNOG actively expanded and operated the eco-friendly cleanup activity 'G9 Plogging' at its headquarters and all offices nationwide, involving employees and local residents, to contribute to the spread of a culture of voluntary environmental practices.



'G9 Plogging' Participants

2024: 730 people

(574 people, 2023)



G9 Plogging

Improving the residential environment for vulnerable groups

KNOG conducted a house repair volunteer activity with its members and professional employee to create a stable and healthy residential environment for vulnerable residents in the local community.



Improvement of Residential Environments for Vulnerable Groups

2024: 3 houses, 8 million KRW

(1 house, KRW 2 million in 2023)



Home Repair Volunteer Activities

Shared Growth with Local Communities

Dream Future

KNOG conducts various social contribution activities, such as scholarship support and field trips, to contribute to the development of the local community by nurturing local talent.

Revitalizing local study rooms and encouraging university student volunteer activities

KNOG encouraged continued learning volunteerism by awarding scholarships worth 2 million KRW each to three university students who participated in volunteer activities at local study rooms. We also selected six university students as interns and mentors to newly operate learning guidance and career counselling programs.



Scholarship Awards for University Students in Study Room Volunteer Program

Providing career experience opportunities through field trips and job shadowing

KNOG provided field-based career experience and observation programs for 79 middle and high school students, enhancing their understanding of practical work and opportunities for career exploration. We also supported practical career preparation by sponsoring 15 million KRW through the 'Dream Maker' mock job training program for students with disabilities.



Dream Maker Program

With Global Family

Reflecting the values of KNOG, which has many overseas businesses, we conduct various social contribution activities to help multicultural families in the region settle down stably and become healthy members of the local community. These activities include operating physical education classes, safety experiences, and providing living expenses.

Providing physical education classes for children from multicultural families

KNOG operated a physical education class for 30 children from multicultural families, linked to the talent donation of its members. This supported their stable settlement by promoting the children's health and strengthening their bonds.



Multicultural Sports Class

Multicultural family support activities

KNOG conducted safety experience education for 26 multicultural children and provided a total of 14.4 million KRW in living expenses to six low-income multicultural families. We also expanded our global exchange base by sponsoring visits to Jeju for two multicultural families from Kazakhstan.



Multicultural Children's Safety Experience

Shared Growth with Local Communities

Job Creation

Job Creation Promotion System

KNOG is reorganizing its strategy to create a balanced number of jobs in both the public and private sectors and is systematically promoting job creation according to a PDCA implementation system that reflects external environment changes and internal challenges. In particular, by concretizing the implementation tasks around the three major strategies of strengthening public job quality, creating private sector jobs, and supporting shared growth jobs, and by operating these tasks that link to departmental performance evaluation system, we achieved a total of 5,029 jobs created in 2024, with 159 new recruitment and 4,870 private sector jobs, resulting in a 102% achievement against our target.

New Recruitment

159 people

Private Sector Jobs

4,870 people

Total Job Creation

5,029 people



Job Creation Promotion System

Goal

A Company Trusted by The Public through Sustainable Energy and Job Creation

Job Creation Goal

Mid- to Long-Term Goal (2024–2028)

23,389 jobs

Public 873 + Private 22,516

2024 Goal

4,930 jobs

Public 119 + Private 4,811

Strategies

Strengthening Public Job Quality



Creating Private Sector Jobs



Shared Growth Job Support



Tasks

- Expansion of fair new recruitment
- Efforts to expand work experience opportunities
- Increase female workforce representation

- Undertaking of low-carbon new business such as CCS
- Conducting of core businesses such as oil exploration and development, and operate economical gas stations

- Cultivation of local talent/ Enhancing employment capabilities
- Support for vocational training for vulnerable groups
- Commissioned operation and mutual-growth support

Shared Growth with Local Communities

Promoting Social Equity Hiring

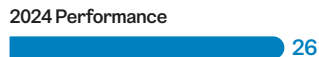
KNOG has continuously improved its recruitment system for social equity hiring candidates, such as women with career breaks and people with disabilities, to enhance fairness and diversity in hiring. For women who have experienced career breaks, we have regularized internship programs, expanded the scope of work performed from one to three roles, and strengthened job placement support. We provide preferential treatment in hiring interns who have completed the program, thereby encouraging practical employment connections. In terms of hiring people with disabilities, we have expanded full-time employment, relaxed language evaluation criteria, and improved accessibility for applicants by establishing a separate evaluation method for those with hearing impairments. Additionally, we continuously strive to expand employment, focusing on employees in disability sports roles, which contributes to employment stability and diversity.

All Indicators for Social Equity Hiring Exceeded government recruitment targets for two consecutive years

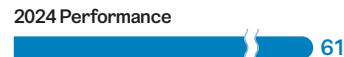


Social Equity Hiring Performance (Unit: %)

High School Graduates



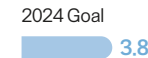
Non-Metro Talent



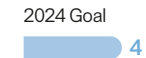
Talent from Transferred Area



People with Disabilities



People Eligible for Employment Assistance



Creating Direct Jobs Through Strengthened Cooperation with the Private Sector

KNOG has created direct jobs across its major businesses, including domestic exploration, low-carbon new business, data openness, and system and facility operations. Accordingly, we have increased business expertise and efficiency while also establishing a foundation for entrepreneurship and local job creation. As a result, we achieved the creation of a total of 855 direct private sector jobs.

Direct Private Sector Job Creation

855 people



Details of Direct Creation of Private Sector Jobs

Classification	Content	No. of Jobs Created
Domestic E&P projects	<ul style="list-style-type: none"> Conducting related services to implement the Gwanggaeto Project, including deep-sea exploratory drilling in the East Sea and geophysical exploration in the West Sea Contributing to the revitalization of related industries by selecting domestic companies as suppliers for drilling components 	▶ 180
Low-carbon new business	<ul style="list-style-type: none"> (Hydrogen and Ammonia Business) Procuring a service to plan the hydrogen and ammonia business and laying the foundation for infrastructure construction (CCS Project) Procuring services for preliminary feasibility studies and preliminary basic design, etc., to establish the project foundation 	▶ 94
Opinet data provision	<ul style="list-style-type: none"> Promoting entrepreneurship by expanding free support for core Opinet data (Oil price information API) for startups 	▶ 197
System and facility management outsourcing	<ul style="list-style-type: none"> Outsourcing the maintenance of computer systems, including petroleum information systems, for ICT infrastructure/service operation Outsourcing facility management, such as the KNOG tennis court, and outsourcing marine facility management and special security for the oil stockpile site 	▶ 384

Shared Growth with Local Communities

Creation of Indirect Jobs in the Private Sector

KNOG continuously promotes employment-linked projects to strengthen private sector cooperation and realize social value. In particular, we are promoting indirect job creation effects and increasing employment inclusiveness through the expansion of private investment, training of local talent, customized training for vulnerable groups, and support for the global expansion of SMEs.

Indirect Private Sector Job Creation

4,015 people



Details of Indirect Job Creation

Classification	Content	Achievements and Expected Effects
Strengthening private investment and business support	<p>Oil stockpiling project</p> <ul style="list-style-type: none"> • Construction of the Energy Hub Ulsan North Port Project • Construction and maintenance of stockpile sites <p>Petroleum distribution business</p> <ul style="list-style-type: none"> • Operation of 377 independent economical gas stations 	<p>▶ Created a total of 4,015 indirect jobs</p>
Supporting specialized vocational training for people with disabilities	<ul style="list-style-type: none"> • Supporting vocational training for people with disabilities and facilitating employment opportunities through collaboration with financial institutions and social enterprises • Training instructors for disabled craftspeople • Expanding career training programs for disabled youth and linking them to employment 	<p>▶ Establishing a foundation for independent living and providing practical employment support for people with disabilities</p>
Step-by-step employment support for local talent	<ul style="list-style-type: none"> • Priority selection for internships and scholarship support for university students participating in volunteer activities at local study rooms • Free KNOG housing support for unemployed young people without homes (August 2024, No. 8) 	<p>▶ Encouraging young people to settle in the region and strengthening their contribution to the local community</p>
Supporting SMEs and development of overseas markets	<ul style="list-style-type: none"> • Three SMEs utilizing the KNOG promotional booth within the international exhibition (ADIPEC) had their products and technologies simultaneously promoted * Negotiated contracts with overseas companies such as India and the UAE • Rewarded 34 core personnel from 18 partner SMEs for their long service, preventing the outflow of key talent 	<p>▶ Enhancing competitiveness by helping SMEs expand their overseas markets and encouraging key personnel to stay with the company long-term</p>

Governance



KNOG is realizing responsible management centered on the Board of Directors, based on transparent and sound corporate governance. At the same time, we are embedding a culture of ethics and compliance throughout the organization and advancing our risk management system, thereby building a fair and trusted public institution that will create a sustainable future together with the people.

Governance
72

Ethical Management
76

Risk Management
83

Governance

Board of Directors Composition

KNOC Board of Directors (BOD) is composed of experts from various fields, who actively engage based on their expertise and accountability, to support responsible management and strategic decision-making at the organization. The BOD consists of four executive directors, including the CEO, and six non-executive directors. The chairman is the senior non-executive director appointed in accordance with relevant laws and regulations. The ESG Committee under the BOD manages KNOC's environmental, social, and governance aspects and is composed entirely of non-executive directors to ensure its independence. Additionally, the non-executive directors are individuals with rich knowledge and experience, possessing professional expertise, and are appointed by the Minister of Economy and Finance following the recommendation of the Executive Director Recommendation Committee and deliberation and resolution by the Public Institution Management Committee.



Members of the BOD

Name	Position	Term	Career
Kim Dong-Sub	CEO	2021.06.08 - 2025.09.04	<ul style="list-style-type: none"> Dean of College of Information and Bioscience and President of AI Innovation Park, Ulsan National Institute of Science and Technology (UNIST) CTO & President of Global Technology, SK Innovation Regional Manager of Asia Pacific Region, Royal Dutch Shell Global Solutions
Park Kong-Woo	Standing Audit Commissioner (Standing Director)	2023.12.12 - 2025.12.11	<ul style="list-style-type: none"> Director General of the Administrative bureau, Supreme Prosecutors' Office Director General of the Administrative bureau, Gwangju High Prosecutors' Office Division Chief of Investigation Division, Incheon District Prosecutors' Office
Choi Moon-Gyu	Senior Executive Vice President - Planning, Financing Division (Standing Director)	2021.01.04 - 2024.01.03	<ul style="list-style-type: none"> Executive Vice President - Administration & Corporate Services Division Senior Vice President of Public Relations and Corporate Culture Dept. Admin & Finance Director in Vietnam Office
Kwak Won-Jun	Senior Executive Vice President - Exploration & Production / Energy Business Division (Standing Director)	2024.08.19 - 2026.08.18	<ul style="list-style-type: none"> Senior Vice President of E&P - Domestic Business Development Dept. Senior Vice President of E&P Management Dept. Senior Vice President of Business Development Dept.
Park Soon-Kee	Chairman of Board of Directors (Non-Standing Director)	2023.12.01 - 2025.11.30	<ul style="list-style-type: none"> Executive Vice President, Korea Association for Overseas Resources Development President of International Intellectual Property Training Institute, Korean Intellectual Property Office Head of the Free Economic Zone Planning Office, Ministry of Trade, Industry and Energy
Park Chung-Keun	Non-Standing Director (Audit Commissioner)	2022.12.30 - 2024.12.29	<ul style="list-style-type: none"> Director General of International Economic Affairs Bureau, Ministry of Economy and Finance Senior Administrator, the Office of the President Chief Advisor, Inter-American Development Bank
Yoon Jung-Sik	Non-Standing Director (Audit Commissioner)	2022.12.30 - 2026.01.15	<ul style="list-style-type: none"> Member of Seoul Metropolitan Government Integrated Financial Stabilization Fund Management Deliberation Committee Non-executive Director, The Korean Institute for Gender Equality Promotion and Education Member of Songpa-gu Borough Council
Kang Rae-Kwang	Non-Standing Director (Labor Director)	2023.06.01 - 2025.05.31	<ul style="list-style-type: none"> Senior Manager in KNOC Strategy & Planning Team, Corporate Strategy Dept. Senior Manager in KNOC Investment Attraction Team, Asset Rationalization Project Dept. Senior Manager in KNOC Finance Team, Finance and Accounting Dept.
Ohn Ki-Un	Non-Standing Director	2023.12.01 - 2025.11.30	<ul style="list-style-type: none"> Professor in Department of Economics, Soongsil University Director in Editorial Board, Maeil Business Newspaper Senior Research Fellow in Trend Analysis Division, Korea Institute for Industrial Economics and Trade
Jang Pyong-Kyu	Non-Standing Director	2025.03.10 - 2027.03.09	<ul style="list-style-type: none"> CEO of Ulsan Innovation Education Research Institute Member of The Peaceful Unification Advisory Council Candidate for Superintendent of Education, Ulsan City

Governance

BOD Operations

KNOG operates its Board of Directors by holding regular and extraordinary meetings to ensure efficient and systematic management. These meetings are generally held on the last Friday of each month or on the preceding business day if the Friday is a public holiday. Regular operations enable advance review and in-depth discussion of board agenda items. For matters requiring urgent deliberation and resolution in management, we conduct timely decision-making through extraordinary meetings. In cases of unavoidable circumstances, the timing of the regular board meeting can be adjusted at the discretion of the board chairman, ensuring operational flexibility. In 2024, the BOD held a total of 12 meetings. The main agenda items included the deliberation and resolution of important management matters such as the 2024 ethical management plan, revisions to the employee compensation regulations, the CEO's performance agreement, the composition of the executive recommendation committee, the 2025 safety management responsibility plan, and the 2025 budget.

