

YG ENTERTAINMENT SUSTAINABILITY REPORT 2026



OVERVIEW OF THIS REPORT

Report Overview

Since 2023, YG Entertainment has published its annual sustainability report to provide stakeholders with a transparent account of its key ESG strategies and performance in implementing them. YG Entertainment will continue to develop mid- to long-term ESG strategies to support sustainable growth and actively incorporate stakeholder feedback into its business activities.

Reporting Period and Scope

This report covers YG Entertainment's key sustainability and ESG-related risks and opportunities, response strategies, and data from January 1 to December 31, 2025. For certain qualitative data and material topics, the report includes data through the first half of 2026, with relevant details indicated. Financial data are based on the consolidated financial statements presented in the annual business report. Unless otherwise noted, ESG data cover YG Entertainment's domestic operations, excluding accommodations. The greenhouse gas (GHG) emissions data cover YG Entertainment's domestic operations and selected consolidated subsidiaries, including YG PLUS and YG JAPAN within the calculation boundary.

Reporting Cycle

Published annually (around June each year)

Reporting Standards and Principles

This report has been prepared with reference to the sustainability disclosure standards of the Korea Sustainability Standards Board (KSSB) and is structured around the four pillars of sustainability disclosure—governance, strategy, risk management, and metrics and targets. It also presents progress on key ESG issues with reference to the GRI Standards 2021, a global sustainability reporting framework, and the SASB Media & Entertainment disclosure requirements. Unless otherwise noted, financial data are based on the consolidated financial statements prepared in accordance with Korean International Financial Reporting Standards (K-IFRS).

Independent Assurance of the Report

To ensure the accuracy, objectivity, and reliability of both the reporting process and the information presented, YG Entertainment obtained independent third-party assurance from BSI Group Korea. The assurance was conducted in accordance with the AA1000 Assurance Standard (AA1000AS v3), enhancing the overall credibility and reliability of this report.

Contact

For further information or inquiries regarding this report, please contact us using the information below.

YG Entertainment ESG Team

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**I. ABOUT YG
ENTERTAINMENT**

CEO Message
Corporate Profile
Brand Identity & Business Strategy
Key Products & Artists
2025 Key Performance
Sustainable Concerts

**II. NAVIGATING THE
SUSTAINABILITY
DISCLOSURE**

6 Double Materiality Assessment
7 Material Topic 1.
9 Climate Change Response
10 Material Topic 2.
12 Improving Working Conditions and
13 Employee Benefits
Material Topic 3.
Strengthening Governance
Material Topic 4.
Promoting Compliance and
Ethical Management
Stakeholder Engagement

III. ESG FACTBOOK

Environmental
Social
Governance

IV. APPENDIX

47 GRI Standards 2021
55 SASB Index
76 Independent Assurance Statement
GHG Emissions Assurance Statement

CONTENTS

ABOUT YG ENTERTAINMENT

CEO MESSAGE	6
CORPORATE PROFILE	7
BRAND IDENTITY & BUSINESS STRATEGY	9
KEY PRODUCTS & ARTISTS	10
2025 KEY PERFORMANCE	12
SUSTAINABLE CONCERTS	13

CEO MESSAGE

Dear valued stakeholders,
I am Yang Min-suk, CEO of YG Entertainment.

The 2026 Sustainability Report outlines YG Entertainment's environmental, social, and governance (ESG) performance and achievements over the past year, as well as our strategic direction for the years ahead.

First, we continue to take concrete action on climate change.

Guided by our mid- and long-term Carbon Neutrality Roadmap, we systematically manage energy use and GHG emissions, while exploring practical measures to reduce our environmental footprint across our operations. Recognizing the unique nature of the entertainment industry, we are closely examining the environmental impacts of our concerts and continuing to refine our management framework to better address these impacts and enable ongoing improvement. Building on this progress, in June 2026, we published our second Sustainable Concert Report to share our efforts to advance sustainability across our concert operations.

Second, we are further strengthening a people-oriented management framework.

By strengthening our human rights management strategy, we are working to safeguard the rights of key stakeholders, including artists and trainees. We are also continuing to improve our systems by listening to diverse voices and reflecting their perspectives. As an entertainment company, we aim to share positive messages throughout society through our content and culture and contribute to building a more sustainable ecosystem through our CSR campaign, YG WITH.

Third, we continue our efforts to establish transparent and trusted governance.

Through our Board-level ESG governance, we continue to strengthen our approach to sustainability and responsible decision-making. We will continue to enhance our governance systems and practices, while upholding transparency, accountability, and sound corporate governance.

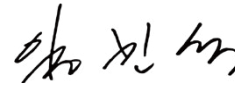
Building on the unique power of culture, YG Entertainment will continue to work with everyone who loves its music and content to extend its positive impact and help build a better world. In doing so, we will seek to create meaningful social change and further strengthen the foundation for sustainable growth.

Your continued interest and support are deeply appreciated.

Thank you.

June 2026

Yang Min-suk, CEO, YG Entertainment

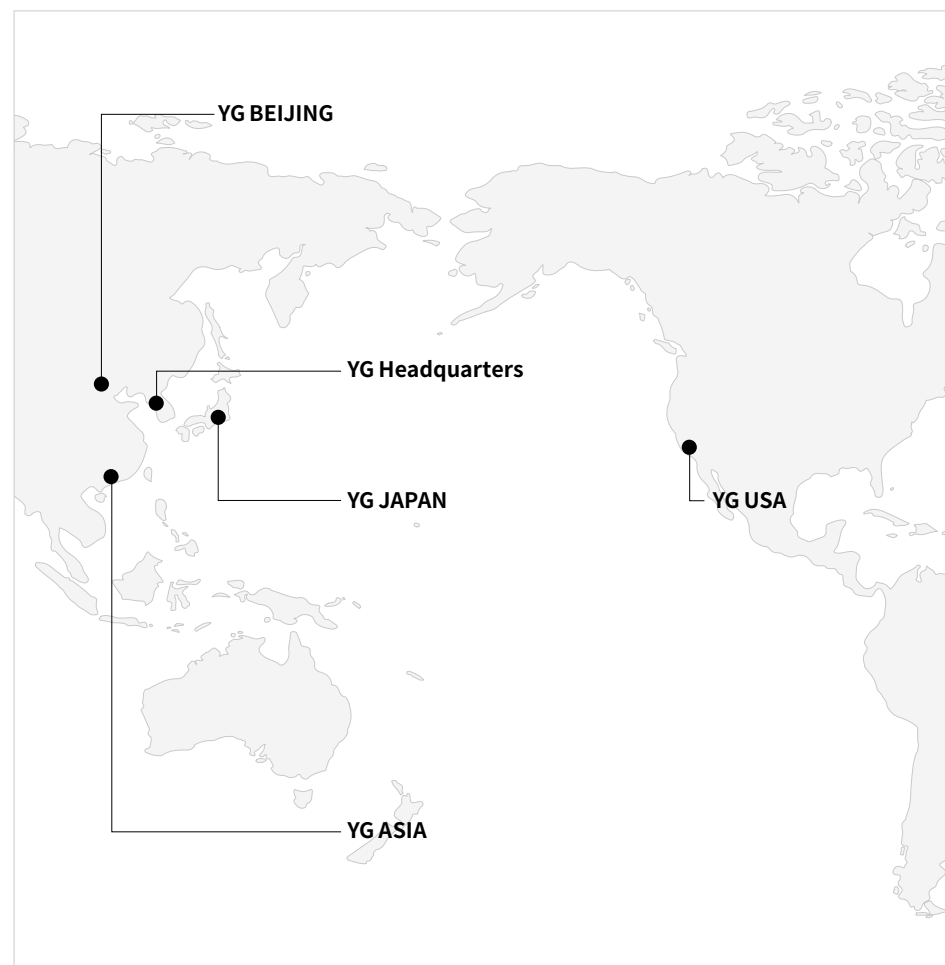


CORPORATE PROFILE

YG Entertainment connects with fan communities around the world through a commitment to cultural diversity and respect, playing a leading role in the growth of the global entertainment industry. Since its establishment in 1998, YG Entertainment has built a solid foundation in artist management, recorded music, and live performances, and continues to drive growth through diversified IP-based business models spanning areas such as gaming and broadcasting. With distinctive in-house production capabilities and a strong artist development system, YG Entertainment has built a clear competitive edge in content creation and is expanding its influence across global markets.

Company Name	YG Entertainment Co., Ltd.
Headquarters Location	7 Huiujeong-ro 1-gil, Mapo-gu, Seoul
CEO	Yang Min-suk
Establishment Date	February 24, 1998
Main Business	Albums/DVDs, digital content including music, concerts, and music services
(As of December 31, 2025)	
Number of Employees	438
Assets (Consolidated)	KRW 838.8 billion
Equity (Consolidated)	KRW 650.8 billion
Revenue (Consolidated)	KRW 545.4 billion
Liabilities (Consolidated)	KRW 187.9 billion
Operating Profit (Consolidated)	KRW 71.3 billion

Global Network



CORPORATE PROFILE

Company History

The ORIGIN

1996 ~ 2005

- 1996** Establishment of Hyun Agency
- 1997** JINUSEAN
- 1998** Establishment of Yanggun Agency and its incorporation
1TYM
- 2001** Company renamed as YG ENTERTAINMENT
- 2002** WHEE SUNG
- 2003** SE7EN, GUMMY, BIG MAMA

The MOMENTUM

2006 ~ 2011

- 2006** BIGBANG
- 2007** Establishment of YG JAPAN
- 2009** 2NE1
- 2010** PSY
- 2011** IPO (KOSDAQ)

The EXPANSION

2012 ~ 2019

- 2012** Establishment of YG ASIA
EPIK HIGH
LEE HI
- 2013** Establishment of YG USA and YG BEIJING
- 2014** Acquisition of YG PLUS
AKMU, WINNER
- 2015** iKON
- 2016** BLACKPINK
Establishment of YG INVESTMENT

The NEXT

2020 ~ Present

- 2020** TREASURE
- 2021** Relocation to new HQ
- 2022** Establishment of FOREST FACTORY
- 2024** BABYMONSTER
- 2026** 30th Anniversary of YG Entertainment

BRAND IDENTITY & BUSINESS STRATEGY

Brand Identity

YG Entertainment creates brand experiences rooted in its distinctive cultural content and seeks to grow as a global brand that inspires audiences worldwide. Embracing change with a bold mindset, YG Entertainment continues to set new cultural trends and bring its brand value to life through authentic engagement with audiences.

Statement

VIBE THE NEW FLOW

Vision

CREATE EXPERIENCE, EVOKE
INSPIRATION

Spirit

TO BE CREATIVE

Key Values

FORWARD

“Constantly evolving based on forward-thinking ideas, setting trends, and leading the times.”