2024 Korea Auditors Conference

Received the
Best Institution Award



The Korea Energy Awards

Ministry of Trade,
Industry and Energy
Institution Award

(Renewable Energy)



Subcommittee Operations

KNOG operates subcommittees including the Audit and ESG Committees to enhance the transparency and accountability of its management activities. In 2024, we enhanced the expertise of the Audit Committee by replacing the former policy expert audit committee member with a financial expert audit committee member. The ESG Committee not only reviewed action items for environmental, social, and governance management but also conducted an internal control status check. The efforts to strengthen the operation of the subcommittees were highly praised externally, resulting in KNOG achieving the distinction of winning the Grand Prize for Best Institution at the 2024 Korea Auditors Conference and the Minister of Trade, Industry and Energy Award at the Korea Energy Awards.

Composition of Subcommittees

Audit Committee (one executive and two non-executive directors)	ESG Committee (five non-executive directors)	Executive Recommendation Committee
Roles	Roles	Roles
<ul style="list-style-type: none"> Reporting to the Board of Directors on Business and Accounting Audit Activities 	<ul style="list-style-type: none"> Environmental, social, and governance management All non-executive directors for independence 	<ul style="list-style-type: none"> Recruitment, screening, and recommendation of candidates for CEO, Standing Audit Committee member, and Non-Executive Director
Main Activities	Main Activities	Main Activities
<ul style="list-style-type: none"> Review of annual audit results, including audits for violations of the code of conduct Report on strengthening monitoring of current issues in oil exploration 	<ul style="list-style-type: none"> Review of ESG management strategy implementation tasks Review of the progress in implementing internal controls across the entire company 	<ul style="list-style-type: none"> Conduct document and interview screening of candidates and make recommendations
Operation Results in 2024	Operation Results in 2024	Operation Results in 2024
Number of times held 7	Number of times held 2	Number of times held 2
Deliberation items 18	Deliberation items 3	Recruitment position 1
Attendance rate 95%	Attendance rate 100%	Attendance rate 100% <small>(Non-executive director)</small>

Governance

Operation of the Labor Director System

KNOC is a public energy corporation whose core values are safety, environment, and public interest. To strengthen decision-making that considers sustainability and social responsibility, we operate a labor director system in accordance with relevant laws and regulations. The labor director is guaranteed the necessary management-related education, information access, and independence to fulfill the role as a non-executive director. The labor director represents the opinions of employees and performs oversight and control functions, checking whether management decisions support KNOC's sustainability. Through this system, the labor director participates in the board's decision-making with a fair and balanced perspective, contributing to KNOC's sustainable management. During the term, the labor director made 40 management suggestions with a 100% implementation rate and actively participated in job-related training.

▼ Labor Director's Management Suggestions

Key Management Suggestions

- Strengthen media promotion and management related to the Blue Whale Project
- Need to diversify the job titles of domestic education participants
- Need for reporting to improve the understanding of non-executive directors regarding board agendas
- Efforts to be made in personnel management to compensate for the decline in expertise due to rotational assignments

Implementation Status

- Established cooperation systems among relevant ministries, including the 'East Sea Deep-Sea Gas Field Development General Task Force (TF),' a joint TF between the government and KNOC
- Promoted the expansion of degree and professional competency courses focused on practitioners
- Reported on the current status and future plans during an agenda briefing session
- Promoted a service to select positions where expertise is valued and to improve personnel management

BOD Assessment

BOD Activation and Assessment

KNOC operates a board performance diagnostic system to activate the board's functions and realize responsible management, strengthening the board's oversight and control functions. To enhance the understanding of the agenda during board meetings, we have regularized pre-board meeting briefings. We have also expanded the substantive participation of non-executive directors by actively incorporating their management suggestions, such as oil stockpile site safety inspections, and by reflecting their input into on-site management. We continuously monitor the implementation status of management suggestions and have established a management system to ensure that the suggestions are actually reflected in management activities. As a result, the number of management suggestions has increased compared to the previous year, and we have been able to further activate the functions and strategic roles of the BOD. In addition, the company systematically manages board performance evaluation indicators, such as board meeting attendance rate, number of site visits, timeliness of agenda distribution, number and adoption rate of management suggestions, proportion of remarks by non-executive directors, and results of board satisfaction surveys.

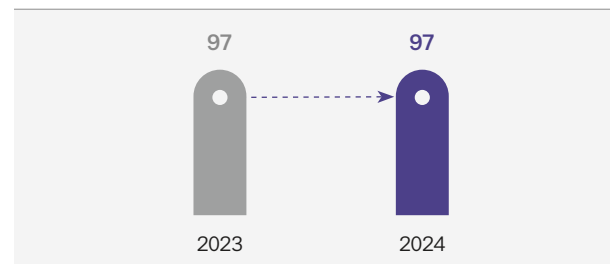
▼ Board Performance Evaluation Process



▼ BOD Operation Results

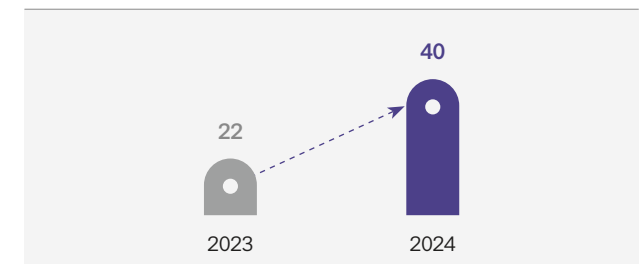
BOD Participation Rate

(Unit: %)



Number of Management Suggestions

(Unit: case)



Governance

Strengthening the Expertise and Diversity of Non-Executive Directors

KNOG has introduced the BSM¹⁾ diagnostic system to analyze the capabilities of board members and strengthen the expertise of non-executive directors. We diagnose the expertise of non-executive directors to oversee and control management decisions, and based on this, we operate training programs while regularly providing management information that reflects the characteristics of oil E&P and oil stockpiling projects. Additionally, to ensure diversity in the composition of the BOD, we plan to actively reflect factors such as gender, region, and age in the selection of future executives. We are also actively working to appoint female non-executive directors, particularly by maintaining a higher percentage of female committee members within the Executive Recommendation Committee compared to the government guidelines (≥20%) and by promoting the gender equality executive appointment target system in executive recruitment announcements. Accordingly, the proportion of female members on the Executive Recommendation Committee, which operated in 2024, increased by approximately 10% compared to 2023, reaching 43%.

1) BSM: Board Skills Matrix

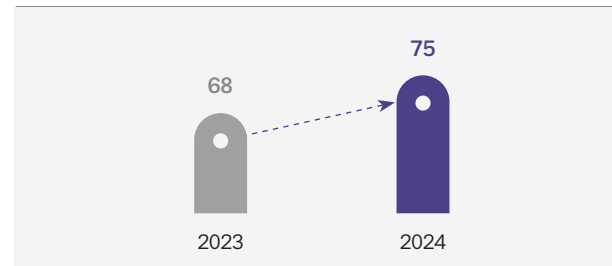
Training to Enhance the Expertise of Non-Executive Directors

Classification	Main Contents
Enhancing the understanding of the KNOG business	<ul style="list-style-type: none"> Holding non-executive director meetings by topic (Five times in total) <ul style="list-style-type: none"> Reserve Evaluation (Resource Development), Oil Price Hedging (Finance), and seven other topics Oil stockpile site safety inspection and meeting (Guri and Geoje Offices)
Professional competency enhancement training	<ul style="list-style-type: none"> Education on the roles and responsibilities of non-executive directors (Inviting a lawyer, all non-executive directors) ESG CEO course for public institutions 'Certified Internal Auditor' training Education at the Korea University Labor Director Academy

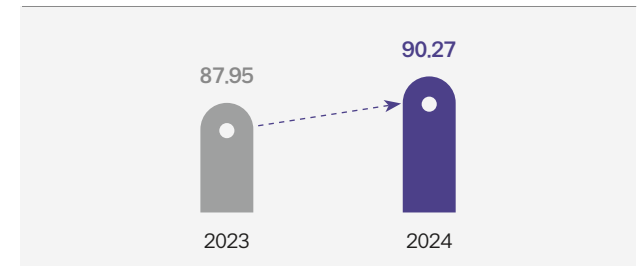
▼ KNOG's Board Skills Matrix (BSM)

Classification	A	B	C	D	E	
Capabilities	Policy	●	●	●	●	
	Finance		●	●		
	Resource Development				●	
	Economy		●		●	●
	Laws					
Degree	Master (Politics)	Master (Public Administration)	Master (Business Administration)	Master (Public Administration)	Ph.D. (Commercial Science)	
Responsible Subcommittee	ESG Committee	ESG Committee Audit Committee	ESG Committee Audit Committee	ESG Committee	ESG Committee	

Non-executive Directors' remark Ratio (Unit: %)



Non-executive Director Satisfaction (Unit: score)



Field Inspection at the Geoje Office



Field Inspection at the Guri Office



Non-Executive Directors Meeting

Ethical Management

Ethics Management Framework

KNOC practices ethical management based on integrity and fairness and is working to spread a responsible organizational culture and establish a foundation for sustainable management. We actively promote the internalization of ethical values throughout the organization to ensure that the principles of integrity and fairness are practiced daily, thereby strengthening our role as a trusted public energy corporation. Based on changes in internal and external environments, KNOC recognized the urgency of improving integrity and completely re-established its implementation system, including its ethical vision and strategy. With the newly established ethical management promotion system, we aim to strengthen KNOC's ethical responsibility and actively work toward restoring public trust and realizing social value.

Ethical Management Implementation System

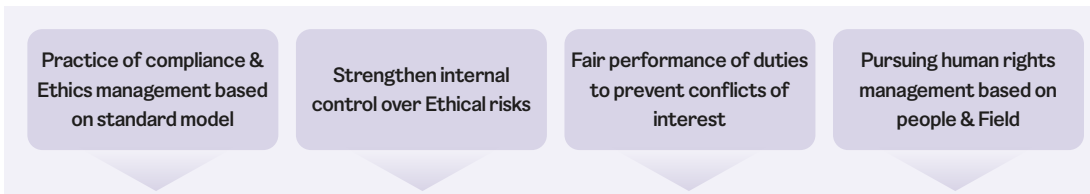
Ethical Vision

Clean No.1 KNOC 'adds(PLUS)' Credibility to Future Value

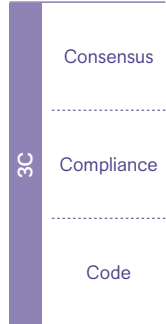
Mid-to-Long-Term Strategic Objectives



Strategic Directions



Strategic Tasks



Consensus	Establishment of ethical awareness led by management	Expansion of education focused on ethical risk prevention	Information sharing and internalization to conflict of interest	Spreading a culture of respect for human rights based on communication
Compliance	Improvement of ethics management system	Establishing of risk identification and control functions	Improvement to conflict of interest prevention system	Strengthening human rights management system and impact assessment
Code	Strengthening ethics management capacity and implementation	Strengthening risk control and monitoring	Individual autonomous practice and management of vulnerable areas	Swift restoration of rights to human rights victims

*Linking the six core elements of the ethical management standard model to the KNOC ethics strategy tasks

Ethical Management Organization Chart



Ethics Charter

KNOC Charter of Ethics

KNOC is the proud enterprise for people contributing to the development of the nation economy and the stabilization of the petroleum supply in Korea by operating business related to E&P, marketing, and oil distribution structure improvement, carbon neutral and greenhouse gas reduction initiatives.

Fifth pride and confidence, KNOC will be a reliable enterprise through responsible management and ethical management.

To this end, KNOC established the KNOC Charter of Ethics as the basis for righteous behaviors and the value judgment of all directors and employees. All directors and employees of KNOC faithfully comply with and practice the Charter of Ethics.

To perform the businesses with an honest and fair attitude on the basis of high ethical sense and lead the stabilization of a clean and anti-corrupt public service environment

To respect the personality of each director and employee, do not discriminate against any employee, give equal opportunity and fair evaluation, and focus on the improvement of the quality of life and health of all directors and employees.

To comply with all domestic and foreign laws and fulfill our responsibilities as obligations to ensure that the state and society are sound, rich, and further developed

To provide equal opportunities to all related parties and pursue the mutual growth of related parties by strengthening the mutual confidence and cooperative relationship

To continuously promote ethical management regardless of competitive interests and short-term business performance.