DISTINCT

“Offering differentiated brand experiences through distinct characteristics that set YG Entertainment apart from others.”

COLLECTIVE

“Presenting high-quality outcomes through community-minded thinking and collaboration.”

Business Strategy

YG Entertainment is pursuing core business priorities centered on expanding its influence in global markets, discovering next-generation artists, advancing its production capabilities, and broadening the use of artist IP through a One Source Multi-Use (OSMU) strategy.

New Artist Development and Production

YG combines a specialized casting and training system with in-house production capabilities to create high-quality content, while leveraging its capabilities across the organization to develop next-generation artists with the potential to lead the market.

One Source Multi Use Strategy

YG extends the value of artist IP into a wide range of industries, including broadcasting, merchandising, character licensing, gaming, and advertising, thereby diversifying its business portfolio and maximizing synergies across its business.

Global Market Expansion

Building on its strong global fan base, YG continues to broaden its reach beyond Korea, Japan, Southeast Asia, and China into Europe and North America, steadily expanding its market influence.

KEY PRODUCTS & ARTISTS

Key Products and Services

YG Entertainment's revenue streams include recorded and digital music, concerts, content services, and IP-based businesses. Together, these interconnected areas support the company's sustainable growth.

MUSIC

With its unmistakable musical identity, YG continues to lead K-pop trends. From planning and production to distribution, YG maintains a high standard of content quality at every stage, offering global fans distinctive experiences and inspiration.

ADVERTISEMENT

YG combines the artistry of its artists with each brand's identity to create powerful synergies. Through collaborative projects across a range of media channels, YG offers consumers new brand experiences.

CONCERT

YG connects with fans around the world through concerts across online and offline formats, expanding the concert experience beyond the limits of time and place. Backed by powerful stage production capabilities, YG creates an environment that enables meaningful connections between artists and fans.

GLOBAL BUSINESS

Through strategic partnerships with major global platforms and leading local companies, YG creates new business opportunities across global markets.

IP BUSINESS

Using its global artist IP, YG is expanding fan touchpoints through a diverse portfolio of products, including character products, games, and F&B, that extend into everyday life. YG also continues to expand its IP business model by integrating the latest digital technologies.

KEY PRODUCTS & ARTISTS

YG Entertainment's Artists

Since its founding, YG Entertainment has contributed to the expansion of the popular culture industry and produced numerous artists. Through creative content, YG continues to engage with global fan communities. The following artists are part of YG Entertainment and share the company's cultural values.



BLACKPINK



TREASURE



BABYMONSTER



WINNER



EUN JIWON

2025 KEY PERFORMANCE

1 Advancing the Sustainable Concert Framework and Disclosure

In 2025, YG Entertainment developed its own Sustainable Concert Venue Standard, a structured set of guidelines designed to extend sustainability practices to concert venues, setting a new benchmark for the entertainment industry. The company also expanded the scope of its greenhouse gas (GHG) emissions accounting beyond concerts in Korea to include overseas concerts. Building on this progress, the company published the Sustainable Concert Report in June 2026, providing stakeholders with a transparent account of its sustainability performance and key outcomes across its concert operations.

2 Climate Response and Progress Toward Carbon Neutrality

In 2025, YG Entertainment achieved RE100 by transitioning 100% of the electricity used at its major business sites to renewable energy. The company also participated in the CDP environmental disclosure and received a score B(Management). The company continues to build the mid- and long-term foundation needed to achieve its 2040 carbon neutrality target, while expanding the scope of its GHG emissions accounting to include certain consolidated subsidiaries, including YG JAPAN and YG PLUS.

3 Strengthening Sustainability Governance

Through the ESG Committee under the Board of Directors, YG Entertainment maintains a strategic decision-making framework for sustainability issues. The company also supports the Board in strengthening its expertise through training for independent directors. In addition, the company operates a Board evaluation system to assess the effectiveness of Board operations and enhance the credibility of its governance structure.

4 Establishing a Human Rights Management Framework

In May 2026, YG Entertainment revised its Human Rights Management Policy and established a mid- to long-term human rights management strategy. The revised policy further strengthens the protection of the rights of key stakeholders, including artists and trainees, while reflecting relevant laws, regulations, and industry trends in Korea and globally. The company also strengthened its implementation framework, including the human rights impact assessment process, laying the groundwork for more substantive human rights management practices.

5 Expanding CSR Initiatives

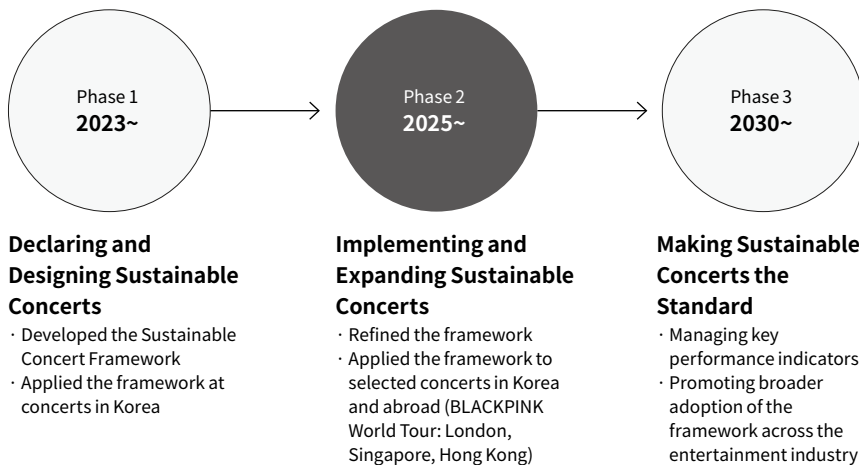
Through the YG WITH campaign, YG Entertainment carried out a range of corporate social responsibility initiatives, including efforts to expand access to cultural experiences, support underserved groups, and encourage artists to participate in campaigns for social good. In 2025, the company established a mid- and long-term CSR strategy, setting a structured and sustainable direction for its contribution to society.

Sustainable Concerts

2026 Sustainable Concert Report

In June 2026, YG Entertainment published its 2026 Sustainable Concert Report on its website, which outlines the sustainable concert activities and key outcomes. To systematically manage the environmental and social impacts of its concerts, YG Entertainment established seven principles for sustainable concerts and has been building its Sustainable Concert Framework around them since 2023. The company has undertaken a range of initiatives to improve the environmental performance and accessibility of its concerts. These include calculating GHG emissions associated with concerts in Korea and abroad, including audience travel; renewable energy certificates; assigning dedicated accessibility staff to assist audience members with disabilities; and creating venue accessibility maps. In line with its 2030 Sustainable Concert Roadmap, the company also expanded the application of the framework to selected overseas concerts in 2025. The company will continue to gradually extend the Sustainable Concert Framework to concerts in Korea and abroad, leading sustainable change and promoting broader adoption across the entertainment industry. More information on its sustainable concert initiatives is available in the 2026  Sustainable Concert Report on YG Entertainment website.

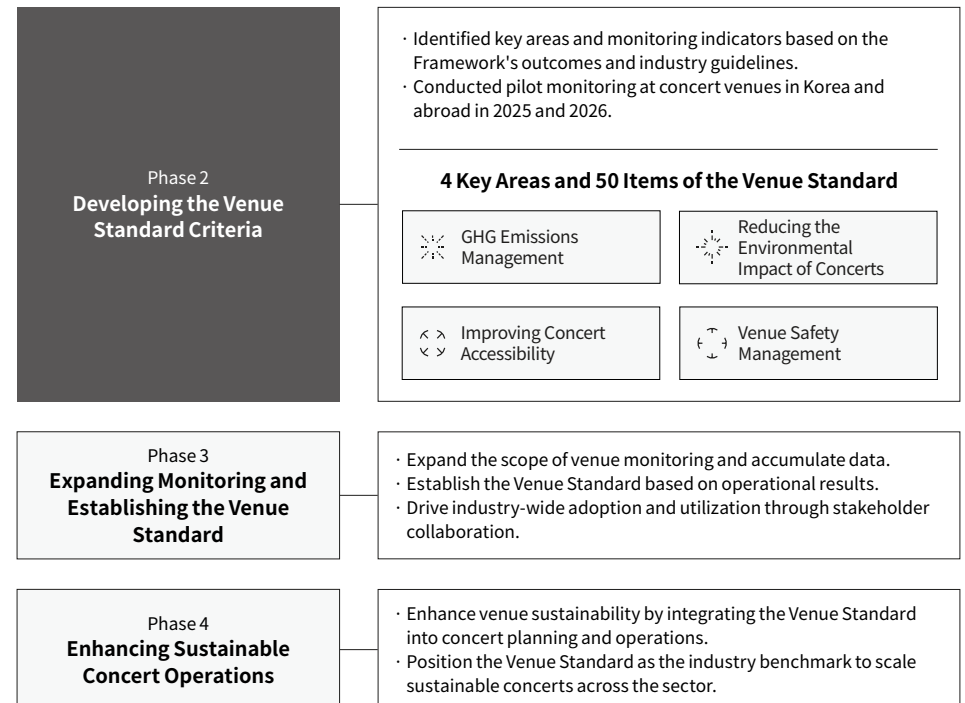
Sustainable Concert Roadmap



Establishing the Sustainable Concert Venue Standard

Recognizing that venue infrastructure and operating conditions are key factors in determining the sustainability of concerts, YG Entertainment developed the Sustainable Venue Standards. The Standards serve as venue assessment criteria derived from its Sustainable Concert Framework and sustainability-related guidelines from the global MICE industry.* In 2025 and 2026, the company conducted pilot monitoring at selected venues as part of its global concert operations to validate the Standards. The company plans to expand monitoring, analyze operational data, identify key indicators, and establish more refined venue sustainability standards.

* MICE stands for Meetings, Incentive Travel, Conventions, and Exhibitions.



Sustainable Concerts

Seven Principles of the Sustainable Concert Framework

YG Entertainment is building a sustainable concert management framework that helps create environmental and social value through its concerts. Introduced in 2023, the Sustainable Concert Framework consists of seven principles and checklists for monitoring progress under each principle. Through collaboration with a wide range of stakeholders, the company continues to enhance its sustainable concert operations across these seven areas. To visually represent the seven principles, a dedicated symbol was developed for each principle.

01 GHG Emissions Management



Light gradually narrows as it converges.

02 Improving Concert Accessibility



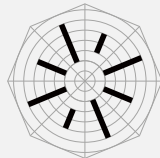
Different angles coexist within a unified form.

03 Fan Engagement



Light gathering toward the center from different directions.

04 Embracing Positive and Respectful Content



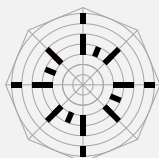
Light fragments spreading from the center in multiple directions.