Ethical Management

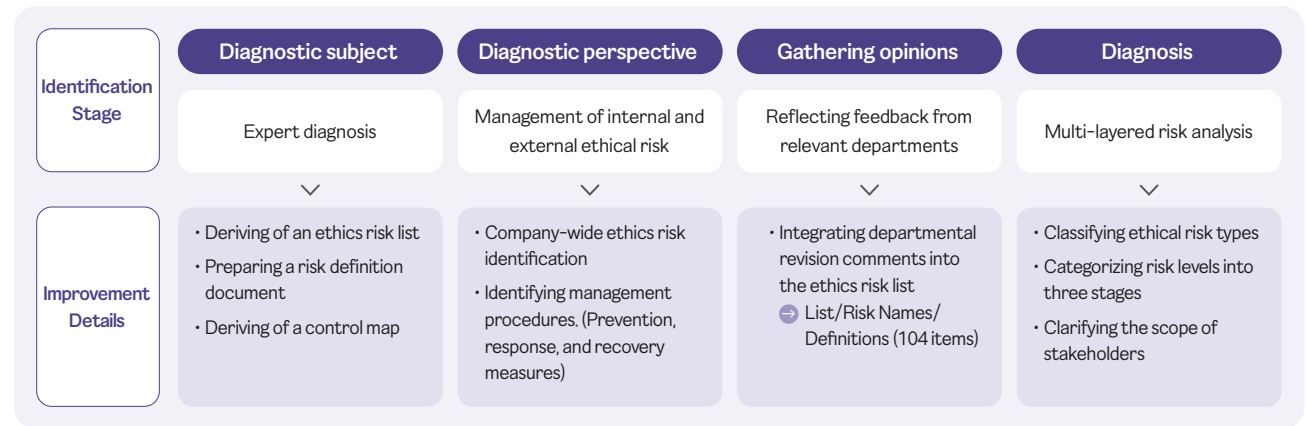
Ethical Risk Identification and Control system

Identification and Diagnosis of Ethical Risks

KNOC systematically identifies ethical risks, distinguishes between common risks that can occur during organizational operations and inherent risks specific to KNOC’s business characteristics, and manages them accordingly. Based on the risk level, risk factors are identified and managed according to their risk level. The 2024 Ethics Risk Assessment identified 26 common and 23 inherent risks. Based on these results, preventive activities and response tasks were established and systematically implemented. Additionally, to proactively address each ethical risk, we operate a preventive procedure that identifies and diagnoses factors such as the possibility of corruption due to violations of laws or company regulations, concerns about the occurrence of ethical issues, and financial and non-financial losses. KNOC has upgraded its existing ethical risk identification process from an internal control-focused approach to a fairer and more advanced identification and diagnosis system that retains an internal control perspective while incorporating multi-layered analysis, including expert diagnosis, reflection of internal and external ethical risk factors, and feedback from operational departments.



▼ Ethical Risk Identification Stage and Improvement Details



▼ Core Risk Factors and Response Activities

Classification	Core Risk Factors	Response Activities
Common Risks	Sexual harassment or sexual violence in the worksite or at a partner company	▶ Conduct sexual harassment (including sexual violence) prevention training and promote awareness of grievance center, reporting channels and counseling/remedy procedures
	Driving under the influence	▶ Conduct awareness campaigns and training emphasizing ‘the driving under the influence is a crime, not a mistake.’
	Condoning or coercing unethical incidents or accidents	▶ Conduct ethics training incorporating violation cases and carry out mock reporting drills
	Unfairness in personnel practices such as performance ratings and evaluations	▶ Provide information on HR systems and procedures and strengthen transparency
	Offering or receiving bribes, improper entertainment or favors	▶ Conduct anti-bribery training, require integrity and ethics pledges, and promote counselling and reporting channels
	Private use of one’s position or job-related information	▶ Conduct training on the private misuse of position or job-related information, and administer a company-wide quiz on the Conflict of Interest Prevention Act
	Physical assault and verbal abuse	▶ Provide preventive training on the prohibition of physical assault and verbal abuse, publish a worksite harassment casebook
	Improper solicitation or brokerage	▶ Promote reporting channels and conduct mock reporting exercises

Ethical Management

Strengthening the Ethical Risk Control System

KNOG held a workshop for 29 ethics and human rights officers, chaired by the CEO, to proactively identify ethical risks within the organization and strengthen risk control systems in each department. The officers who attended from each department at headquarters and the stockpile sites derived department-specific risk control tasks for their respective departments through the CEO's feedback and in-depth discussions. This process raised the organization's awareness of ethical risks and strengthened its actual response capacity. In parallel, we promoted initiatives to embed ethical practices across all business units.

Implementation of Core Risk-focused Unique Risk Control Tasks by Business Unit

E&P Business Division

- [UK Dana] Embedding the Code of Conduct
 - Share the Code of Conduct's core values and hotline
 - Complete the revision of the Ethics and Integrity Committee Regulations
- [Canada HOC] Launching the Anti-Corruption Campaign
 - Announce regulations revision and train local subsidiary employees

Distribution Business Division

- Enhance fairness in the screening process by pre-determining the new recruitment criteria for economical gas stations
- (Existing) Deliberation by the Review Committee
- (Improvement) Set evaluation criteria in advance when planning recruitment, and complete recruitment after the criteria are finalized (13 sites)

Stockpiling Business Division

- Conduct core training for legal PSM¹⁾
- Conduct practical exercises in work risk assessment
- Share safety best practices and discuss high-risk work safety

1) PSM: Process Safety Management

Internalizing Ethical Management

CEO's On-Site Direct Communication and Engagement

Under communication-focused CEO leadership, KNOG continuously strives to listen to and directly engage with vulnerable groups within the organization. Through various initiatives such as meetings with female employees, anti-abuse training for contractors, town hall meetings at the stockpile sites, and interactive talk sessions with junior employees, we are building consensus with diverse job roles and promoting practical system improvements and organizational culture innovation.

Communication Activities

First 'On-Site Town Hall Meeting' for the Stockpile Site

(35 on-site employees participated)

- All office employees participated via real-time video streaming
- Explanation of management issues
- Listening to grievances

Interactive Talk Sessions for Deputy Level employee

(35 employees)

- Small-group interactive discussions
- Discussion on career development
- Listening to the concerns of practitioners



On-Site Town Hall Meeting

Communication Meeting for Female Employees

(45 female employees attended)

- Accepting pre-submitted questions and on-site questions concurrently
- Discussion on women's policy
- Listening to grievances

Integrity Declaration and Anti-Abuse Training with Service Provider Employees

(10 people in total from three service providers)

- Reading of the 5 declaration statements, including abuse of power
- Anti-abuse training for service provider representatives and employees, and employees from the ordering department



Employee Talk Concert

CEO Ethics Meetings at Overseas Sites

- Review of the ethics risk prevention and proactive response system at overseas business sites
- Disseminating the CEO's ethical message
- A declaration ceremony for integrity and ethics



CEO-Led Ethics Meetings at Overseas Sites

Ethical Management

Promoting Education to Enhance Integrity Awareness

KNOG conducts ethics training as a key means to prevent corruption and unethical behavior and to raise integrity awareness among all employees. Specifically, we are conducting tier-specific training programs to strengthen the members' ability to prevent improper solicitations, thereby enhancing their understanding of laws and regulations, improving their situational judgment and strengthening their practical response capacity regarding improper solicitations. As a result of the 2024 training, understanding of the Anti-Corruption and Bribery Prevention Act has improved, related consultations have increased, and there have been zero cases of violations of the Act. Moreover, the Standing Auditor is promoting a company-wide culture of integrity, including conducting integrity training by personally visiting the nine stockpile sites and three overseas offices to conduct integrity training.

Achieved a Comprehensive Integrity Rating of Grade 2

(Grade 3 in 2023 ▶▶ Grade 2 in 2024)



Achieved ZERO

violation of the Improper Solicitation and Graft Act

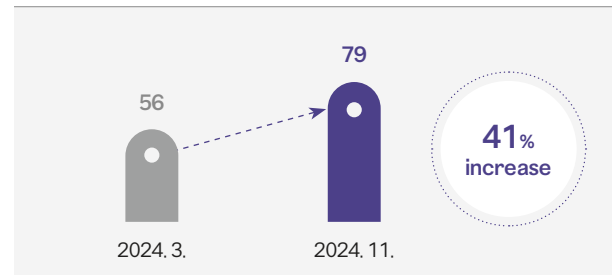


Operation of Education on Preventing Improper Solicitation

Classification	Educational Items
Specialization by tier	<p>Training for External Stakeholders</p> <ul style="list-style-type: none"> Conducted specialized ethics training for KNOG partners Held an External Stakeholder Day: Attended by nine partner companies <p>▶ Participants : External stakeholders and employees related to KNOG stakeholders</p> <p>Improper Solicitation Prevention Education</p> <ul style="list-style-type: none"> Training focused on vulnerable areas under the Act, including 'prohibition of receiving money or goods' Targeted training on vulnerable areas of the Anti-Graft Act based on results from the employee ethics self-assessment and comprehension quizzes <p>▶ Participants : Grade 3-4 middle managers</p>
Strengthening expertise	<p>On-site Education Hosted by the Anti-Corruption & Civil Rights Commission</p> <ul style="list-style-type: none"> Training delivered by professional organizations Developed the training plan based on pre-training questions from the participants Enhanced understanding of education through a 'Golden Bell Quiz' <p>▶ Participants : All employees</p> <p>Training to Strengthen Task Managers Competencies</p> <ul style="list-style-type: none"> Curriculum: Six training programs, including the ACRC Integrity and Ethics Officer Course Training completion: 21 people <p>▶ Participants : Persons in charge of the tasks</p>
Strengthening awareness and responsiveness	<p>Learning about Ethical Issues through Virtual Simulation Experience</p> <ul style="list-style-type: none"> Conducted a participation event for integrity simulation (Virtual scenario) Participation increased by 10% (1,005 participants) <p>▶ Participants : All employees</p> <p>Sharing Actual Consultation Cases on the Improper Solicitation and Graft Act</p> <ul style="list-style-type: none"> Expanded sharing channels: Internal and external (Internal bulletin board, KNOG website) Improved search convenience: Added search function by topic/keyword <p>▶ Participants : All employees</p>

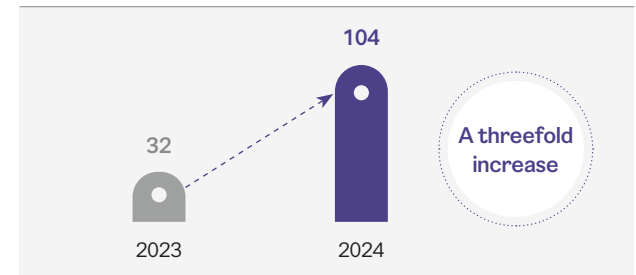
Understanding of Improper Solicitation

(Unit: Points)



Number of Consultations Related to Improper Solicitation

(Unit: Cases)



Ethical Management

Leadership Diffusion Channels

KNOG spreads an ethical management culture throughout the organization by having its leaders take the lead in practicing ethical behavior and responsible decision-making. This goes beyond simple instructions or compliance with regulations. By setting an ethical example through actions, leaders foster trust and motivation among employees, strengthens the foundation of ethical management, and contributes to fulfilling social responsibility as a public institution. As part of its strategy to diffuse ethical management, KNOG operates a senior-level Anti-Corruption Council to institutionalize exemplary leadership, and holds executive forums to reinforce responsible decision-making by leaders. In addition, 'Leadership with Respect' training is provided to newly promoted employees, ensuring that ethical values are firmly rooted across the organization. Through these channels of diffusion, KNOG spreads its culture of ethical management beyond the organization to external stakeholders as well, ultimately contributing to the eradication of power abuse and the establishment of a culture of fairness and respect.

Leadership Diffusion Strategies and Channels



Increased Integrity Perception

Grade 4 in 2023 ▶▶

Grade 2 in 2024



High-Level Anti-Corruption Promotion Council



Respectful Leadership Training



Forum for Executives and Team Leaders

Ethical Management

Conflict of Interest Risk Management

Conflict of Interest Prevention System

KNOC continuously enhances its conflict of interest prevention system to ensure fair and transparent operation and has consequently achieved the 'Record of Interest Zero' result for three consecutive years. We continually strive to improve our system, including strengthening related proactive measures to ensure the Conflict of Interest Prevention System is firmly established throughout the organization. Simultaneously, we are enhancing our employees' ability to practice voluntary compliance through internal efforts such as education, promotion, and information sharing. Additionally, we assess the level of conflict of interest to derive customized action items and systematically implement them.

Conflict of Interest Prevention Education Tailored for Employees

KNOC provides tailored training and communication to strengthen conflict of interest prevention, achieving a 17% increase in employee understanding year-over-year, enhancing officer expertise through external programs, and promoting voluntary compliance with scenario-based videos and interactive quizzes.

Targeted Education and Case-based Promotional Activities

Tailored education by subject	Content of education	Case-based promotion activities
Conflict of Interest Officer	Expansion of external professional training	Situation play promotional video airing
Internal stakeholders	Department-specific specialized training	Participatory quiz event
External stakeholders	Conduct customized training for partner companies	Distribution of Anti-Corruption & Civil Rights Commission casebook

Strategic System to Prevent Conflict of Interest

Strategic Goal

Maintain ZERO Conflict of Interest Incidents

Strategic Direction

Sharing and Internalizing Conflict of Interest Information

Improving the Conflict of Interest Prevention System

Proactive Preventive Measures in Vulnerable Areas

Strategic Tasks

- Expand learner-centered education and promotion
- Strengthen self-practice through level diagnosis

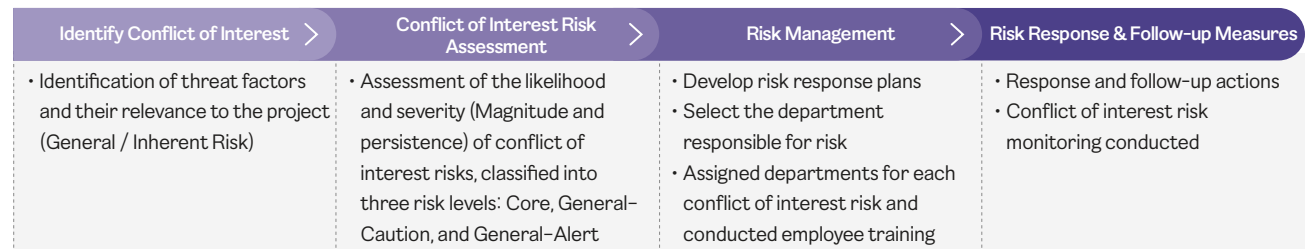
- Improve the conflict of interest risk management system
- Improve the conflict of interest prevention operational regulations

- Implement proactive preventative measures through the risk management process

Risk Management Process to Prevent Conflict of Interest

Based on the 'Public Officials' Conflict of Interest Prevention Act' and its enforcement decree, KNOC has established and implemented the 'Employee Conflict of Interest Prevention Operational Regulations,' which reflect content suitable for KNOC's management environment. Based on this, we operate a conflict of interest risk management process consisting of four stages: identification, assessment, management and response, and follow-up, to systematically manage conflict of interest risks.

Conflict of Interest Risk Management Process



3 years in a row
ZERO cases

of conflict of interest law violations



Ethical Management

Creating a Fair Trade Environment

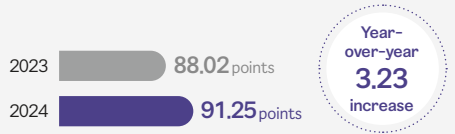
Prime Contractor Joint Contract System

KNOG is preparing and implementing institutional improvement measures to protect the rights and interests of small and medium-sized partner companies and establish a fair trading order. To shift from the traditional vertical contract structure centered on the prime contractor and subcontractors and create a fairer and more horizontal contractual environment, we have introduced and implemented the 'Prime Contractor Joint Contract System' to ensure fair compensation for small and medium-sized partner companies. Accordingly, we have strengthened our mutual growth relationship with our partners and established a foundation for KNOG to fulfill its social responsibility.



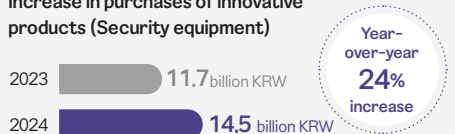
Spread of Fair Trade Culture

KNOG has established and operates voluntary practice guidelines to embed a fair trade culture throughout the organization. As a result of these efforts, the model transaction perception score, which indicates the level of awareness of fair trade policies, improved by 3.32 points compared to the previous year. We are also implementing practical and actionable shared growth support programs to alleviate the difficulties faced by our partner companies due to the economic recession. Through various efforts such as the introduction of the new shared growth payment system, expansion of advance payments, strengthening of the operation of the Subcontracting Guardian System, and increased purchase of innovative products, we have supported our partner companies in securing cash flow, enhancing transaction fairness, and expanding opportunities for technological entry. We have also revised related regulations and conducted company-wide training to increase the effectiveness of the system's operation.

Fair Trade Internalization Activities

Internalization Activities	Details of Activities	Achievements
Fair trade internal training	<ul style="list-style-type: none"> Conducted training on preventing bid rigging for 75 employees responsible for contract-related work 	Improved awareness and perception of the KNOG fair trade model 
Signing of the fair contract pledge	<ul style="list-style-type: none"> Fair trade compliance pledge for contractors and guidance on reporting channels The contract provided to the other party to sign after automatically generated in the contract procurement system 	
Promotion to prevent bid rigging	<ul style="list-style-type: none"> Continuously promote through a 'transmission of bid information to the Fair Trade Commission and detection of collusion' popup in the procurement system 	

Partner Support Program

Classification	Content	Achievements
Introduction of the shared growth payment system	<ul style="list-style-type: none"> Introduction of a new system Revision of regulations related to order placement Specification of the system in the public notice 	Introduction of the shared growth payment system and payment (3 cases, 820 million KRW)
Expansion of advance payments	<ul style="list-style-type: none"> Advance payment allowed for up to 100% of the contract amount Guidance on payment and encouragement to increase the payment rate 	Expansion of eligible advance payment recipients 
Operation of subcontracting guardian	<ul style="list-style-type: none"> Expansion of targets Training for contract and co-growth employee Guidance on contracting regulations and relief measures 	Expansion of contract protection stem targets 
Expanding purchases of innovative products	<ul style="list-style-type: none"> Identifying security needs for oil stockpile sites Purchase of products from SMEs, such as drone detection equipment and drone domes 	Increase in purchases of innovative products (Security equipment) 

Risk Management

Risk Management Implementation System

Establishment of an Enterprise Risk Management

To respond to changes in the business environment and complex risk factors, KNOG has moved beyond traditional finance-centric risk management and established an ERM¹⁾ system that encompasses the entire organization. This has laid the foundation for the stable execution of our mid- to long-term strategy and further strengthened our ability to respond to business risks.

1) ERM: Enterprise Risk Management

Risk Management Governance

KNOG established the 'KNOG Enterprise Risk Management System' for company-wide risk management and is operating the system by designating supervising departments and departments in charge of each risk. The Supervising Department oversees company-wide risk management, including the establishment of risk management plans, risk identification, and changes. Each risk responsible department establishes response manuals and implements risk response actions, including detection and preventive measures based on these manuals. In addition, we provide advice on key risk-related matters and operate a Risk Management Committee to enhance the efficiency of the management system.

ERM System

Promotion Strategy

Re-Establish the Enterprise Risk Management System to Achieve Mid- to Long-Term Business Strategies and Goals

Management System

Governance



Manualization



Selection of KRI¹⁾



Monitoring Improvement



Risk Management Plan

CEO-chaired management meeting monthly inspection

Development of risk response plan manual

Business (10)
Management (7)
Finance (3)

Step-by-step risk management

Interest → Attention →
Caution → Serious

1) KRI: Key Risk Indicator

Risk Management Organizations

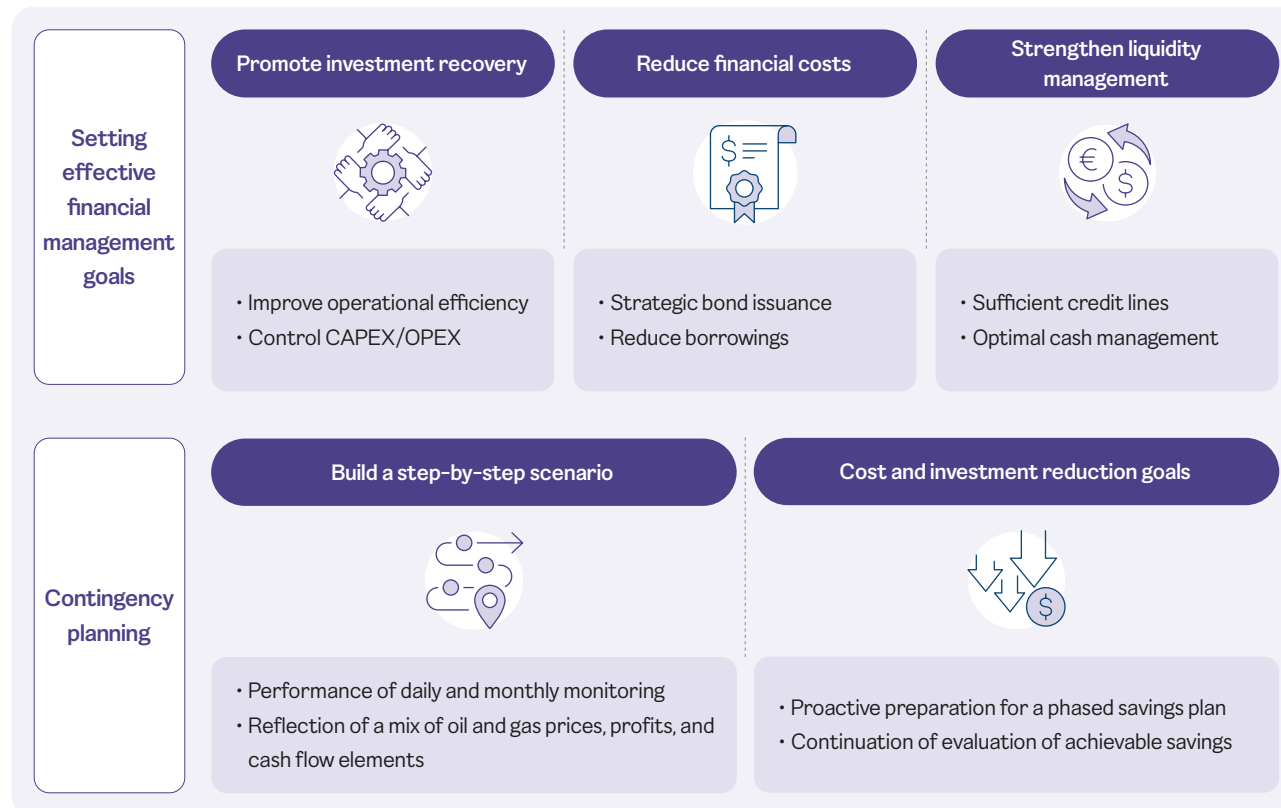
Management Organizations	Major Functions and Roles
Supervising Department	<ul style="list-style-type: none"> Establishing and modifying enterprise risk management plan Monitoring key risks and reporting to the CEO-chaired management meetings, etc.
Responsible Department	<ul style="list-style-type: none"> Establishing management plans for each risk and managing response manuals Risk detection and status reporting, risk prevention and response

Risk Management

Proactive Response to Financial Risks

KNOC is enhancing its financial management framework and preparing contingency plans to navigate the rapidly changing financial environment and uncertainties in the energy market, thereby bolstering its capacity to proactively manage oil price risks. In particular, the company is reducing financial costs and strengthening liquidity management by reducing external borrowing and maintaining optimal cash management. In addition, KNOC is also reinforcing financial stability through a scenario-based risk management designed to address potential market shocks, including oil price volatility. As more than 90% of its total revenue is generated from the petroleum exploration and production sector, KNOC has established and manages a customized oil price risk management strategy. Oil price levels are classified into high, medium, and low tiers, with corresponding response plans developed for each stage. During periods of high oil prices, we mitigate risks through active hedging measures such as utilizing swaps and narrowing the Zero Cost Collar (ZCC) band, while during low oil price periods, we focus on implementing budget contingency plans, cost reductions, and increasing production volumes instead of aggressive hedging. Through this approach, we manage oil price risks in a more structured and systematic manner.

Proactive Financial Risk Management Strategy



Risk Management Activities

KNOC systematically identifies and manages various risks based on its enterprise risk management system, categorizing the risks by type. Based on frequency and impact, a total of 20 key risks were selected. Each risk is assigned to a responsible department that prepares and manages a response manual, while the supervising department compiles these manuals and strengthens risk response capabilities through inspections and training. Additionally, the company has established a measurement and monitoring system by quantifying the characteristics of each risk and specifying judgment criteria to create indicators. Based on this, KNOC has developed appropriate response strategies for each risk, thereby enhancing the stability and execution power of its strategic initiatives.

Appendix

ESG Data	86
GRI Index	96
K-ESG Implementation Evaluation Report	102
UN SDGs	105
TCFD Index	107
SASB Index	108
Third-Party Verification Statement	109
Awards and Recognitions	111
Memberships and Association Affiliations	112

ESG Data

Economic Performance

Category	Unit	2022	2023	2024
Distribution of Economic Performance				
Dividend paid to shareholders	million KRW	0	0	0
Total government tax payment (Corporate tax)	million KRW	1,191,021	456,570	675,693
Total amount paid to executives and employees (Labor and welfare expenses)	million KRW	315,407	317,212	320,357
Expenses paid to outsourcing companies (Outsourcing expenses)	million KRW	69,686	112,826	110,842
Voluntary contribution and monetary investment in the community	million KRW	1,550	1,537	877
Costs paid to material partners (Material costs)	million KRW	0	0	0
Interest paid to creditors and lenders	million KRW	454,720	489,822	566,041
Total economic performance distribution	million KRW	2,032,384	1,377,967	1,673,810
Economic value reserves	million KRW	2,470,853	2,521,907	2,443,930
Economic Value Creation				
Operating profit	million KRW	1,989,878	846,455	1,273,437
Net profit	million KRW	312,951	178,762	191,531
Sales	million KRW	3,932,782	3,267,082	3,524,433
Credit Rating				
S&P	rating	AA	AA	AA
Moody's	rating	Aa2	Aa2	Aa2

Category	Unit	2022	2023	2024	
Sales by Business					
E&P business	Production volume	MMboe	51	49	50
	Daily production	Mboed	138.5	135.6	136.0
	Securing reserves	MMboe	985	955	931
	(Overseas) Crude oil production volume	Mboe	32,944	32,720	32,120
	(Overseas) Gas production volume	Mboe	13,620	11,534	13,323
	(Overseas) NGL production volume	Mboe	3,964	5,240	4,335
	(Domestic) Gas production volume	Mboe	0	0	0
	(Domestic) Condensate production volume	Mboe	17	0	0
	Total sales	million KRW	3,581,888	2,951,115	3,140,903
Oil stockpiling business	Stockpile	million barrels	97.9	98.3	99.5
	Size of stockpile facility (Cumulative)	million barrels	146	146	146
	Reserve rental quantity	thousand barrels	23,982	6,577	16,852
	Quantity held in international joint stockpile	thousand barrels	13,146	17,249	20,022
	Trading volume	thousand barrels	2,883	19,886	19,672
	Total sales	million KRW	344,444	311,468	377,429
Government subsidy and outsourcing projects	Total sales	million KRW	6,451	4,499	6,102

ESG Data

Environmental Performance

Category	Unit	2022	2023	2024	
GHG Emissions¹⁾					
Scope1	tCO ₂ eq	605	553	552	
Scope2	tCO ₂ eq	6,462	5,984	5,690	
GHG emissions intensity	tCO ₂ eq/100 million KRW	0.18	0.20	0.18	
Total	tCO ₂ eq	7,067	6,537	6,242	
GHG and Energy Reduction²⁾					
Total reduction of GHG emissions	tCO ₂ eq	5,009	5,438	1,893	
Total rate of reduction of GHG emissions	%	41	45	23	
Energy Consumption in and outside the Organization					
Energy usage	Electricity	TJ	135	125	114
	Steam	TJ	0	0	0
	LNG (City gas)	TJ	8	7	7
	LPG (Vehicle)	TJ	0	0	0
	LPG (Liquefied petroleum gas)	TJ	0	0	0
	Gasoline	TJ	0	0	0
	Diesel	TJ	2	3	3
	Kerosene	TJ	0	0	0
	New and renewable energy	TJ	0	0	0
Total energy consumption	TJ	145	135	129	
Energy intensity	TJ/100 million KRW	0.004	0.004	0.004	

1) Greenhouse Gas Types: CO₂, CH₄, N₂O
Base Year: 2024
GWP: AR2

2) Referenced greenhouse gas reduction performance data from ALIO.