05 Venue Safety Management



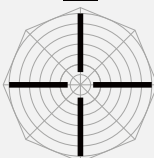
Light surrounding and safeguarding the center.

06 Reducing Environmental Impact of Concerts



Light gathering toward a shared goal.

07 Sustainable Concert Governance



Light encompassing the entire form.

Our Sustainable Concert Activities

More information on YG Entertainment's sustainable concert activities is available on its [website](#).

Framework	Key Activities	Framework	Key Activities
GHG Emissions Management	GHG Emissions Accounting - Calculated emissions from concerts in Korea in 2025–2026 and expanded emissions accounting to overseas concerts (10 concerts across 8 cities) Audience Engagement and Awareness - Conducted 12 audience emissions calculations, with cumulative participation by 34,755 audience members (as of January 2026) - Provided guidance on GHG reduction activities - Operated a climate action booth GHG Emissions Management - Established a foundation for reducing GHG emissions from concerts - Purchased 900 MWh of Peace Renewable Energy Credits (P-RECs)	Embracing Positive and Respectful Content	Content Management - Conducted on-site reviews of content appropriateness - Complied with content guidelines - Conducted pre-screening of content - Provided pre-event training for global activities
Improving Concert Accessibility	Ticketing and Information Support - Produced accessibility videos - Provided notices for audience members with visual impairments on ticketing pages - Operated a pre-registration system for accessibility assistance - Created accessibility maps in Korean and English - Supported global fans, including assistance in obtaining transportation cards On-Site Concert Support - Introduced dedicated accessibility staff - Operated third-party monitoring - Introduced real-time captioning - Introduced sensory bags for audience members	Venue Safety Management	Safety Management Framework - Established an emergency preparedness system - Established safety management governance - Developed and enhanced the Venue Safety Guide Safety in Concert Production - Conducted ongoing on-site risk assessments at concert venues and implemented improvements to identified risk factors - Provided safety equipment to business partners On-Site Safety Operations - Collected feedback from on-site stakeholders - Provided audience flow guidance and medical support
Fan Engagement	Respect for Fans - Provided audience rest areas - Improved audience mobility through shuttle and loop bus services Audience-Friendly Concert Experience - Operated interactive on-site events	Reducing Environmental Impact of Concerts	Resource Circulation - Installed recycling bins - Monitored resource circulation practices - Provided waste disposal guidelines
Embracing Positive and Respectful Content	Enhancing the Content Experience for Global Audiences - Provided multilingual concert content and information - Operated a multilingual information center	Sustainable Concert Governance	Publication of Sustainable Concert Reports - Published the 2024 Sustainable Concert Report in Korean and English - Published the 2026 Sustainable Concert Report in Korean and English Sustainable Concert Policies and Guidelines - Established the Sustainable Concert Declaration - Developed an accessibility guide - Developed the Venue Safety Guide and implemented it at concert venues - Developed human rights and compliance guidelines Sustainable Concert Awareness Surveys - Conducted a fan awareness survey with 3,910 participants (February 2026) - Conducted a fan awareness survey with 3,300 participants (January 2024) Collaboration with Diverse Stakeholders

NAVIGATING THE SUSTAINABILITY DISCLOSURE

DOUBLE MATERIALITY ASSESSMENT	16
MATERIAL TOPIC 1.	19
CLIMATE CHANGE RESPONSE	
MATERIAL TOPIC 2.	31
IMPROVING WORKING CONDITIONS AND EMPLOYEE BENEFITS	
MATERIAL TOPIC 3.	34
STRENGTHENING GOVERNANCE	
MATERIAL TOPIC 4.	40
PROMOTING COMPLIANCE AND ETHICAL MANAGEMENT	
STAKEHOLDER ENGAGEMENT	44

Double Materiality Assessment

Double Materiality Assessment Process

YG Entertainment conducts a materiality assessment each year to systematically identify and manage key ESG issues across its business, and integrates the findings into its management strategies and overall business practices. The company conducted a Double Materiality Assessment that considers both Impact Materiality, which assesses the impacts of its business activities on the environment and society, and Financial Materiality, which assesses the impacts of external factors on the company's financial position. Led by the ESG Team, the company identified material topics through a review of global disclosure standards, peer benchmarking, and internal and external business environment analyses. The resulting material topics were reported to management and finalized with approval from the ESG Committee under the Board of Directors.

Step 1. Developing the ESG Issue Pool

Analysis of Global Standards and Initiatives

Analyzed Korean and global disclosure standards and indicators to identify YG Entertainment's ESG management activities and key ESG issues relevant to the entertainment industry

- GRI Standards 2021
- UN SDGs
- SASB
- Korea Sustainability Disclosure Standards (KSSB)

Development of the ESG Issue Pool (18 Issues)

Step 2. Analysis of the Business Environment and Trends

Peer Benchmarking

Compared and analyzed key ESG issues of Korean and global industry peers

Media Analysis

Analyzed the frequency of media coverage related to YG Entertainment's ESG issues

- Period: January 1–December 31, 2025
- Analyzed 1,633 relevant articles out of a total of 2,510 articles reviewed

Step 3. Stakeholder and Financial Impact Analysis

Incorporating Shareholder and Investor Interest

Analyzed key investor inquiries related to ESG issues

Assessment of Financial Resource Allocation

Analyzed actual investments and financial activities related to ESG issues based on public disclosures, including annual business reports and sustainability reports

Step 4. Management and Reporting of Material Topics

Selection of Material Topics (4 Topics)

Selected four material topics by integrating the results of the Impact Materiality and Financial Materiality assessments

Reporting to Management and ESG Committee Approval

Reported the selected material topics to management and obtained approval from the ESG Committee under the Board of Directors.

Double Materiality Assessment

Materiality Assessment Results

As a result of the materiality assessment, YG Entertainment identified four material topics as top priorities from the perspectives of business sustainability and environmental and social impacts. This report presents the key activities and outcomes related to these material topics, including Climate Change Response, Improving Working Conditions and Employee Benefits, Strengthening Governance, and Promoting Compliance and Ethical Management. The company will continue to proactively identify sustainability-related risks and opportunities that may affect corporate value and further refine its materiality assessment methodology to provide stakeholders with meaningful information.

Category	Topic	Impact Materiality	Financial Materiality
Environment	Climate Change Response	●	●
Social	Improving Working Conditions and Employee Benefits*	●	●
Economy/Governance	Strengthening Governance	●	●
Economy/Governance	Promoting Compliance and Ethical Management	●	◐

●: High, ◐: Medium, ○: Low

* "Improving Working Conditions and Employee Benefits" was newly identified as a material topic.

Double Materiality Assessment

YG Entertainment manages the four material topics identified through the materiality assessment with reference to the disclosure standards of the Korea Sustainability Standards Board (KSSB). For each topic, the company implements a management approach and related activities based on the four pillars of Governance, Strategy, Risk Management, and Metrics and Targets.

Material Topic	Governance	Strategy	Risk Management	Metrics and Targets
Climate Change Response	- Establishing and implementing environmental management principles and policies - Reporting progress on carbon neutrality and RE100 implementation to the ESG Committee - Submitting detailed carbon neutrality action plans to the ESG Committee for review and approval	[Transition Risks] - Addressing carbon taxes and emissions trading schemes - Requests for information on GHG emissions and product carbon footprints [Physical Risks] - Disruptions to business operations caused by extreme weather events, including heavy rainfall, hail, heavy snow, heat waves, and increased heat stress [Opportunities] - Enhancing brand reputation through proactive climate response and improved environmental performance of products	- Establishment of a carbon neutrality strategy, including GHG emissions accounting for concerts, implementation of emissions reduction activities, installation of building-integrated photovoltaic (BIPV) modules, and renewable energy procurement - Monitoring of climate-related laws and regulations in Korea and abroad	- Achieved RE100 in 2025 - GHG emissions in 2025 - Scope 1: 504 tCO₂eq - Scope 2: 0 tCO₂eq (market-based) - Scope 3: 2,508 tCO₂eq - Set a target to achieve carbon neutrality by 2040
Improving Working Conditions and Employee Benefits	- Establishment and implementation of the employee benefits policy - Maintenance of an HR-led employee benefits administration and management system - Reporting employee performance bonuses to the Board through the Compensation Committee	[Risks] - Insufficient employee benefits may lead to the loss of top talent and difficulties in attracting new talent - Changes in labor-related laws and regulations may create compliance risks [Opportunities] - Improvement of employee satisfaction and engagement through systematic operation of employee benefits programs - Stronger talent acquisition and organizational stability through enhanced family-friendly support	- Regular review and revision of the employee benefits policy to ensure it remains up to date - Compliance with relevant laws and regulations, including the Labor Standards Act, and monitoring of regulatory changes - Continuous improvement of employee benefits programs to reflect employee needs	- Employee benefits expenses in 2025: KRW 8.65 billion - Employees who took parental leave 15 employees (2025)
Strengthening Governance	- Enhancing stakeholder trust through fair and transparent Board operations - Operating a process for reporting key ESG matters to the Board for deliberation and approval	[Risks] - Growing burden of addressing expanding ESG disclosure requirements in Korea and other jurisdictions - Potential decline in investor confidence and constraints on capital raising due to insufficient Board independence and transparency [Opportunities] - Sound governance and stronger stakeholder trust through Board-centered responsible management	- Oversight of ESG strategy and implementation progress through the ESG Committee under the Board of Directors - Maintaining a Board composed of a majority of independent directors and operation of a Board evaluation system to strengthen Board independence and expertise - Proactive management of governance risks through stronger communication with shareholders and investors	3 ESG Committee meetings held in 2025 - Training to strengthen the expertise of independent directors 7 sessions in 2025
Promoting Compliance and Ethical Management	- Reporting plans and results for compliance support and anti-corruption activities to the ESG Committee - Appointment of a Compliance Officer and establishment of compliance control standards - Establishing and implementing the Code of Ethics and Anti-Corruption Policy	[Risks] - Legal or regulatory violations may result in financial sanctions, including fines and penalties, as well as litigation risk. - Ethical violations involving employees or artists may disrupt business operations and result in contractual disputes. [Opportunities] - Improvement in corporate trust and brand value through a stronger compliance and ethical management framework	- Acquisition and maintenance of ISO 37301 certification for compliance management and ISO 37001 certification for anti-bribery management - Operating a process to identify and assess compliance risks	- No legal or regulatory violations in 2025 - Compliance and ethics training for employees 6 sessions in 2025

Material Topic 1. Climate Change Response

Climate-Related Business Impacts

As public concern over climate change grows and extreme weather events become more frequent, managing the impacts of climate-related risks on business models and value chains has become a key priority across the entertainment industry.