Category	Unit	2022	2023	2024	
Water Usage					
Water usage ²⁾	Stockpile sites ¹⁾ (9 including Ulsan)	ton	960,691	850,089	925,796
	Headquarters	ton	38,234	35,289	41,551
	Total	ton	998,925	885,378	967,347
Quantity used for recycling and reuse	ton	110,572	103,500	77,684	
Water reuse rate	%	10.98	11.78	8.01	
Waste Generation³⁾					
Waste generation by type	Designated waste discharge	ton	225	349	718
	General waste discharge	ton	659	987	656
	Construction waste discharge	ton	299	363	8,727
	Total	ton	1,183	1,699	10,101
Waste generation by disposal method (general waste)	Recycling	ton	371	870	628
	Incineration	ton	0	0	0
	Landfilling	ton	0	0	0
	Others	ton	0	0	0
Air pollutant emissions (headquarters)	Dust	ton	0.21	1.06	0.65
	NOx	ton	4.21	3.03	3.71
	SOx	ton	1.35	1.09	2.68
Air pollutants (Ulsan Office)	PM2.5	µgm ³	13.2	19.2	22.5
	PM10	µgm ³	22.6	32.1	36.8
	NOx	ppm	0.01	0.02	0.01

1) Ulsan and Geoje Construction Sub-offices have been included in the stockpile sites since 2023

2) Excluded due to demolition of the production facility in 2023.

3) Company-wide basis including headquarters, offices and construction offices

ESG Data

Environmental Performance

Category	Unit	2021	2022	2023	2024	
Water Pollutant Management Status						
Wastewater generation	ton	1,479,631	1,505,307	1,327,739	1,528,783	
Water pollutant emissions (Ulsan Office)	COD	ppm	3.24	4.05	3.60	4.07
	BOD	ppm	1.00	1.52	0.60	1.00
	T-P	ppm	0.07	0.05	0.05	0.08
	T-N	ppm	1.61	1.24	0.88	1.25
Water pollutant emissions (Yeosu Office)	SS	ppm	2.07	1.43	1.34	1.91
	COD	ppm	5.7	7.7	0	0
	BOD	ppm	0.85	0.6	0.81	1.38
	T-P	ppm	0	0	0	0
Water pollutant emissions (Seosan Office)	T-N	ppm	0	0	0	0
	SS	ppm	1.37	0.53	0.59	1.04
	COD	ppm	7.00	5.63	9.4	5.97
	BOD	ppm	3.08	3.15	3.13	5.33
Water pollutant emissions (Gejeje Office)	T-P	ppm	0	0	0	0
	T-N	ppm	0	0	0	0
	SS	ppm	1.53	4.6	3.07	2.8
	COD	ppm	4.55	5.35	4.23	5.78
Water pollutant emissions (Guri Office)	BOD	ppm	1.35	2.14	1.05	4.03
	T-P	ppm	0	0	0	0
	T-N	ppm	0	0	0	0
	SS	ppm	1.74	1.99	1.2	1.92
Water pollutant emissions (Guri Office)	COD	ppm	0	0	0	0
	BOD	ppm	0.35	0.85	1.39	0.91
	T-P	ppm	0.01	0.05	0.03	0.11
	T-N	ppm	0.38	0.37	0.29	0.83
SS	ppm	0.38	0.34	0.75	0.48	

Category	Unit	2022	2023	2024	
Sewage Generation					
Water pollutants emissions (Seosan Office)	BOD	ppm	3.15	4.52	4.47
	SS	ppm	4.8	3.07	2.7
Water pollutants emissions (Pyeongtaek Office)	BOD	ppm	9.77	10.36	12.09
	SS	ppm	8.99	8.51	9.77
Water pollutants emissions (Yongin Office)	BOD	ppm	3.31	6.97	3.20
	SS	ppm	2.89	2.23	1.53
Water pollutants emissions (Gokseong Office)	BOD	ppm	2.71	3.48	3.07
	SS	ppm	5.85	4.23	2.75
Eco-Friendly Vehicle Ratio					
Business vehicle	Business vehicles (Excluding light vehicles and eco-friendly vehicles)	EA	0	0	0
	Light vehicles	EA	0	0	0
	Total	EA	0	0	0
Eco-friendly vehicle	Hybrid	EA	5	2	0
	Electricity	EA	7	11	4
	Total	EA	12	13	4
Eco-friendly vehicle ratio	%	100	100	100	

ESG Data

Environmental Performance

Category	Unit	2022	2023	2024
Investment in Environment				
Capital expenditures (Air, water, renewable energy, etc.)	million KRW	209	296	3,375
R&D investment	million KRW	402	371	201
Environmental Costs				
Environmental facility operating costs	million KRW	5,514	8,300	7,406
General administrative costs	million KRW	31,386	21,315	22,664
Oil Spill Accidents				
Oil spill	cases	0	0	0
	ton	0	0	0
Use of Hazardous Chemicals				
Use of hazardous chemicals	ton	0	0	0
Accidents involving leaks of hazardous chemicals	cases	0	0	0

Category	Unit	2021	2022	2023	2024	
Compliance with Environmental Regulations						
Number of violations of environmental laws and regulations	cases	0	0	0	0	
Number of follow- up actions taken against violations of environmental laws and regulations	cases	0	0	0	0	
Cost of violations of environmental laws and regulations	million KRW	0	0	0	0	
Environmental Performance of Overseas Business Sites						
Energy usage	Direct usage	TJ	11,944	9,433	10,829	9,071
	Indirect usage	TJ	677	603	373	812
	Total	TJ	12,621	10,035	11,202	9,883
GHG emissions	Scope1	ton	931,146	791,892	878,321	674,159
	Scope2	ton	104,673	102,212	100,595	72,930
	Total	ton	1,035,819	894,104	978,915	747,089
Air pollutant emissions	NMVOG	ton	987	998	3,666	3,008
	SOx	ton	388	441	371	242
	NOx	ton	1,078,658	1,671	2,314	1,657
	Total	ton	1,080,034	3,110	6,351	4,907
Oil spill	cases	cases	0	3	1	1
	Size	ton	0	0.02	7.84	7.84
Production water	Produced water throughput	ton	23,235,519	22,806,468	22,649,989	8,890,327
	Produced water recycling volume	ton	16,111,055	16,621,296	15,258,809	15,333,296
Waste	Hazardous waste volume	ton	3,435	554	37,644	94,146
	Non-hazardous waste volume	ton	1,726	4,807	17,455	142,971
Violation of environmental regulations	Fine	dollars	302,968	50,909	0	0
	Number of lawsuits filed	cases	0	0	0	0

ESG Data

Social Performance

Category	Unit	2022	2023	2024
Manpower Status				
Total number of employees	people	1,305	1,325	1,329
Gender	Male	1,060	1,069	1,052
	Female	245	256	277
	Total	1,305	1,325	1,329
No. of regular full-time employees	Male	1,022	1,031	1,010
	Female	209	226	239
	Total	1,231	1,257	1,249
Percentage of regular full-time employees	Male	%	96	96
	Female	%	86	88
	Total	%	94	95
No. of contract employees	Contract employees ¹⁾	people	9	12
	Indefinite contract employees ²⁾	people	65	56
	Total	people	74	68
Percentage of contract employees	Male	%	4	4
	Female	%	14	12
	Total	%	6	5
No. of employees by age	Under 30 years old	people	113	143
	30 - 50 years old	people	813	796
	Over 50 years old	people	379	386
Employee diversity	Status of female employees	%	19	19
	Female managers ³⁾	people	11	12
	National veterans and patriots	people	70	68
	People with disabilities	people	27	27

Category	Unit	2022	2023	2024
Executive status (Based on executive directors and division heads)	Male	people	4	4
	Female	people	0	0
	Under 35 years old	people	0	0
	35 - 50 years old	people	0	0
Grade 1-3 or higher	Over 50 years old	people	4	4
	Male	people	228	242
	Female	people	9	10
	Under 35 years old	people	0	0
Grade 4-8	35 - 50 years old	people	25	37
	Over 50 years old	people	212	215
	Male	people	790	785
Grade 4-8	Female	people	200	216
	Under 35 years old	people	163	189
	35 - 50 years old	people	676	654
	Over 50 years old	people	151	158
New Recruitment Status by Age				
Under 35 years old	people	17	46	43
35 - 50 years old	people	0	2	3
Over 50 years old	people	0	1	1

1) Adjusted for rounding differences in contract employees in 2022, Non-regular workers include only fixed-term employees.

2) Adjusted for rounding differences in indefinite employees staff in 2023

3) Corrected incorrect headcount in 2023

ESG Data

Social Performance

Category	Unit	2022	2023	2024
Retirement Management				
Total number of retirees	people	54	45	49
Retirement type	Retired People	people	29	19
	Voluntary retirees	people	25	26
	Voluntary retirement rate	%	46	58
Employee turnover by gender	Male	people	44	37
	Female	people	10	8
Employee turnover by age	Under 35 years old	people	12	5
	35 - 50 years old	people	14	15
	Over 50 years old	people	28	25
Current Status of Recruitment of New Regular Full-Time Employees				
Executives	people	0	1	1
Female	people	2	12	21
People with disabilities	people	0	0	0
Local talents in non-capital regions ¹⁾	people	10	34	28
High school graduates	people	1	15	12
Total number of new recruits	people	17	49	47
Human Resource Development Status (Education and Training)				
Total number of trainees	people	16,837	33,866	30,475
Education time per person	hours	113.3	96.9	91.4
Total education time	hours	146,325	124,842	118,632
Education cost per person	thousand KRW/person	1,021	1,156	1,356
Total education cost	million KRW	1,319	1,489	1,761
Satisfaction with education	points	86.87	87.43	90.11

1) Adjusted and reflected in the revised disclosure: 9 → 10 in 2022, 25 → 34 in 2023

Category	Unit	2022	2023	2024
Current Status of the Flexible Work System				
Selective working hours scheme	Hired	people	7	6
	Converted	people	14	15
Flexible work	Staggered commuting	people	385	415
	Selective working hours	people	378	368
	Flexible work type	people	0	0
Remote work	Working from home	people	869	205
Status of Parental Leave Use				
Number of employees eligible for parental leave	Total	people	381	361
	Male	people	29	21
Number of employees who used parental leave	Female	people	63	75
	Total	people	92	96
	Male	people	25	18
Number of employees who returned to work after taking parental leave	Female	people	61	74
	Total	people	86	92
	Male	people	22	18
Number of employees who returned to work after parental leave and remained employed for 12 months	Female	people	59	72
	Total	people	81	90
Parental leave return rate	Male	%	86	86
	Female	%	97	99
Retention rate after 12 months of returning from parental leave	Male	%	88	100
	Female	%	97	97

ESG Data

Social Performance

Category	Unit	2022	2023	2024
Labor Union Membership Status				
Total number of workers ¹⁾	people	1,339	1,348	1,356
Number of employees in the labor union ²⁾	people	1,045	1,039	1,035
Labor union membership rate	%	78	77	76
Labor-Management Council and Occupational Health and Safety meetings held ³⁾	count	7	8	8
Company-wide events for labor-management cooperation (Once a year)	people	0	0	0
Satisfaction with labor-management relations ⁴⁾	%	78.5	70.0	75.2
Collective bargaining coverage rate	%	100	100	100
Customer Counseling				
Number of customer counseling cases	cases	39	42	34
Customer counseling answer rate	%	100	100	100
Status of Social Contribution Activities				
Status of social contribution expenses (Including social contribution and energy welfare amount)	million KRW	313	332	377
Number of employees participating in volunteer activities	people	1,145	1,159	1,138
Volunteer hours per employee	hours	33	34	36
Employee donations	million KRW	82	76	71
Status of Local Community Activities				
Communication with local community stakeholders	count	39	78	73

1) ALIO disclosure for registered personnel (current employee - executives)

2) Total of Union 1 and Union 2

3) Labor-Management Council 4 sessions, Occupational Health and Safety 4 sessions

4) Labor-Management Partnership Index results

Category	Unit	2021	2022	2023	2024	
Injury-related Accidents						
Number of injured employees	people	0	0	2	1	
Injury rate including fatalities among employees	Male	%	0	0	0.370	0.379
	Female	%	0	0	1.574	0
Work-related fatality rate among employees	Male	%	0	0	0	0
	Female	%	0	0	0	0
Number of injured non-employees	people	6	2	3	0	
Injury rate including fatalities among non-employees	Male	%	0.622	0.217	0.324	0
	Female	%	0	0	0	0
On-site safety inspection	Number of inspections per site	cases	24	24	24	22
	Total number of inspections	people	211	219	213	202
	Number of defective sites detected	cases	842	729	672	700
Safety management supervisor training	Number of employees who completed the training	people	223	223	221	199
Securing safety managers	Rate of regular full-time positions	%	100	100	100	100
Status of health examination attendance	General examination	people	708	738	783	710
	Special examination	people	235	224	214	226
	Comprehensive medical examination	people	1,208	1,243	1,224	1,240
Pharmaceutical supply / support status	people	783	812	1,020	1,140	
Health promotion activities (Records of employees' use of health consultations)	people	178	249	285	290	