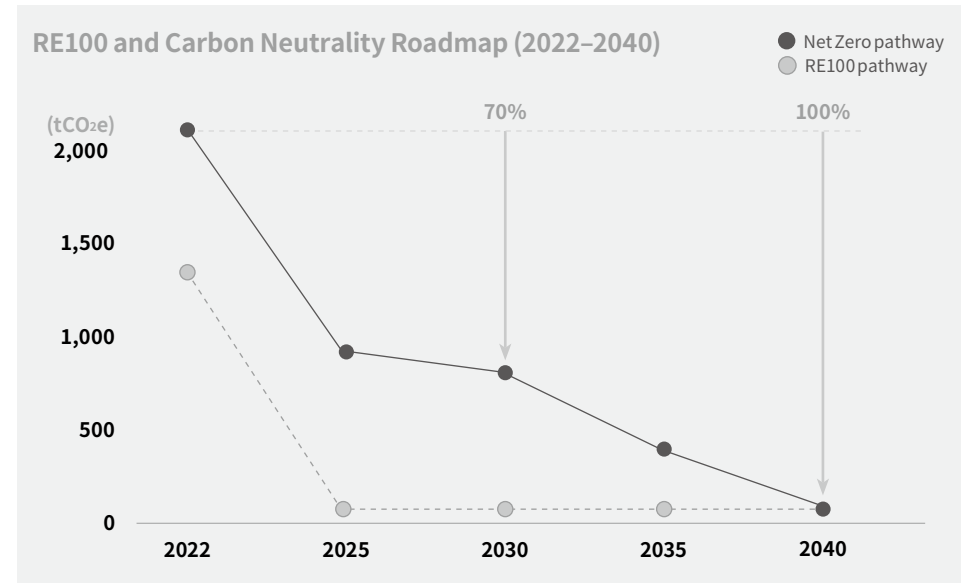
YG Entertainment's core businesses, including the production of physical albums and digital music, concert planning, and IP-based content, are relatively less exposed to the direct effects of climate change due to the nature of the industry. Risks related to raw material supply and production processes are also expected to remain limited.

However, stronger global environmental regulations, including the introduction of carbon taxes, the expansion of emissions trading schemes, and mandatory low-carbon fuel requirements are expected to increase energy costs. The company is also closely monitoring international regulatory trends related to plastic use and disposal in the production of albums and merchandise. In response, YG Entertainment is working to stay ahead of regulatory changes by improving energy efficiency across production processes and concert operations and strengthening plastic reduction initiatives.

YG Entertainment continues to leverage these changes as opportunities to develop more environmentally conscious content and services, create new business opportunities, and support revenue growth.

Carbon Neutrality Roadmap

To proactively address climate-related risks, YG Entertainment has established its 2040 Carbon Neutrality Roadmap and is implementing phased mid- to long-term targets and detailed action plans to reduce greenhouse gas emissions. The company has set a final target of achieving carbon neutrality for Scope 1 and Scope 2 emissions by 2040, with an interim target of reducing greenhouse gas emissions by 70% from the 2022 baseline by 2030. As part of this strategy, the company achieved RE100 in 2025 by transitioning 100% of the electricity used at its business sites to renewable energy through the purchase of Renewable Energy Certificates (RECs) and Green Premiums. Over the mid to long term, the company plans to accelerate the transition of corporate vehicles to low-carbon alternatives, while continuing to reduce emissions through energy efficiency improvements and energy-saving measures across its buildings.



Material Topic 1. Climate Change Response

Climate Change Management Framework

While YG Entertainment is relatively less exposed to climate-related impacts due to the nature of its industry, the company recognizes its role in contributing to global climate response as an important corporate responsibility. Since 2020, the company has established a greenhouse gas (GHG) emissions accounting system and is systematically analyzing its environmental impacts by gradually expanding the scope of emissions accounting from Scope 1 and Scope 2 to Scope 3 emissions.

To effectively manage the impacts of climate-related issues on its business environment, YG Entertainment continuously monitors regulatory changes in Korea and globally, as well as developments in energy technologies. The company also identifies risks and opportunities based on global disclosure frameworks such as TCFD and ESG assessment criteria. The results are reported to the ESG Committee following stakeholder consultation, strengthening its enterprise-wide climate response.

Financial Impacts of Climate-Related Risks and Opportunities

YG Entertainment believes that climate-related risks and opportunities will have a limited impact on its business over the short to medium term. However, if efforts to limit the rise in global average temperatures prove insufficient and extreme weather events become more frequent, the company expects long-term business impacts to increase progressively.

Accordingly, YG Entertainment conducted scenario analyses focusing on key transition risks and physical risks to assess the potential impacts of climate change on its long-term business and financial structure and to proactively manage negative factors. Through these analyses, the company is continuing to strengthen its response framework to prepare for future uncertainties.

Climate Risk Management Process

Step	Procedures and Methods	Frequency
Step 1 Identification of Climate Risks	· Review Korean and global sustainability and climate disclosure requirements and assessment frameworks	Annually
Step 2 Materiality and Impact Assessment of Climate Risks	· Conduct qualitative assessments of the dependencies and impacts of identified risks and opportunities, including stakeholder interviews and expert consultations · Conduct quantitative analyses, including scenario and sensitivity analyses, for risks expected to have a significant impact	Annually*
Step 3 Development of Climate Risk Management Measures and Integration into the Corporate Risk Management Strategy	· Develop risk management measures based on the analysis results and integrate them into the corporate risk management strategy · Consider the results of the financial and impact materiality analyses, together with internal resources and capabilities	As needed**
Step 4 Analysis and Communication of Risk Management Outcomes	· Monitor progress in risk management and analyze the results · Report key achievements and future plans internally and communicate them externally	Annually

* Scenario analysis is generally conducted in line with corporate strategic planning or risk management cycles, but may be performed annually if needed.

** Conducted when there are significant changes that may materially affect the company's business, or when aligned with corporate strategic planning or risk management strategy cycles.

Material Topic 1. Climate Change Response

Identified Climate-Related Risks and Opportunities

Risks and Opportunities		Time Horizon*	Likelihood**	Impact**	Value Chain	Management Strategy
Transition Risks	[Regulatory] Addressing carbon taxes and emissions trading schemes	Long-term	L/M	L	Own operations Upstream	- Establish a 2040 carbon neutrality target and implement emissions reduction activities - Calculate Scope 3 GHG emissions and develop emissions reduction plans
	[Regulatory] Requests for information on GHG emissions and product carbon footprints	Long-term	H	L/M	Own operations Upstream	- Calculate GHG emissions from concerts and develop emissions reduction plans - Plan carbon footprint assessments for albums and merchandise
	[Technology] Transition to low-carbon technologies	Short/Mid/Long-term	H	M/H	Own operations	- Install rooftop solar panels and conduct energy-saving campaigns - Review and pursue renewable energy procurement methods, including power purchase agreements (PPAs)
	[Reputation] Reputational damage due to insufficient climate change response	Mid/Long-term	M/H	M/H	Own operations	- Achieve annual results aligned with carbon neutrality and RE100 goals - Participate in global climate action efforts
Physical Risks	[Acute] Damage to facilities and disruptions to concerts or outdoor filming due to heavy rainfall, hail, heavy snow, and other extreme weather events	Short/Mid/Long-term	H	H	Entire value chain	- Analyze the impacts of weather-related disasters through scenario analysis - Develop sustainable concert and facility safety guidelines
	[Chronic] Safety incidents and higher cooling costs due to heat waves and increased heat stress	Long-term	H	M/H	Entire value chain	- Analyze the impacts of weather-related disasters through scenario analysis - Implement energy efficiency measures and develop measures to manage risks related to electricity price fluctuations
Opportunity	[Market] Enhancing brand reputation through proactive climate response and improvements in product sustainability	Mid/Long-term	H	M/H	Own operations Upstream	- Set 2040 as the target year for achieving carbon neutrality and pursue proactive implementation measures - Develop a sustainability roadmap for albums and merchandise

* Short term: 0–1 year; medium term: 1–5 years; long term: 5 years or longer

** L: Low, M: Moderate, H: High

Material Topic 1. Climate Change Response

Transition Risk

Addressing Carbon Taxes and Emissions Trading Schemes

In 2025, YG Entertainment's GHG emissions for Scope 1 and 2, calculated on a market-based basis, amounted to 504 tCO₂eq, which is relatively low compared with other industries. However, if emissions increase as the business grows and regulatory coverage expands, the company may become subject to GHG reduction obligations. In such cases, costs may increase due to the purchase of emissions allowances and the implementation of related measures. Regulations may also have direct or indirect effects on raw material and intermediate goods costs. To proactively manage these risks, the company has established a company-wide carbon neutrality target and is implementing a range of reduction activities.

In 2025, YG Entertainment worked to reduce energy use across its operations through initiatives such as an internal energy-saving campaign. In addition, mobile combustion decreased by approximately 37.5% year on year following adjustments to its business portfolio, resulting in an approximately 18.2% reduction in Scope 1 emissions compared with the previous year. At present, its use of products and raw materials directly subject to carbon taxes is limited, and the company therefore assesses the related regulatory risk as relatively low.

Transition Risk

Requests for Information on GHG Emissions and Product Carbon Footprints

In the short to medium term, YG Entertainment expects the likelihood of receiving direct requests for carbon footprint information to remain low. However, if the scope of regulation expands and standards become more stringent, the company expects requests from stakeholders for disclosure of such information to gradually increase. This may involve costs related to disclosure preparedness and the establishment of a management framework for product sustainability.

In response to these changes in the external environment, YG Entertainment is gradually expanding the scope of company-wide GHG emissions accounting. Since 2024, the company has calculated Scope 1 and Scope 2 emissions to include emissions from its consolidated subsidiaries, YG PLUS and YG JAPAN. For Scope 3, the company expanded the scope of emissions management in 2025 by calculating emissions for Categories 2, 3, 5, 7, 8, and 13.

For concerts, YG Entertainment has calculated GHG emissions from selected concerts since 2023. This covered 2 concerts in 2023 and 3 concerts in 2024, and in 2025–2026, the company expanded the scope to 10 shows in 8 cities, including overseas shows as part of BLACKPINK's world tour. The company will continue to expand the scope of emissions accounting, taking both internal and external factors into consideration.