ESG Data

Social Performance

Category	Unit	2022	2023	2024	
Occupational Illness-related Accidents					
Number of employee fatalities due to occupational illness	Male	people	1	0	0
	Female	people	0	0	0
Number of employees affected by occupational illness	Male	people	0	0	0
	Female	people	0	0	0
Number of non-employee fatalities due to occupational illness	Male	people	0	0	0
	Female	people	0	0	0
Number of non-employees affected by occupational illness	Male	people	0	0	0
	Female	people	0	0	0
Employee Satisfaction					
Satisfaction with compensation and welfare	points	84.4	88.2	85.3	
Contractors					
Total number of contractors ¹⁾	Total	160	120	145	
Number of on-site contractors	people	0	0	0	
Retirement Pension					
Pension fund for pension payments (Retirement pension management amount)	Pension accumulated assets	million KRW	106,620	126,610	119,084
Number of pension plan participants by type	DB	people	1,153	1,140	1,170
	DC	people	279	292	306
	Total	people	1,432	1,432	1,476

1) The number of contractors reflects those contracted through the headquarters' contracting department (including vendors from the internal procurement system and Korea ON-line E-Procurement System [KONEPS]; excluding offices and small-scale direct purchases)

Category	Unit	2022	2023	2024	
Mutual Growth					
Priority purchase record	thousand KRW	161,762,185	132,482,977	157,324,830	
Purchase of SME products	Purchase amount of SME products	thousand KRW	72,516,525	73,124,032	81,280,409
	Rate	%	44.83	55.20	51.66
	Total purchase amount	thousand KRW	161,762,185	132,482,977	157,324,830
Green purchase performance	Green purchase amount	thousand KRW	149,367	408,189	228,629
	Rate	%	31.40	89.53	14.20
	Total purchase amount	thousand KRW	475,767	455,949	1,610,445
Purchase of products from companies owned by women	Purchase amount of products from companies owned by women	thousand KRW	5,649,788	20,495,742	21,586,589
	Rate	%	3.49	15.47	13.72
	Total purchase amount	thousand KRW	161,762,185	132,482,977	157,324,830
Purchase of products from social enterprises	Purchase amount of products from social enterprises	thousand KRW	1,306,503	1,363,427	1,044,654
	Rate	%	0.99	1.31	1.01
	Total purchase amount	thousand KRW	132,390,414	103,892,146	103,682,436
Purchase of products produced by people with severe disabilities	Purchase amount of products produced by people with severe disabilities	thousand KRW	106,440	276,640	199,615
	Rate	%	0.12	0.56	0.41
	Total purchase amount	thousand KRW	88,590,414	49,469,096	48,273,786
Rural Community Collaborative Cooperation Fund	million KRW	90	90	90	

ESG Data

Social Performance

Category	Unit	2022	2023	2024	
Human Rights Management					
Performance of internal business audit (Once a year)	cases	25	29	21	
Number of participants in ethics education	people	1,158	1,256	1,247	
Total time spent on ethics education	hours	15,114	8,207	4,764	
Time spent on ethics education per person	hours	12	7	4	
Number of human rights education sessions conducted	count	6	7	6	
Number of participants in human rights education	people	1,175	1,256	1,259	
Total time spent on human rights education	hours	19,123	17,163	11,093	
Time spent on human rights education per person	hours	16	14	9	
Number of processed cases of human rights violations (Discrimination, etc.)	cases	0	0	0	
Number of cases of forced labor and child labor	cases	0	0	0	
Product Liability					
Number of violations of customer health and safety laws	cases	0	0	0	
Number of violations of the law on anti-corruption	cases	1	0	1	
Number of complaints received about customer personal information management	cases	0	0	0	
Guaranteeing customers' right to know (Information disclosure rate)	%	69.7	82.8	50.9	
Customer satisfaction among public corporations	points	76.7	81.0	85.8	
Inspection results for management disclosure by public corporations	points	0.8	0.8	1.0	
Number of users of the oil information service	Number of Opinet users per year	10 thousand people	10,721	11,954	9,876
	Number of Petronet users per year	10 thousand people	83	84	104

Category	Unit	2022	2023	2024	
Safety at Overseas Business Sites					
Total working hours	hours	8,052,880	7,864,011	7,148,502	
LTI	cases	1	1	3	
LTIF ³⁾	million hours	0.12	0.13	0.42	
Fatal accidents	cases	0	0	0	
Employee Performance Evaluation Implementation Rate					
Total number of employees ¹⁾	people	1,305	1,325	1,329	
Number of employees subject to evaluation	people	1,124	1,109	1,115	
Performance evaluation rate	%	86	84	84	
Ratio of Highest-Paid Employee to Average Employee Salary					
Total annual compensation of the highest-paid employee (A) ²⁾	million KRW	182	198	191	
Median of total employee salaries (B)	million KRW	92	88	93	
Rate (A/B)	%	198	225	205	
Ratio of Salary Increase between Highest-Paid and Average Employees					
Salary increase rate of the highest-paid employee (A) ²⁾	%	1.4	1.5	1.0	
Median salary increase rate of employees (B)	%	1.72	0.23	(0.13)	
Rate (A/B)	%	81.40	652.17	(769.23)	
Ratio of Women's Base Salary and Total Compensation Compared to Men (by category)					
Executives	Ratio of women's base salary compared to men's	%	0	0	0
	Ratio of women's total compensation compared to men's	%	0	0	0
Employees	Ratio of women's base salary compared to men's	%	86	87	87
	Ratio of women's total compensation compared to men's	%	84	85	84

1) Corrected total number of employees for 2022 and 2023 due to misstatement

2) Based on ALIO standards

3) Scope: Vietnam 11-2, Kazakhstan, Eagle Ford (Ankor asset), HOC (Harvest Operations Corp.), DANA

ESG Data

Governance Performance

Category		Unit	2022	2023	2024
Board of Directors					
BOD operation performance	Number of BOD meetings	times	16	13	12
	Number of resolutions	cases	46	34	29
	Percentage of non-executive directors	%	56	60	60
	BOD meeting attendance rate	%	95	97	97
	Number of management suggestions	cases	28	22	40
Total BOD remuneration	Non-executive director	million KRW	150	150	150
	Executive director	million KRW	593	637	622
Anti- Corruption and Ethical Management					
	Number of ethics (Anti-corruption) training sessions	count	8	12	14
	Percentage of employees participating in ethics training	%	91.73	99.68	97.40
	Number of cases processed for violations of the Code of Ethics (Including corruption)	cases	1	3	1
	Number of sanctions against violations of other laws and regulations	cases	0	0	0
Monitoring status	Disciplinary status for violations of ethical management	cases	1	17	1
	Whistleblower reports received	cases	61	118	135
	Number of improvements and guidance issued after audit	cases	250	301	355
	Ethics level diagnosis	rating ¹⁾	4	3	2
	Number of corruption incidents	cases	1	0	1
	Number of legal actions for unfair trade practices	cases	0	0	0

1) Overall integrity rating

Category		Unit	2022	2023	2024
Executive Compensation¹⁾					
Executive salaries	Standing CEO (Base salary + performance bonus)	million KRW	182	198	190
	Standing auditor (Base salary + performance bonus)	million KRW	137	143	144
	Standing directors (Base salary + performance bonus)	million KRW	137	148	144
	Average compensation of standing executives (Annual salary)	million KRW	148	159	155
	Male	million KRW	148	159	156
	Female	million KRW	0	0	0

1) Executive compensation determination system

1. Base salary: Executive compensation (base salary) is determined in accordance with the guidelines for executive compensation at public institutions and quasi-governmental institutions.
2. Performance bonus: Executive performance-based compensation is determined in accordance with the guidelines for executive compensation at public institutions and quasi-governmental institutions.
3. Amounts less than 1 million KRW are omitted.
4. Based on ALIO standards

GRI Index

Statement of use	Korea National Oil Corporation has reported the information cited in this GRI content index for the period January 1, 2024 through December 31, 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Application of GRI Standards	GRI 11: Oil and Gas Sector 2021

GRI 2: General Disclosures 2021

GRI Standard	Index	Disclosure	Page
GRI 2	2-1	Organizational details	6
	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	90, 94
	2-5	External assurance	109-110
	2-6	Activities, value chain and other business relationships	9-12
	2-7	Employees	90
	2-8	Workers who are not employees	90
	2-9	Governance structure and composition	16, 72-73
	2-10	Nomination and selection of the highest governance body	72
	2-11	Chair of the highest governance body	72
	2-12	Role of the highest governance body in overseeing the management of impacts	16
	2-13	Delegation of responsibility for managing impacts	16
	2-14	Role of the highest governance body in sustainability reporting	16, 72-73
	2-15	Conflicts of interest	81-82
	2-16	Communication of critical concerns	16, 73-74
	2-17	Collective knowledge of the highest governance body	75
	2-18	Evaluation of the performance of the highest governance body	74
	2-19	Remuneration policies	94

GRI Standard	Index	Disclosure	Page
GRI 2	2-20	Process to determine remuneration	94
	2-21	Annual total compensation ratio	94
	2-22	Statement on sustainable development strategy	4-5
	2-23	Policy commitments	32, 46, 53, 59, 76
	2-24	Embedding policy commitments	33, 47, 43-45, 61-63
	2-25	Processes to remediate negative impacts	51-52, 63
	2-26	Mechanisms for seeking advice and raising concerns	62
	2-27	Compliance with laws and regulations	89, 95
	2-28	Membership associations	109
	2-29	Approach to stakeholder engagement	21-22
	2-30	Collective bargaining agreements	92

GRI 3: Material Topics 2021

GRI Standard	Index	Disclosure	Page
GRI 3	3-1	Process to determine material topics	18
	3-2	List of material topics	19
	3-3	Management of material topics	20

GRI Index

Material Topic 1. Climate Change Response

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics	11.1.1, 11.2.1	24-25
GRI 305	305-1	Direct (Scope 1) GHG emissions	11.1.5	87, 89
	305-2	Energy indirect (Scope 2) GHG emissions	11.1.6	87, 89
	305-4	GHG emissions intensity (KRW)	11.1.8	87
	305-5	Reduction of GHG emissions	11.2.3	87

Material Topic 2. Health and Safety Management

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics	11.9.1	26-27, 46-52
GRI 403	403-1	Occupational health and safety management system	11.9.2	48
	403-2	Hazard identification, risk assessment, and incident investigation	11.9.3	47, 49, 51-52
	403-3	Occupational health services	11.9.4	49, 92
	403-4	Worker participation, consultation, and communication on occupational health and safety	11.9.5	49
	403-5	Worker training on occupational health and safety	11.9.6	49, 52
	403-6	Promotion of worker health	11.9.7	56-57
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	11.9.8	50
	403-9	Work-related injuries	11.9.10	92-93
	403-10	Work-related ill health	11.9.11	92-93
	Organization-specific indicator		Safety performance of overseas operations	

GRI Index

Material Topic 3. Community Impact Management

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics		28-29
GRI 413	413-1	Operations with local community engagement, impact assessments, and/or development programs		28-29
	413-2	Operations with significant actual and potential negative impacts on local communities	11.15.2	28-29

Material Topic 4. Energy

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics	11.1.1,11.2.1	35-36
GRI 302	302-1	Energy consumption within the organization	11.1.2	87
	302-3	Energy intensity (KRW)	11.1.3,11.1.4	87
	302-4	Reduction of energy consumption	11.1.4	32

Material Topic 5. Biodiversity Loss

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics		38-39
GRI 304	304-2	Significant impacts of activities, products and services on biodiversity		38-39

GRI Index

Material Topic 6. Talent Management and Competency Development

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics		53-55
GRI 404	404-1	Average hours of training per year per employee	11.10.6/11.11.4	91
	404-2	Programs for upgrading employee skills and transition assistance programs	11.7.3/11.10.7	54
	404-3	Percentage of employees receiving regular performance and career development reviews		94

Material Topic 7. Job Creation and Sharing

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics	40	68-70
GRI401	401-1	New employee hires and employee turnover	11.10.2	91
	401-3	Parental leave	11.10.4/11.11.3	91

Material Topic 8. Corruption and Bribery

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 3	3-3	Management of material topics	11.20.1	79-80
GRI 205	205-2	Communication and training about anti-corruption policies and procedures	11.20.3	95
	205-3	Confirmed incidents of corruption and actions taken	11.20.4	95

GRI Index

General Topics

GRI Standard	Index	Disclosure	GRI 11 (Sector Standard)	Page
GRI 201	201-3	Defined benefit plan obligations and other retirement plans		93
GRI 203	203-1	Infrastructure investments and services supported	11.14.4	38, 65-67, 86
GRI 204	204-1	Proportion of spending on local suppliers		93
GRI 303	303-4	Water discharge	11.6.5	87
	303-5	Water consumption	11.6.6	87
GRI 305	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	11.3	87
GRI 306	306-2	Management of significant waste-related impacts	11.5.3	87, 89
	306-3	Significant spills	11.5.4/11.8.2	87
	306-4	Waste diverted from disposal	11.5.5	87
	306-5	Waste directed to disposal	11.5.6	87
GRI 405	405-1	Diversity of governance bodies and employees	11.11.5	90
	405-2	Ratio of basic salary and remuneration of women to men	11.11.6	94
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		94

GRI Index

Topics in the Applicable GRI Standards Determined as not Material

Category		Reason Not Selected as Material Topic
11.5	Waste Management	Waste is outsourced in accordance with legal procedures, and both the scale and risk level are relatively low.
11.6	Water and Effluents	Direct impacts are limited due to the nature of the business, and compliance with existing regulations and management systems is sufficient, and thus it was excluded as a material topic.
11.7	Closure and Rehabilitation	Large-scale new development projects are limited, and existing worksites are stably operated, resulting in low short-term impact potential.
11.10	Employment Practices	As a public institution, legal employment practices are observed, and employment stability issues are lower compared to the industry average.
11.11	Non-Discrimination and Equal Opportunity	Compliance with public sector HR systems and relevant laws (e.g., Equal Employment Act) makes the likelihood of discrimination or equality issues low.
11.12	Forced or Compulsory Labor	No risks of forced labor have been identified in domestic or overseas operations, and such risks are prevented through adherence to international norms and contractual requirements.
11.13	Freedom of Association and Collective Bargaining	Labor union activities are legally guaranteed, and labor-management relations are stably maintained; therefore, it is not considered a material risk.
11.14	Economic Impacts	Major economic contributions are already disclosed as energy security and job creation, reducing the need to designate this as a separate material topic.
11.16	Land Use and Resource Rights	Land use in new development projects is limited, and the likelihood of land rights disputes is low.
11.17	Rights of Indigenous Peoples	No risks related to indigenous peoples have been identified in overseas operations.
11.18	Conflict and Security	Operations are limited to domestic and stable countries, so risks related to political/social conflicts or security are low.
11.19	Anti-Competitive Behavior	As a public corporation, the likelihood of monopolistic or collusive practices is low, and fair trade laws are strictly observed.
11.21	Payments to Governments	Taxes and fees are transparently paid in accordance with legal procedures, and thus it is not classified as a material topic.
11.22	Public Policy	In compliance with the principle of political neutrality, KNOC does not engage in lobbying or political activities, and therefore faces no related risks or social controversies.