Material Topic 1. Climate Change Response

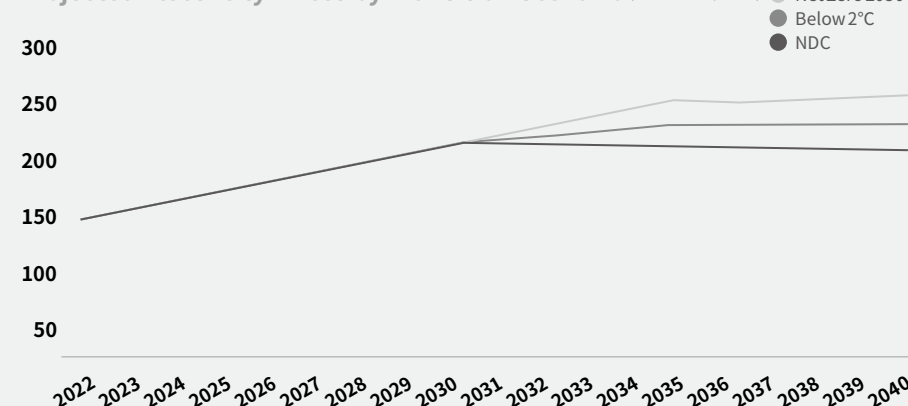
Transition Risk

Transition to Low-Carbon Technologies

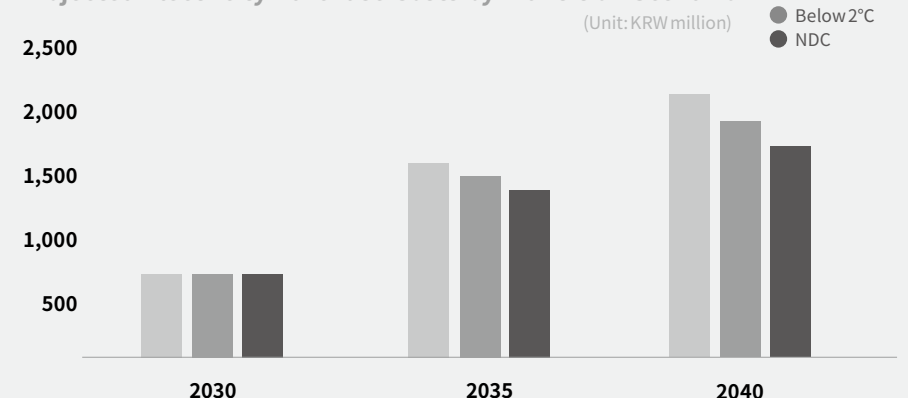
YG Entertainment plans to reduce its greenhouse gas emissions in phases to achieve its 2040 carbon neutrality target. The company is considering a range of measures to prepare for the cost burden associated with reduction activities, including renewable energy purchases, as well as the possibility of higher electricity prices in the future. As a first step, it conducts ongoing maintenance and management of the solar panels installed as part of the initial construction of its new headquarters to maintain its power generation efficiency. The company is also conducting an in-depth review of additional renewable energy procurement options, including power purchase agreements (PPAs), beyond its existing methods. In addition, the company is working to reduce energy use across its operations by converting city gas-powered equipment to electric systems and carrying out energy-saving campaigns for employees.

Among the various transition risks, YG Entertainment considers the potential increase in electricity costs to be a key risk that requires close attention. Retail electricity prices are expected to continue rising amid stronger carbon regulations and the accelerated transition to renewable energy, while cooling demand is also projected to grow due to rising average temperatures and an increase in the number of heatwave days. As higher electricity prices may have a significant impact on its operations, YG Entertainment analyzed the potential financial impacts of electricity price increases under different transition scenarios.

Projected Electricity Prices by Transition Scenario (Unit: KRW/kWh)



Projected Electricity Purchase Costs by Transition Scenario (Unit: KRW million)



Material Topic 1. Climate Change Response

Physical Risk

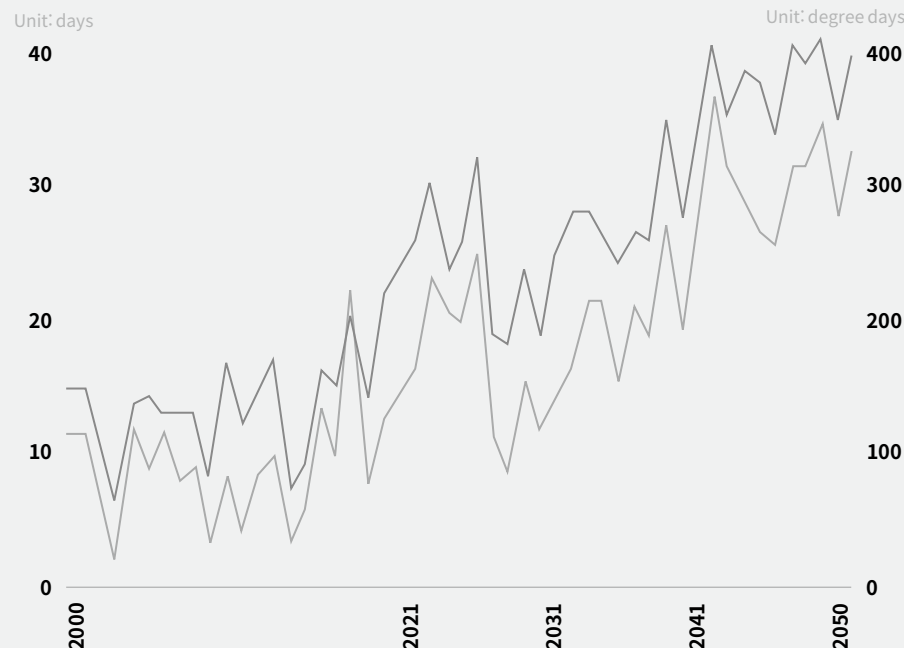
Disruptions to Business Operations Due to Increasing Heat Waves and Heat Stress

As heat waves become more frequent and more intense around the world, the risk of safety incidents during outdoor activities may increase, while cooling costs at its facilities may also rise. Given the nature of the entertainment industry, artists may be exposed to health risks such as exhaustion during summer concert preparations and outdoor filming. At large-scale concerts, audiences may also face health and safety risks, including heat-related illnesses such as heatstroke.

To prevent audience discomfort and safety incidents caused by sudden weather changes, including heat waves, YG Entertainment operates rest areas at concert venues. At WINNER's IN OUR CIRCLE concert in July 2025, the company installed sunshades and large fans outside the venue to create a more comfortable waiting environment in hot weather. During TREASURE's PULSE ON tour in October, the company also operated audience rest areas, providing spaces tailored to on-site conditions.

Meanwhile, rising average temperatures and an increase in the number of heatwave days may lead to higher cooling costs. This burden may be further compounded by continued increases in electricity prices and higher electricity rates during peak demand periods. If the number of heatwave days increases, its electricity use is expected to rise by 407 kWh per year by around 2030 and by approximately 725 kWh per year by around 2050 compared with the current level. To help mitigate the resulting energy costs, the company is implementing campaigns to reduce unnecessary energy use while continuing to explore a range of renewable energy options.

Projected Heat Waves and Cooling Demand under the SSP5-8.5 Scenario



	2000-2019	2021-2030	2031-2040	2041-2050
Heatwave days*	8.8	17.0	18.6	30.2
Cooling degree days**	132.4	245.8	265.5	377.0

* Days with a daily maximum temperature of 33°C or higher

** Sum of the differences between the daily average temperature and the base temperature on days when the daily average temperature exceeds the base temperature. The base temperature for cooling is 24°C.

Material Topic 1. Climate Change Response

Opportunity

Enhancing Brand Reputation through Proactive Climate Response and Improvements in Product Sustainability

YG Entertainment recognizes climate response as part of its corporate social responsibility and is pursuing a range of related efforts. With targets of achieving carbon neutrality by 2040 and RE100 by 2025, the company established and implemented plans ahead of industry peers and achieved RE100 in 2025.

For concerts, YG Entertainment began calculating carbon emissions in 2023, and in 2025 and 2026, the company calculated emissions associated with a total of 10 concerts. Based on these calculations, the company is stepping up its efforts to reduce carbon emissions across its concert operations.

To enhance the sustainability of its products, YG Entertainment uses FSC-certified low-carbon paper, soy-based ink, and PLA materials for selected components and packaging in album production. The company is also reviewing plans to calculate carbon emissions through life cycle assessment (LCA), starting with selected albums. In addition, its artists BABYMONSTER and TREASURE helped raise public awareness and encourage public participation in protecting forests and preventing the extinction of plant and animal species through FSC campaign videos.

Through these activities, YG Entertainment believes it can enhance its reputation as a responsible company committed to climate response, while also contributing to a positive image for its artists.

Material Topic 1. Climate Change Response

Greenhouse Gas Emissions

In 2025, YG Entertainment's market-based Scope 1 and 2 GHG emissions totaled 504 tCO₂eq, representing a reduction of approximately 1,010 tCO₂eq from the previous year. These emissions have continued to decline steadily over the past three years. Scope 3 emissions for 2025 were approximately 2,508 tCO₂eq, following the addition of two categories—capital goods (Category 2) and downstream leased assets (Category 13)—bringing the total number of Scope 3 categories covered to six. The company plans to continue expanding the scope of categories included in Scope 3 emissions accounting.

Category	Unit	2023*	2024*	2025*
Scope 1 Emissions	tCO ₂ eq	759	616	504
Scope 2 Emissions (location-based)	tCO ₂ eq	1,376	1,445	1,492
Scope 2 Emissions (market-based)	tCO ₂ eq	1,344	898	0
Subtotal – Scope 1 and 2 Emissions (market-based)	tCO ₂ eq	2,103	1,514	504
Subtotal – Scope 3 Emissions	tCO ₂ eq	168	416	2,508
- Capital Goods (Buildings, Facilities, etc.) (Category 2)	tCO ₂ eq	-	-	1,983
- Fuel- and Energy-related Activities (Category 3)	tCO ₂ eq	141	143	149
- Waste Generated in Operations (Category 5)	tCO ₂ eq	27	45	149
- Employee Commuting (Category 7)	tCO ₂ eq	-	118	93
- Upstream Leased Assets (Category 8)	tCO ₂ eq	-	110	119
- Downstream Leased Assets (Category 13)	tCO ₂ eq	-	-	15
Scope 1 and 2 Emissions Intensity	tCO ₂ eq/ KRW 100 million	0.37	0.41	0.09

* GHG emissions data for 2023–2025 have been externally verified.

Material Topic 1. Climate Change Response

GHG Emissions of Consolidated Subsidiaries (YG PLUS and YG JAPAN)

YG Entertainment includes YG PLUS and YG JAPAN in its organizational boundary for GHG emissions accounting among its consolidated subsidiaries.

Category	Unit	2023*	2024	2025
YG PLUS				
Subtotal – Scope 1 and 2 Emissions	tCO ₂ eq	220	276	275
Scope 1 Emissions	tCO ₂ eq	32	30	23
Scope 2 Emissions	tCO ₂ eq	188	246	252
YG JAPAN				
Subtotal – Scope 1 and 2 Emissions	tCO ₂ eq	23	22	22
Scope 1 Emissions	tCO ₂ eq	1	0	0
Scope 2 Emissions	tCO ₂ eq	22	22	22

* The 2023 data for YG PLUS and YG JAPAN are based on internally calculated emissions and have not undergone third-party verification.

Material Topic 1. Climate Change Response

Energy Consumption

In 2025, energy consumption totaled 40.2 TJ, a decrease of 1.5% from the previous year. Renewable energy consumption amounted to 31.5 TJ, accounting for 78.4% of total energy consumption.

Category	Unit	2023	2024	2025
Total energy consumption	TJ	42.0	40.8	40.2
Non-renewable energy consumption	TJ	41.0	29.1	8.7
- City gas consumption	TJ	5.7	5.0	5.4
- Diesel consumption	TJ	4.6	3.3	2.3
- Gasoline consumption	TJ	2.2	2.0	1.0
- Purchased electricity consumption	TJ	28.5	18.8	0
Renewable energy consumption	TJ	1.0	11.7	31.5
- On-site solar energy consumption	TJ	0.8	0.3	0.3
- Renewable Energy Certificates (RECs)	TJ	0.2	2.8	15.5
- Green Premium	TJ	0	8.6	15.7
Renewable energy share	%	2.4	28.7	78.4
Energy consumption intensity	TJ/revenue (KRW 100 million)	0.007	0.011	0.007

* Data for 2023 and 2024 have been revised to reflect adjustments to calorific value conversion factors (with no change in installed solar PV capacity) and revisions to the calculation methodology for certain data.

Managing and Reducing Energy Consumption and GHG Emissions

YG Entertainment manages its Scope 1 and 2 GHG emissions and energy consumption in line with its carbon neutrality roadmap. Scope 1 and 2 GHG emissions decreased by approximately 77.9% compared to 2022, the base year for its carbon neutrality target, while energy consumption decreased by approximately 9.5%. In accordance with the 2040 Carbon Neutrality Roadmap, the company has established and implemented plans to reduce GHG emissions and energy consumption. In 2025, Scope 1 and 2 GHG emissions decreased by approximately 66.7% year on year, while energy consumption decreased by approximately 1.5%. The company also established targets to reduce electricity and gas consumption at its office facilities by at least 2% each compared with 2024 and achieved RE100 in 2025.

Category	Unit	YoY Reduction	Reduction from Base Year
Scope 1 and 2 GHG emissions reduction	%	66.7	77.9
Scope 1 GHG emissions reduction	%	18.2	42.7
Scope 2 GHG emissions reduction	%	100	100
Total energy consumption reduction	%	1.5	9.5*

* Total energy consumption in the base year, 2022, was 44.44 TJ.

Material Topic 1. Climate Change Response

Calculation Methodology, Input Parameters and Assumptions

(1) Calculation Methodology

For GHG emissions accounting, the company set its organizational boundary based on the operational control approach, covering all domestic operations and company vehicles of YG Entertainment over which it has a controlling influence. The accounting covers the six major greenhouse gases: CO₂, CH₄, N₂O, HFCs, PFCs, and SF₆. Direct emissions (Scope 1) include stationary combustion and mobile combustion, and emissions from the use of urea solution were also calculated as other GHG emissions. Indirect emissions (Scope 2) include purchased electricity. Other indirect emissions (Scope 3), including six categories—Categories 2, 3, 5, 7, 8, and 13—and emissions from concerts, were calculated based on the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

(2) Input Parameters and Assumptions

Category	Input Parameters and Assumptions
Scope 1	- Emission activity type: Stationary combustion (LNG, LPG No. 1) and mobile combustion (gasoline, diesel, and urea solution) - Activity data: Monthly gas bills, fuel purchase receipts, transaction statements, etc. - Emission factors: Default emission factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (related to Article 46(1)) under the Operational Guidelines (Ministry of Environment Notice No. 2012-211)
Scope 2	- Emission activity type: Indirect emissions (electricity) - Activity data: Monthly electricity bills - Emission factors: 2022 National Grid Average Emission Factor, jointly announced by the Ministry of Environment and Korea Electric Power Corporation; Guidelines for the Greenhouse Gas and Energy Target Management System; Guidelines for Calculating Power Grid Greenhouse Gas Emission Factors for Climate Change Response, Ministry of Environment Notice; GHG Protocol Scope 2 Guidance; RE100 Technical Criteria (The Climate Group); Guidelines for Calculating Market-based Emission Factors; ISO 14064-1:2018
Scope 3	(1) Capital Goods (Category 2) - Activity data: Capital expenditure statements, fixed asset registers, and acquisition cost data for depreciable assets - Emission factors: GHG emission factors based on Environmentally Extended Input-Output (EEIO) analysis

Category	Input Parameters and Assumptions
Scope 3	(2) Fuel- and Energy-related Activities Not Included in Scope 1 or Scope 2 (Category 3) - Activity data: Monthly gas and electricity bills, fuel purchase receipts, transaction statements, accounting ledgers, etc. - Emission factors: Annex 10 to the Operating Regulations for the Environmental Product Declaration Program, Ministry of Environment Notice No. 2021-178; 2018 National Greenhouse Gas Emission and Removal Factors Data Book, Ministry of Environment/National Institute of Environmental Research; official Korea Gas Corporation data for fuel unit conversion (LNG); International Labour Organization (ILO) International Chemical Safety Cards (ICSC) for fuel unit conversion (gasoline); Korea Petroleum Quality & Distribution Authority Domestic Fuel Quality Standards for fuel unit conversion (diesel) (3) Waste Generated in Operations (Category 5) - Activity data: Purchase receipts for volume-based waste bags and food waste bags, transaction statements for municipal waste disposal, etc. - Emission factors: Status of municipal waste generation and treatment in Mapo-gu, Seoul (Resource Circulation Information System; 2024 National Waste Generation and Treatment Status); Environmental Product Declaration assessment factors, Korea Environmental Industry & Technology Institute (KEITI) (4) Employee Commuting (Category 7) - Activity data: Survey data - Emission factors: Ministry of Environment, Low-carbon Green Event Guidelines, p. 15; Korea Consumer Agency, Quality Test Report on Electric Scooters, p. 9; Ministry of Environment press release dated June 26, 2015; GHG emissions per kilometer driven by electric vehicles; 2022 National Greenhouse Gas Inventory Report, Ministry of Environment/National Institute of Environmental Research (5) Upstream Leased Assets (Category 8) - Activity data: Monthly gas and electricity bills, fuel purchase receipts, transaction statements, accounting ledgers, etc. - Emission factors: Default Emission Factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (AR4; related to Article 46(1)) under the Operational Guidelines (Ministry of Environment Notice No. 2012-211); 2022 National Grid Average Emission Factor, jointly announced by the Ministry of Environment and Korea Electric Power Corporation; Guidelines for the Greenhouse Gas and Energy Target Management System; Guidelines for Calculating Power Grid Greenhouse Gas Emission Factors for Climate Change Response, Ministry of Environment Notice; steam emission factors and applicable GWP values based on IPCC AR5; National Greenhouse Gas Inventory Report, Ministry of Environment/National Institute of Environmental Research (6) Downstream Leased Assets (Category 13) - Activity data: Monthly gas and electricity bills, fuel purchase receipts, transaction statements, accounting ledgers, etc. - Emission factors: Default Emission Factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (related to Article 46(1)) under the Operational Guidelines (Ministry of Environment Notice No. 2012-211); 2022 National Grid Average Emission Factor, jointly announced by the Ministry of Environment and Korea Electric Power Corporation; Guidelines for the Greenhouse Gas and Energy Target Management System; Guidelines for Calculating Power Grid Greenhouse Gas Emission Factors for Climate Change Response, Ministry of Environment Notice; steam emission factors and applicable GWP values based on IPCC AR5; National Greenhouse Gas Inventory Report, Ministry of Environment/National Institute of Environmental Research (7) Other: GHG Emissions from Concerts - Activity data: Fuel consumption associated with audience travel, venue fuel and electricity consumption, and waste generated - Emission factors: Default emission factors under the 2006 IPCC Guidelines for National Greenhouse Gas Inventories; default emission factors by fuel type and GHG for mobile combustion (road); country-specific electricity emission factors; national LCI emission factors

Material Topic 1. Climate Change Response

GHG Emissions Targets

In 2023, YG Entertainment voluntarily established a carbon neutrality target to take part in global efforts to reduce GHG emissions in response to the climate crisis. With reference to the Paris Agreement on climate change, Korea's 2030 national GHG reduction target under the Framework Act on Carbon Neutrality and Green Growth, and the 1.5°C criterion of the Science Based Targets initiative (SBTi), a global emissions reduction initiative, the company established targets to reduce emissions by 70% by 2030 compared to 2022 levels and achieve carbon neutrality by 2040. The company has not established any other targets in response to climate-related laws or regulations.

Scope of Application						
Organizational Boundary			Operational Boundary		GHGs	
All domestic operations of YG Entertainment			Scope 1 and 2		Six major GHGs	

Base Year		Interim Target		Final Target		Target Type
Year	Emissions	Year	Reduction Rate	Year	Reduction Rate	
2022	2,279tCO ₂ eq	2030	70%	2040	100%	Absolute emissions

Management of Progress on GHG Emissions Targets

In 2025, YG Entertainment strengthened its efforts to achieve RE100 and significantly expanded the scope of GHG management. This included expanding Scope 3 emissions accounting to six categories and calculating emissions across those categories. The company also completed third-party verification of its Scope 1, Scope 2, and Scope 3 emissions, enhancing the reliability and transparency of its data. GHG emissions management targets are established by the department responsible for environmental management and reported periodically to the management. YG Entertainment's 2025 GHG emissions targets and performance against these targets are shown below.

Category	Current-Year Emissions (tCO ₂ eq)	Previous-Year Emissions (tCO ₂ eq)	YoY Performance	2025 Target (tCO ₂ eq)	Performance Against Annual Target
Total GHG Emissions (Scope 1 and 2)	504	1,514	66.7% reduction	2,378	78.8% reduction
Direct GHG Emissions (Scope 1)	504	616	18.2% reduction	876	42.5% reduction
Indirect GHG Emissions (Scope 2) (market-based)	0	898	100% reduction	1,502	100% reduction

Material Topic 2. Improving Working Conditions and Employee Benefits

Employee Benefits Policy

YG Entertainment established its internal employee benefits regulations to better support employee well-being and has continued to revise them to reflect changes in company policies and employee needs. As of February 2025, the regulations had been revised 13 times. Major revisions include improvements to congratulatory and condolence leave and allowances, changes to health check-up and tuition support programs, and the introduction of a refresh leave program. In 2025, the company revised provisions related to spousal childbirth leave and the refresh leave program, thereby further enhancing employee benefits and supporting work-life balance.