K-ESG Implementation Evaluation Report

To KNOC stakeholders,

Assessment Overview This implementation assessment was conducted based on the K-ESG Guidelines to evaluate achievement and implementation of the Korea National Oil Corporation's (hereinafter "KNOC") across the four domains : Information disclosure (P), Environment (E), Society (S), and Governance (G). The assessment was carried out in accordance with the K-ESG Guidelines 2.0 by analyzing the organization's internal documents and activities, as well as verifying actual performance outcomes.

Assessment Scope The assessment covered KNOC's 2024 ESG strategies and implementation results in the four main domains : Information disclosure (P), Environment (E), Society (S), and Governance (G).

Assessment Methodology The K-ESG implementation assessment was conducted through a comprehensive review of KNOC's ESG strategies and performance across each domain as outlined above, including the organization's ESG-related policies, internal records, and public disclosure reporting of ESG performance.

Assessment Results and Recommendations Based on a comprehensive review conducted in accordance with the K-ESG Guidelines, the assessment confirmed that KNOC demonstrates an advanced level of ESG management. It has shown particularly strong performance in the information disclosure and governance domains, fulfilling a broad range of diagnostic criteria related to transparency, board composition and operation, and functions of the audit committee. The detailed results for each domain are as follows:

Information disclosure (P) KNOC demonstrates excellence in ESG disclosure through the annual publication of its Sustainability Management Report, reflecting strong performance in both disclosure frequency and verification systems as evaluated under the K-ESG Guidelines. KNOC discloses key ESG issues identified through materiality assessment; however, it is recommended that KNOC gradually enhance disclosure scope by providing more detailed explanations and performance indicators (KPIs) related to these key issues.

Environmental (E) KNOC has demonstrated meaningful progress in setting environmental management goals, managing GHG emissions, and maintaining a systematic implementation framework. However, in align with newly introduced categories of the K-ESG Guidelines V2.0, the organization is encouraged to further enhance its mid- to long-term responses to climate change and biodiversity agenda. It is recommended that KNOC pursue establish comprehensive strategies to address both physical and transition risks and advance a biodiversity management plan as part of its long-term environmental roadmap.

Social (S) KNOC has shown solid performance in the areas of labor management, diversity and gender equality, occupational safety, and human rights within the K-ESG index. Moving forward, it is recommended to implement a systematic supplier ESG risk-management process—including diagnosis, due diligence, and improvement—to prevent potential ESG risks within the supply chain and to strengthen tailored support for partner companies.

Governance (G) KNOC has maintains a transparent and accountable structure with sound performance in operation and composition of the BOD. It is encouraged that KNOC continue to enhance governance transparency by disclosing outcomes related to the ratio, diversity, and expertise of outside directors through ALIO and its Sustainability Report.

Domain	Category	K-ESG Index	Assessment subject	Page
Information disclosure (P)	Information disclosure format	P-1-1	ESG Information disclosure method	2
		P-1-2	ESG Information disclosure cycle	2
		P-1-3	ESG Information disclosure scope	2
	Information disclosure content	P-2-1	ESG key issues and KPIs	17, 19-20
	Information disclosure verification	P-3-1	ESG Information disclosure verification	102-104

Domain	Category	K-ESG Index	Assessment subject	Page
Environmental (E)	Goals of environmental management	E-1-1	Establishment of Environmental Management Goals	15-17
		E-1-2	Environmental management implementation system	24, 32-33
	Raw and subsidiary materials	E-2-1	Raw and subsidiary material usage	-
		E-2-2	Percentage of recycled raw and subsidiary materials	-

K-ESG Implementation Evaluation Report

Domain	Category	K-ESG Index	Assessment subject	Page
Environmental (E)	Greenhouse gas emissions (GHG)	E-3-1	GHG emissions (Scopes 1 & 2)	87
		E-3-2	GHG emissions (Scopes 3)	87
		E-3-3	Verification of GHG emissions	-
	Energy	E-4-1	Energy usage	87, 89
		E-4-2	Percentage of recycled energy usage	35, 87
	Utility water	E-5-1	Utility water usage	87-89
		E-5-2	Percentage of utility water reuse	87
	Waste	E-6-1	Discharged waste	87, 89
		E-6-2	Percentage of waste recycling	87
	Pollutants	E-7-1	Atmospheric pollutant emissions	87
		E-7-2	Water Pollutant Emissions	88
	Violation of environmental laws/ regulations	E-8-1	Violation of environmental laws/ regulations	89
	Environmental labeling	E-9-1	Percentage of eco-certified products and services	-
	Climate change response	E-10-1	Climate change governance	24, 33
		E-10-2	Identification of Mid to long term climate risks	24-25
		E-10-3	Response plan for physical climate risks	24-25
		E-10-4	Response plan for transition climate risks	24-25
		E-10-5	Declaration of greenhouse gas emission reduction	25
	Biodiversity	E-11-1	Identification of Natural capital	37-38
		E-11-2	Biodiversity conservation strategy	20, 38
E-11-3		Forest conservation Activities	-	

Domain	Category	K-ESG Index	Assessment subject	Page
Social (S)	Goal	S-1-1	Goal setting and disclosure	15-17
	Labor	S-2-1	New employee hiring and retention	90-91
		S-2-2	Percentage of regular full-time employees	90, Alio disclosure
		S-2-3	Voluntary turnover rate	91
		S-2-4	Education/training-related expenses	91
		S-2-5	Welfare benefit expenses	92
		S-2-6	Guaranteed freedom of association	59
	Diversity and gender equality	S-3-1	Ratio of female employees	55, 90-91
		S-3-2	Ratio of female employee's pay (compared to average pay)	90, Alio disclosure
		S-3-3	Ratio of employees with disabilities	90, Alio disclosure
	Industrial safety	S-4-1	Safety and health promotion system	46-48
		S-4-2	Industrial accident rate	92-93
	Human rights	S-5-1	Human rights policy establishment	60
		S-5-2	Human rights risk assessment	63
	Shared growth and partnership	S-6-1	Suppliers' ESG management	64
		S-6-2	Support for suppliers' ESG	64
		S-6-3	Agreement on ESG with suppliers	64
	Local communities	S-7-1	Strategic social contribution	15, 65
		S-7-2	Employee participation in voluntary services	65-67
	Information protection	S-8-1	Implementation of an information protection system	16
S-8-2		Privacy infringement and remedies	Alio disclosure	
Violation of laws/ regulations in social sector	S-9-1	Violation of laws/ regulations in social sector	94, Alio disclosure	

K-ESG Implementation Evaluation Report

Domain	Category	K-ESG Index	Assessment subject	Page
Governance (G)	Formation of the BOD	G-1-1	ESG agenda under BOD	73
		G-1-2	Percentage of non-executive directors	75, 95, Alio disclosure
		G-1-3	Separation of the CEO and Chairman of BOD	72
		G-1-4	Gender diversity of the BOD	72, Alio disclosure
		G-1-5	Expertise of non-executive directors	73, 75
	Activities of BOD	G-2-1	Overall BOD attendance	74, 95, Alio disclosure
		G-2-2	Attendance rate of executive directors	74, 95, Alio disclosure
		G-2-3	Committees under BOD	73
		G-2-4	Agenda deliberation by BOD	95, Alio disclosure
	Ethical management	G-4-1	Disclosure of ethical code violations	95, Alio disclosure
	Audit team	G-5-1	Establishment of an internal audit department	6, 73
		G-5-2	Expertise of the audit team (accounting/ finance experts on audit team)	73
	Violation of laws/ regulations in governance	G-6-1	Violation of laws/ regulations in governance	95, Alio disclosure

Assessment result and recommendations KNOC has established a robust ESG management framework and achieved outstanding performance across all domains—information disclosure, environment, society, and governance—earning an overall Grade A in this year’s K-ESG assessment. In particular, KNOC has been highly recognized for the transparency of its disclosures and the reliability of its governance structure. The annual publication of the Sustainability Management Report, supported by a consistent disclosure cycle and verification process, serves as an exemplary practice among public institutions. Moving forward, KNOC

is expected to further strengthen its position as a leading institution in ESG management by progressively advancing both qualitative and quantitative indicators required under the K-ESG Guidelines V2.0.

In the Information disclosure (P) domain, while the level of disclosure on key issues is satisfactory, expanding the scope to include performance indicators (KPIs) and management outcomes would further strengthen stakeholder confidence and institutional credibility.

In the Environmental (E) domain, KNOC demonstrates systematic efforts in managing greenhouse gas emissions, energy, and water resources. It is recommended that the organization establish mid- to long-term response strategies for climate-change risk management and biodiversity conservation as key future priorities.

In the Social (S) domain, KNOC shows sound performance in employment, occupational safety and health, and human rights management; however, further systematization of supplier ESG risk-management activities is recommended. Expanding supply-chain ESG management beyond conventional financial or technical support toward a partnership-based, sustainable value-chain approach is expected to further strengthen the credibility of KNOC’s ESG management as a public institution. In the Governance (G) domain, KNOC’s board operation has been positively assessed in terms of transparency and independence, and it is encouraged to continue disclosing both qualitative and quantitative outcomes—such as the expertise, diversity, and risk-oversight functions of outside directors—through ALIO and the Sustainability Management Report to further advance its governance model.

Overall, the assessor has evaluated that KNOC has successfully established a solid foundation for ESG management. The institution now stands at a critical point to advance further by strengthening alignment with global ESG standards and enhancing strategies related to climate-change response and natural capital. KNOC is expected to position itself as a leading public institution in ESG disclosure and sustainable management practices through the phased implementation of these improvement measures.

October 16, 2025

KEMI

CEO LEE, Han-Sung












UN SDGs

The UN Sustainable Development Goals (SDGs) set out 17 goals and 169 targets for the international community to achieve between 2016 and 2030 to address global poverty and promote sustainable development. KNOG aligns its management strategy with the SDGs to reinforce its commitment to social responsibility. By integrating core business strategies with the UN SDGs, KNOG contributes to addressing social issues and creating public value.

UN SDGs	Key Activities	Reporting Page
 No Poverty	<ul style="list-style-type: none"> • Fostering future talent in underserved communities • Implementing community contribution programs tailored to local needs • Supporting multicultural groups 	65-67
 Zero Hunger	<ul style="list-style-type: none"> • Sharing meals with vulnerable groups through community partnerships • Providing volunteer tutoring and university scholarships for local students 	66-67
 Good Health and Well-being	<ul style="list-style-type: none"> • Providing customized welfare benefits for employees • Operating employee health management programs • Provision of national health screenings and EAP services 	49, 56-57
 Quality Education	<ul style="list-style-type: none"> • Promoting socially equitable recruitment • Operating job-specific training programs • Providing education on environmental sustainability 	36, 54, 69
 Gender Equality	<ul style="list-style-type: none"> • Implementing gender-equal HR policies • Operating female leadership programs by career stage • Enhancing representation of women in executive positions 	55
 Clean Water and Sanitation	<ul style="list-style-type: none"> • Promoting the utilization of Han River intake water at the Guri Office • Wastewater recycling system installed for underground pipeline facilities. • Improvement of wastewater neutralization facilities and reinforcement of inspections 	34, 36
 Affordable and Clean Energy	<ul style="list-style-type: none"> • Expanding the KNOG Dream Solar Energy Project • Running resource circulation programs with local communities • Operating solar and geothermal power generation facilities at sites 	34-35
 Decent Work and Economic Growth	<ul style="list-style-type: none"> • Creating jobs through collaborative projects with the private sector • Creating jobs through the expansion of core business • Supporting job creation through collaboration with local communities 	68-70

UN SDGs

UN SDGs	Key Activities	Reporting Page
 9 Industry, Innovation, and Infrastructure	<ul style="list-style-type: none"> Supporting technology development for small and medium-sized enterprises (SMEs) Supporting partner training through online and offline educational content Strengthening technological capabilities through localization of parts 	64
 10 Reduced Inequalities	<ul style="list-style-type: none"> Expanding socially equitable recruitment Providing high-efficiency heating/cooling products and heating support to vulnerable groups 	65, 69
 11 Sustainable Cities and Communities	<ul style="list-style-type: none"> Expansion of socially equitable recruitment Improving housing conditions for vulnerable groups 	66-67
 12 Responsible Consumption and Production	<ul style="list-style-type: none"> Increasing purchase of green products, high-efficiency energy materials, and eco-friendly products Purchasing and leasing zero-emission vehicles 	35
 13 Climate Action	<ul style="list-style-type: none"> Conducting company-wide energy reduction activities Promoting low-carbon new business projects (CCS, hydrogen/ ammonia, offshore wind farm) 	35, 40-43
 14 Life Below Water	<ul style="list-style-type: none"> Conducting environmental cleanup campaigns, such as the 'KNOG Plogging Relay' Conducting environmental impact assessments Strengthening equipment improvement and management standards 	36-39
 15 Life on Land	<ul style="list-style-type: none"> Practicing carbon neutrality on-site Implementing UPcycling activities for 1.4 tons of PET bottles 	34
 16 Peace, Justice, and Strong Institutions	<ul style="list-style-type: none"> Providing integrity leadership training for management Promotion of ethical management culture through leadership channels. Creation of a fair trade environment. 	79-82
 17 Partnerships for the Goals	<ul style="list-style-type: none"> Continuing participation in the UN Global Compact Hosting and participating in international energy conferences 	109

TCFD Index

The Task Force on Climate-related Financial Disclosures (TCFD) is an international initiative established to enhance transparency on financial information related to climate change. Its objective is to provide companies with a framework for managing and disclosing climate-related risks and opportunities. In line with the TCFD recommendations, KNOG analyzes the impact of climate change on its business and integrates the findings into its management strategies to address climate-related risks effectively. Through these efforts, KNOG strengthens its capacity to respond to climate change and establishes a management system for a sustainable future.