Employee Benefits Expenses

Category	Unit	2023	2024	2025
Employee benefits expenses	KRW million	9,304	8,385	8,655
Employee benefits expenses as a percentage of revenue	%	1.6	2.3	1.6

Ensuring a Safe Working Environment

YG Entertainment continues to implement preventive occupational health and safety initiatives to create a safe working environment for employees, including identifying and addressing risk factors and strengthening its safety management system. The company also conducts regular safety training and drills to prevent serious industrial accidents and enhance emergency response capabilities. In addition, the company extends risk assessments and safety management beyond its office facilities to off-site locations such as concert venues and filming locations, helping ensure safe working conditions wherever its employees work.

Promoting Employee Health and Well-being

YG Entertainment operates a range of health management programs, including regular health counseling, support for health check-ups and vaccinations, and the provision of health kits for employees on overseas business trips, to support employee health and disease prevention. The company also offers health and well-being programs to support employees' physical and mental well-being, including psychological counseling programs, smoking cessation education, and related campaigns.

Material Topic 2. Improving Working Conditions and Employee Benefits

Employee Benefits Initiatives

YG Entertainment operates practical employee benefits programs focused on improving the work environment, supporting employee health, encouraging self-development, and providing family-friendly support. To create a workplace that supports productivity and work-life balance, the company offers the following programs.

Category	Employee Benefits Program	Details
Work Environment	Flexible Work Arrangements	· Operate flexible work arrangements in different formats, including staggered working hours, flexible working hours, and deemed working hours for work performed outside the workplace
	Workplace Amenities	· Operate a company cafeteria offering free lunch and dinner, a convenience store, and other employee amenities, and provide massage chairs
	Healthcare	· Offer access to a workplace fitness center and professional trainers
Employee Health	Biennial Health Check-up Support	· Cover health check-up expenses through partner hospitals
	EAP Professional Counseling Services	· Offer up to 8 psychological counseling sessions per year on topics such as work, family, finance, and stress management
	Health Programs	· Operate programs such as health counseling and art therapy counseling
	Group Accident, Illness and Medical Indemnity Insurance	· Enroll employees in group accident, illness and medical indemnity insurance upon joining the company
	Flu Vaccinations	· Cover annual flu vaccination expenses through partner hospitals
Living and Economic Support	Accident Compensation	· Provide compensation in accordance with the Industrial Accident Compensation Insurance Act
	Tuition Support for Employees and Their Children	· Support tuition expenses for employees pursuing professional development through higher education, including graduate school, as well as educational expenses for their children

Category	Employee Benefits Program	Details
Living and Economic Support	Congratulatory and Condolence Support	· Provide congratulatory and condolence allowances, leave, funeral support services, and floral arrangements for major life events involving employees, their grandparents, spouses' parents, children, and others
	Refresh Leave	· Provide regular refresh leave and related expenses every 2 years
	Housing Lease and Monthly Rental Assistance	· Provide financial assistance for housing lease deposits and monthly rent to support employees' financial stability
	Work-related Communication Allowance	· Provide monthly support for work-related communication expenses
	Birthday and Wedding Anniversary Gifts	· Provide mobile gift certificates for birthdays and wedding anniversaries
	Holiday Gifts	· Provide gifts or gift certificates for Seollal and Chuseok holidays
Self-Development	Self-Development Allowance	· Provide up to KRW 1.3 million in annual welfare points; expand usability through the newly introduced welfare card at participating offline retailers; and allow employees to use a dedicated online welfare mall for self-development, travel, and product purchases
	Book Purchase Support	· Provide support for the purchase of job-related books
	Foreign Language Learning	· Provide access to an online learning platform for foreign language learning
Maternity Protection	Online Learning Platform	· Provide online learning support in areas such as job skills, leadership, and lifestyle
	Pregnancy, Childbirth and Childcare Benefits	· Provide maternity leave, parental leave, miscarriage or stillbirth leave, and spousal childbirth leave · Provide congratulatory payments and fruit baskets to celebrate childbirth · Provide support for childcare services
	In-house Clubs	· Provide financial support for in-house club activities
Other Benefits	Welcome Gifts for New Employees	· Provide fruit baskets and flower arrangements for new employees
	Welcome Table for Same-Year Employees	· Operate a Welcome Table to encourage communication and networking among employees who joined the company in the same year
	YG Employee Discounts	· Offer partner discounts at cafés, hotels, theaters, and other locations

Material Topic 2. Improving Working Conditions and Employee Benefits

Maternity Protection Programs

YG Entertainment operates maternity protection programs that provide practical support to employees throughout pregnancy, childbirth, and childcare. Through leave programs such as maternity leave, miscarriage or stillbirth leave, spousal childbirth leave, and parental leave, the company helps employees take sufficient time for care and recovery during key life stages. The company also encourages employees to make active use of these programs.

Family Support Programs

YG Entertainment operates family support programs to help employees maintain work-life balance and ease the burden of childbirth and childcare. In accordance with the Labor Standards Act, the company provides up to 90 days of paid leave for employees who give birth and support reduced working hours during pregnancy and childcare. The company also encourages all employees to make active use of parental leave.

Category			Unit	2023	2024	2025
Parental Leave	Number of Users	Subtotal	person	7	11	15
		Male	person	0	1	4
		Female	person	7	10	11
	Parental Leave Utilization Rate		%	60	44.5	50
	Returnees	Subtotal	person	2	6	7
		Male	person	0	1	1
		Female	person	2	5	6
	Retention Beyond One Year after Parental Leave	Subtotal	person	3	0	6
		Male	person	0	0	1
		Female	person	3	0	5
Maternity Leave	Number of Users	Subtotal	person	5	12	9
		Male	person	2	5	3
		Female	person	3	7	6
Employees Using Reduced Working Hours for Childcare			person	2	2	1
Employees Using Family Care Leave			person	2	0	2

Material Topic 3. Strengthening Governance

Board Composition

The Board of Directors of YG Entertainment deliberates and resolves on the company's fundamental management policies and key matters related to business execution. The Board consists of seven members: four independent directors — Kim Dong-hyun, Park Jeong-mee, Jeon Song-won, and Lee Dong-woo — and three executive directors — Yang Min-suk, Hwang Bo-kyung, and Kim Sung-hee. Independent directors make up a majority of the Board, helping maintain effective oversight and checks on management. The roles of Board Chair and CEO are held by different individuals, and an independent director serves as Chair to ensure the independence of the Board operations.

Directors are appointed by resolution of the General Meeting of Shareholders in accordance with the Korean Commercial Act. To enhance the Board's expertise and independence, YG Entertainment considers diversity in its composition. The Board currently includes three female directors, maintaining gender diversity.

Board Expertise

YG Entertainment's Board of Directors consists of directors with expertise in areas such as management, investment, finance, legal and regulatory affairs, and risk management.

Category	Name	Gender	Expertise					
			Management	Finance & Investment	Finance & Accounting	Legal & Regulatory	Risk Management	ESG
Executive Directors	Yang Min-suk	Male	●	●			●	
	Hwang Bo-kyung	Female	●	●	●			●
	Kim Sung-hee	Female	●				●	●
Independent Directors	Kim Dong-hyun (Chair)	Male	●		●		●	
	Park Jeong-mee	Female			●	●	●	
	Jeon Song-won	Male				●	●	●
	Lee Dong-woo	Male		●			●	●

Material Topic 3. Strengthening Governance

Board Committees

In accordance with its Articles of Incorporation, YG Entertainment has established and operates Board committees required by law or deemed necessary by the Board of Directors. The Company currently operates the Investment Review Committee, Internal Transaction Review Committee, Compensation Committee, and ESG Committee. The composition, authority, and operating procedures of each committee are determined through resolutions of the Board of Directors.

Committee	Chair	Members	
		Executive Directors	Independent Directors
Investment Review Committee	Lee Dong-woo	Yang Min-suk, Hwang Bo-kyung	Lee Dong-woo
Internal Transactions Review Committee	Park Jeong-mee	Kim Sung-hee	Park Jeong-mee, Jeon Song-won
Compensation Committee	Kim Dong-hyun	Kim Sung-hee	Kim Dong-hyun, Park Jeong-mee
ESG Committee	Jeon Song-won	Hwang Bo-kyung	Jeon Song-won, Lee Dong-woo

Audit System

YG Entertainment has established a transparent management oversight framework through its full-time auditor system. To enhance the auditor's independence and expertise, the Articles of Incorporation grant the auditor access to management information. The auditor also has the authority to request the convening of an extraordinary general shareholders' meeting, require subsidiaries to report on their business operations, and investigate the actual condition of the Company's assets.

To ensure the effectiveness of the audit function, YG Entertainment operates the Management Innovation Team as a dedicated support unit. The team assists with audit-related activities and evaluates the design and operating effectiveness of the internal accounting control system, contributing to the reliability of the company's internal control system.

Material Topic 3. Strengthening Governance

Board Evaluation

YG Entertainment operates a Board Evaluation system to review the efficiency of Board operations and strengthen the credibility of its governance structure. The Board and its committees are evaluated once a year through self-assessments completed by all Board members. The evaluation consists of 13 questions covering Board composition, operations, and performance. The results of the 2025 evaluation were reported to the Board in February 2026. YG Entertainment will incorporate the areas for improvement identified through the evaluation into Board operations and continue to strengthen directors' capabilities in fulfilling their responsibilities.

Category	Description	Score (out of 5)
Board Composition	Board size, independence, expertise, etc.	4.8
Board Operations	Quality of materials, meeting frequency, participation, etc.	4.7
Board Performance	Protection of stakeholders and corporate value, compliance with laws and regulations, etc.	4.8

Independent Director Training

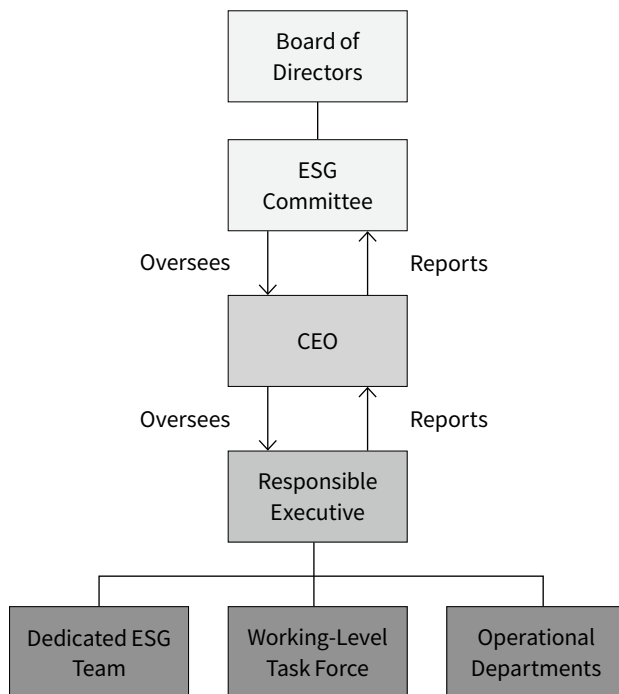
YG Entertainment operates a structured training program for independent directors to support responsible decision-making by the Board. In 2025, seven training sessions were conducted, with all independent directors in attendance. The sessions focused on the latest ESG trends, the internal accounting control system, and developments in capital markets, laws and regulations, further strengthening the Board's expertise.