Area	Disclosure	Reporting Page
Governance	1. Describe the board's oversight of climate-related risks and opportunities.	24
	2. Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy	3. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	24-25
	4. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	
	5. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	6. Describe the organization's processes for identifying and assessing climate-related risks.	25
	7. Describe the organization's processes for managing climate-related risks.	
	8. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets	9. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	25
	10. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and related risks.	
	11. Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against targets.	

SASB Index

The Sustainability Accounting Standards Board (SASB) provides industry-specific sustainability accounting standards to help companies transparently disclose their ESG performance. KNOG adheres to SASB standards to systematically manage its performance across environmental, social, and governance areas. Through these efforts, KNOG provides transparent information to stakeholders and contributes to enhancing the company's sustainability.

Topic	Code	Accounting Metric	Category	Page
GHG Emissions	EM- RM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	87
	EM- RM-110a.2	Description of long- and short-term strategies or plans to manage Scope 1 emissions, reduction targets, and analysis of performance against those targets	Qualitative	32
	EM- RM-110a.3	Description of long- and short-term strategies to reduce GHG emissions, reduction targets and performance	Quantitative	16
	EM- RM-110a.4	Percentage of fulfillment of RPS targets	Quantitative	87
Air Quality	EM- RM-120a.1	(1) Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O); (2) SO _x ; (3) particulate matter (PM10); (4) H ₂ S; (5) volatile organic compounds	Quantitative	89
Energy Management	EM- RM-130a.1	(1) Total energy consumed; (2) Percentage of grid electricity; (3) Percentage renewable; (4) Total self-generated energy	Quantitative	87
Water Management	EM- RM-140a.1	(1) Total water withdrawn and reused; (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	87
	EM- RM-140a.2	Number of incidents of noncompliance associated with water quality permits, standards and regulations	Quantitative	88-89
	EM- RM-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Quantitative	88-89
Hazardous Waste Management	EM- RM-150a.1	Amount of hazardous waste generated; percentage recycled	Quantitative	88-89
	EM- RM-150a.2	(1) Number of underground storage tanks (USTs); (2) Number of UST releases requiring cleanup; (3) Rate of accident occurrence related to USTs in regions with UST financial assurance funds	Quantitative	86
Community Relations	EM- RM-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	Qualitative	28-29
Employee Health & Safety	EM- RM-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	92-93
	EM- RM-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Qualitative	46-52
Safety & Environmental Stewardship of Chemicals	EM- RM-410b.1	(1) Percentage of products containing Globally Harmonized System (GHS) of Classification and Labeling of Chemicals Category 1 and 2 Health and Environmental Hazardous Substances; (2) percentage of such products that have undergone hazard assessment	Quantitative	-
	EM- RM-410b.2	Discussion of strategies to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Qualitative	38-39
Management of the Legal & Regulatory Environment	EM- RM-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Qualitative	38-39
Operational Safety, Emergency Preparedness & Response	EM- RM-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	92
	EM- RM-540a.2	Number of transport incidents	Quantitative	89

Third-Party Verification Statement

To readers of Korea National Oil Corporation Sustainability Report

Introduction

NICE D&B Co., Ltd. (hereinafter referred to as the "Assurer") was commissioned by KOREA NATIONAL OIL CORPORATION to conduct an independent assurance of its Sustainability Report 2025 (hereinafter referred to as the "Report"). The responsibility for all information and statements included in the report lies with the management of KOREA NATIONAL OIL CORPORATION. The assurer's responsibility is to perform an assurance engagement as agreed upon in our agreement with KOREA NATIONAL OIL CORPORATION and issue an assurance statement.

Competence and Independence

The assurer is composed of members who have accumulated long-term experience in sustainability, with deep understanding of the assurance standard methodology. The assurer has no other contract with KOREA NATIONAL OIL CORPORATION and did not provide any services to KOREA NATIONAL OIL CORPORATION that could compromise the independence of our work.

Scope and Standards

The assurance was conducted in accordance with the international verification standard AA1000AS v3 and applied a Moderate level of assurance. The assurance criteria were based on the AA1000AP(2018) principles of Inclusivity, Materiality, Responsiveness, and impact. The assurance followed a Type 1 to assess whether these principles were applied in the preparation of the report. In addition, for the eight key material topics selected by KOREA NATIONAL OIL CORPORATION, a Type 2 was applied to verify the quality and reliability of the disclosed information.

Type 2 assurance was applied to the following GRI Topic-specific Standards:

- GRI 205-2-3
- GRI 302-1, 302-3-4, 304-2, 305-1-2, 305-4-5
- GRI 401-1, 401-3, 403-1-7, 403-9-10, 404-1-3, 413-1-2

The scope of the verification applied to the report is as follows:

- Report contents during the period from January 1st 2024 to December 31st 2024
- Appropriateness of the selection of key issues based on materiality assessments
- Major contents included in the report, such as the company's strategies, activities, and performance related to specific sustainability information
- Validity of the processes for measuring and collecting selected information based on sampling

Assessment on the Application Level of GRI Standards

The assurer confirmed that the report by KOREA NATIONAL OIL CORPORATION was prepared in accordance with the GRI Standards and that there were no inappropriate elements based on the materials presented by KOREA NATIONAL OIL CORPORATION in relation to the Universal Standards and Topic Specific Standards.

Universal Standards

Topic Specific Standards

- Economic: 201-3(Economic Performance), 203-1(Indirect Economic Impacts), 204-1(Procurement Practices), 205-2-3(Anti-corruption)
- Environmental: 303-4-5(Water and Effluents), 304-2(Biodiversity), 305-1-2, 305-4-5, 305-7(Emissions), 306-2-5(Waste)
- Social: 401-1, 401-3(Employment), 403-1-7, 403-9-10(Occupational Health and Safety), 404-1-3(Training and Education), 405-1-2(Diversity and Equal Opportunity), 413-1-2(Local Communities), 418-1(Customer Privacy)

Third-Party Verification Statement

Conclusion and Opinion

Based on the document reviews and on-site inspections, the assurer had several discussions with KOREA NATIONAL OIL CORPORATION on the revision of the Report regarding the reporting principles, and reviewed the final report after incorporating recommendations for revisions and improvements. The verification results confirm that the report has been prepared in accordance with the GRI Standards, and no inappropriate aspects were found in relation to the compliance with the principles outlined in AA1000AP (2018). The assurer's opinions on the principles are as follows:

• Inclusivity

KOREA NATIONAL OIL CORPORATION has stakeholder engagement processes in place that involve key stakeholders such as customers, shareholders and investors, partners in the supply chain, affiliated companies, government agencies, local communities, employees who are directly or indirectly affected by its operations. It has established channels to identify and communicate with these stakeholders to reflect their core needs in decision-making.

• Materiality

KOREA NATIONAL OIL CORPORATION conducted a double materiality assessment in accordance with the implementation guidance of the European Sustainability Reporting Standards (ESRS) to identify key important reporting issues that need to be managed in relation to sustainable management. The assessment included analysis of global ESG standards based on business characteristics, and surveys conducted with internal stakeholders and external ESG experts. Based on an evaluation of the potential impacts, risks, and opportunities to the KOREA NATIONAL OIL CORPORATION, eight key issues were identified and appropriately disclosed in the report.

• Responsiveness

KOREA NATIONAL OIL CORPORATION has established management directions and ESG strategic tasks for each of the eight key issues identified, and reported on the detailed actions and performance related to these tasks.

• Impact

KOREA NATIONAL OIL CORPORATION identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

Sep 2025 Seoul, Korea

CEO **Oh, Gyu Geun**



Awards and Associations

Date	Award	Organization
February 2020	Officially commended from the Minister of National Defense for contribution to integrated defense	Ministry of Trade, Industry, and Energy
March 2020	Officially commended in celebration of the 64th anniversary of the Korea Exchange	Korea Exchange
March 2020	Officially commended for contribution to integrated defense operations	Gyeonggi- do
December 2020	Won the Minister's commendation for information disclosure	Ministry of the Interior and Safety
December 2020	Won the Prime Minister's commendation for excellence in national core-based disaster management evaluation	Ministry of the Interior and Safety
December 2020	Won the Minister's commendation in 2020 for outstanding information security audit	Ministry of Trade, Industry, and Energy
December 2020	Won Presidential Commendation for contribution to integrated defense (Yongin Office, KNOG)	United Defense Headquarters
December 2020	Won the Prime Minister's commendation for civil defense service	Ministry of the Interior and Safety
January 2021	Won the Minister's commendation for information disclosure	Ministry of the Interior and Safety
October 2021	Won the 11th Excellent Paper Award by the Journal of the Korean Society of Mineral and Energy Resources Engineers in 2021	Korea Industrial Safety Association
November 2021	59th anniversary firefighting day commendation by regional group head	Ulsan Metropolitan City
December 2021	Outstanding Organization for 10 Consecutive Years of Greenhouse Gas Reduction under the Public Sector Greenhouse Gas Target Management System	Ministry of Environment
March 2022	Disaster Resource Collaboration Commendation	Chungcheongnam- do
December 2022	Commendation for Contributions to Mutual Cooperation	Ulsan Jung-gu Office
December 2022	Commendation for Contributions in Response to the COVID-19 Crisis	Ulsan Metropolitan City
December 2022	2022 Traditional Market ESG Outstanding Coexistence Activity Contest Excellence Award	Ministry of SMEs and Startups
December 2022	Minister's Commendation for Establishing the Urea Solution Sales information Disclosure System	Ministry of Environment
November 2023	Commendation for Supporting PSM (Process Safety Management) Consulting for SMEs	Central Regional Employment and Labor Office
November 2023	Commendation for Internal Audit Activities	Board of Audit and Inspection of Korea
December 2023	Excellence Award in the National Key Infrastructure Disaster Management Evaluation	Ministry of the Interior and Safety
December 2023	Commendation for Outstanding Disaster Management Institution	Ministry of Trade, Industry, and Energy
February 2024	Commendation for Excellent R&D Investment Performance and Outcomes in Response to 2023 Public Institution R&D Investment Recommendations	Ministry of Science and ICT
June 2024	Commendation for Contribution to the Promotion of Blood Donation Culture in Celebration of the 2024 Blood Donor Day	Ulsan Metropolitan City
June 2025	Minister's Award for Excellence in National Records Management	Ministry of the Interior and Safety

Membership of Associations and Organizations

UN SDGs	Korean Association for Public Administration	Korean Society of Earth and Exploration Geophysicists	Geological Society of Korea	UNGC (United Nations Global Compact)
Korea Public Institution Audit Association	Korea Environmental Preservation Association	Onsan Industrial Complex Safety Management Council	World Gas Conference Korea	Korean Society of Public Enterprises
Korea Industrial Safety Association	Korea CCUS Association	Ulsan Integrity Society Public-Private Council	Emergency Planning Council (Ministry of Trade, Industry and Energy)	Korea Industrial Technology Association
Korean Society of Economic and Environmental Geology	East of England Energy Group (EEEGR)	Ulsan Metropolitan City Regional Innovation Council	Korean Society of Soil and Groundwater Environment	Korea New and Renewable Energy Association
World Energy Council Korea	Institute of Internal Auditors Korea	SME Technology Market Energy Council	Korea Wind Energy Industry Association	Korea Electrical Engineers Association
World Petroleum Council Korea	Korea Customs Logistics Association	Korea Hydrogen Alliance	Korea Overseas Resources Development Association	Oil and Gas UK(OGUK)
Korean Association of Occupational Health Nurses	Korea Fire Safety Institute	Netherlands Oil & Gas Exploration & Production Association	Energy Public Enterprise Technology Innovation Council	Ulsan Public Institution Auditors Council (ULGAM)
Korean Society for Quality Management	Korean Society of Mineral and Energy Resources Engineers	Korean Dietetic Association	Korea New and Renewable Energy Association	Ulsan Metropolitan City Major Public Institutions Council

2025 Korea National Oil Corporation Sustainability Report

This report is available for online viewing and download on the Korea National Oil Corporation website.
For any questions or feedback regarding the report, please contact us using the information below.

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