Training Date	Training Provider	Training Topic
Jan. 25, 2025	Internal ESG department	Progress of the YG Entertainment Sustainable Concert Initiative
Feb. 27, 2025	External expert	Key ESG Trends and Response Strategies
Apr. 12, 2025	Internal Management Department	Site visit to YG's overseas concert venue
May 9, 2025	External expert	Role of the Board of Directors in the internal accounting control system
Jun. 2, 2025	KOSDAQ Listed Companies Association	2025 professional training on key capital market issues for independent directors, auditors, audit committee members, and others
Aug. 8, 2025	External expert	Amended Commercial Act and response strategies
Nov. 8, 2025	External expert	Regulatory developments related to the internal accounting control system

Material Topic 3. Strengthening Governance

ESG Implementation Structure

YG Entertainment has established the ESG Committee under the Board of Directors as its highest decision-making body for sustainability matters. The committee oversees sustainability-related risks and opportunities. The ESG Team, as the responsible working-level department, works with relevant departments to develop and implement ESG strategies and monitor their implementation, and regularly reports key initiatives and results to the CEO. Sustainability issues and performance are also reported to the ESG Committee on a quarterly basis, and the committee reviews and approves these matters as part of YG's sustainability governance framework.



Category	Main Roles and Responsibilities
Board of Directors (ESG Committee)	· Highest decision-making body on sustainability-related matters
CEO	· Oversees and takes responsibility for key sustainability risks and opportunities · Monitors and responds to key sustainability risks and opportunities
Responsible Executive	· Monitors sustainability-related risks and opportunities · Reports major sustainability issues to the CEO
Dedicated ESG Team	· Leads company-wide sustainability initiatives · Identifies and monitors sustainability-related risks and opportunities · Supports the development and implementation of sustainability strategies
Working-Level Task Force	· Reviews and improves internal processes related to sustainability risks and opportunities · Implements sustainability strategies
Operational Departments	· Monitor climate-related risks and opportunities · Implement carbon neutrality strategies

Material Topic 3. Strengthening Governance

ESG Committee

YG Entertainment reports key matters related to sustainability risks and opportunities to the ESG Committee. The ESG Committee receives regular reports from the ESG Team, the company-wide function dedicated to sustainability, on sustainability-related risks and opportunities. When significant issues arise, the committee reviews them through an ad hoc reporting process. In 2025, the ESG Committee held a total of three meetings.

Date	Agenda Item	Result
May 9, 2025	Resolution	1. Publication of the 2025 Sustainability Report
		2. Approval of the materiality assessment
Aug. 8, 2025	Report	1. Report on the status of carbon neutrality and RE100 implementation in 2025
Dec. 11, 2025	Report	1. Report on risk management activities in 2025
		2. Report on the results of compliance activities in 2025
		3. Report on the results of anti-corruption activities in 2025 and the 2026 action plan
		4. Report on activities to protect youth pop culture artists in 2025
	Resolution	1. Approval of the detailed carbon neutrality implementation plan for 2026

Review of ESG Materiality and Strategy Implementation Plans

In 2025, YG Entertainment conducted a double materiality assessment and identified four material topics: Climate Change Response, Improving Working Conditions and Employee Benefits, Strengthening Governance, and Promoting Compliance and Ethical Management. The company also reported sustainability-related risks and opportunities to the ESG Committee.

The ESG Committee oversees the development of ESG strategies based on material topics and monitors their implementation. It reviews and approves the publication of the Sustainability Report, which includes ESG strategies. In 2025, the committee reviewed progress on carbon neutrality and RE100 implementation and approved the detailed 2026 carbon neutrality implementation plan. The committee also regularly reviews the results and future plans of key ESG management initiatives, including company-wide risk management, compliance and anti-corruption initiatives, and activities to protect the rights and interests of youth pop culture artists.

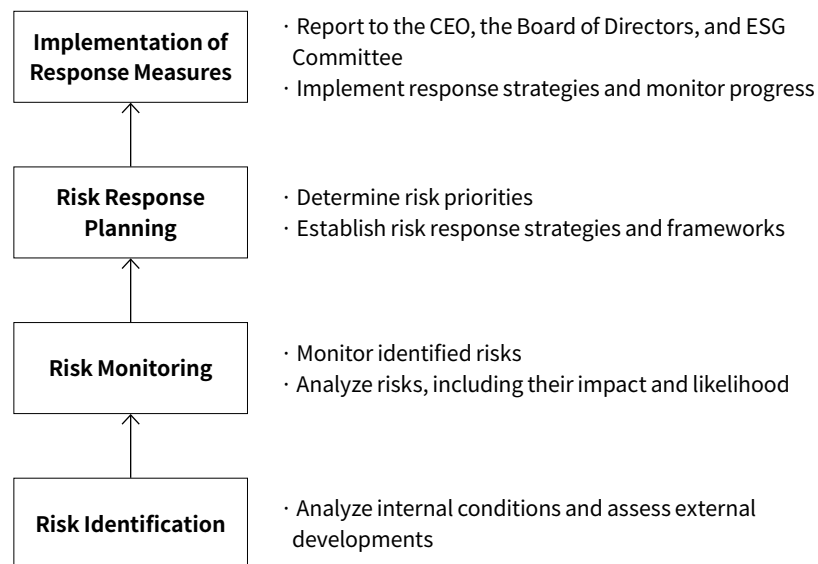
Material Topic 3. Strengthening Governance

ESG Performance Management

YG Entertainment incorporates ESG factors into the KPIs of relevant departments to improve the effectiveness of ESG management. By applying these factors to the KPIs of department heads responsible for areas such as environmental management, occupational health and safety, sustainable concerts, compliance, and risk management, the company aims to improve execution at the departmental level and advance ESG management across the company.

Sustainability-Related Risk Management Process

YG Entertainment operates a systematic risk management process to proactively identify and manage sustainability-related risks, including climate change. Risks identified through internal and external environment analysis and trend research are monitored based on their expected timing and significance. The company establishes and implements appropriate response strategies and implementation frameworks for these risks. By regularly reporting implementation outcomes and management status to the CEO, who is responsible for overall risk management, as well as to the Board of Directors and the ESG Committee, the company maintains an integrated risk management framework across the company.



Material Topic 4. Promoting Compliance and Ethical Management

Code of Ethics

YG Entertainment has established a Code of Ethics that sets out the standards of conduct and judgment expected of the company and its employees, helping ensure trustworthy corporate management, including the prevention of corruption. The Code of Ethics and other ethics and compliance standards are available on the internal bulletin board and the company website for employees to access at any time. Each year, employees also sign the Ethical and Compliance Management Pledge* to reaffirm their commitment to ethical management.

* The former Code of Ethics Compliance Pledge was revised and renamed the Ethical and Compliance Management Pledge.

Anti-Corruption Policy

YG Entertainment has established and operates an Anti-Corruption Policy to prevent corruption involving the company and its employees. The policy promotes compliance awareness among employees and prohibits all forms of corruption in the course of business. It also sets out reporting channels for corruption, principles for prompt investigation and response, and a non-retaliation principle for whistleblowers. The policy was revised following the approval of the CEO in July 2025 and is currently available on the company website.

Fair Trade Policy

YG Entertainment has established a Fair Trade Policy to build business relationships that support shared growth with its business partners through fair transactions based on mutual trust and respect. The policy sets out fair trade principles that all employees are required to follow, and YG Entertainment continues to work to eliminate unfair trade practices.

Compliance and Anti-Bribery Management System Certifications

In April 2023, YG Entertainment became the first company in the industry to obtain ISO 37301 (Compliance) and ISO 37001 (Anti-Bribery) management system certifications. Since then, the company has undergone surveillance assessment to verify the adequacy of its management systems. With the renewal of the certifications in June 2026, the company continues to maintain its compliance and anti-corruption management systems.

Material Topic 4. Promoting Compliance and Ethical Management

Fair Trade and Anti-Corruption Management Activities

YG Entertainment provides compliance and ethics training for employees, including training on the Korean Subcontracting Act and the Improper Solicitation and Graft Act, and conducts related awareness campaigns. The company also provides updates on major regulatory trends and compliance guidance through Compliance Letters, and operates a reporting process for gifts received from business partners.

To manage corruption risks, YG Entertainment establishes and implements an annual action plan for anti-corruption activities. In December 2025, the company reported the results of anti-corruption activities and the 2026 action plan to the Board of Directors.

Date	Agenda Item	
Dec. 11, 2025	Report	Report on the 2025 Risk Management Activities
		Report on the Results of the 2025 Compliance Support Activities
		Report on the Results of the 2025 Anti-Corruption Activities and the 2026 Action Plan

Compliance Officer

In 2023, YG Entertainment appointed a Compliance Officer through the ESG Committee and established the Compliance Control Standards. The Compliance Officer proactively manages and reviews potential legal risks across the company including human rights, fair trade, anti-corruption, and intellectual property protection. The Compliance Officer also assesses the effectiveness of the company’s compliance support and monitoring framework and reports the results to the ESG Committee to help prevent compliance and ethical management risks before they arise.

The Compliance Officer oversees compliance operations and conducts ongoing compliance monitoring. The details and results of these reviews are reported to the Board of Directors and the ESG Committee, while areas for improvement are incorporated into internal policies and operating standards. These activities help ensure that YG and its employees comply with applicable laws and regulations.

Material Topic 4. Promoting Compliance and Ethical Management

Compliance Risk Identification and Assessment

YG Entertainment operates a process to assess and review compliance risks, including corruption risks. YG Entertainment identifies compliance obligations that apply across the company and assesses risks based on those obligations. Based on the assessment results, YG Entertainment supports each department in establishing appropriate controls and setting objectives to prevent risks.

Compliance Campaigns

YG Entertainment conducts employee awareness campaigns to promote its internal ethics standards and build a transparent corporate culture. The campaigns cover topics such as compliance with the Improper Solicitation and Graft Act, promoting the use of the internal reporting system, prevention of workplace bullying, and respect for human rights. Through these efforts, the company works to promote compliance across the company.

Compliance Letter

YG Entertainment regularly sends Compliance Letters to all employees to raise compliance awareness. The letters cover timely topics, including the prevention of unfair trade practices, anti-corruption, the Improper Solicitation and Graft Act, intellectual property protection, and relevant policies, laws, regulations, and court precedents, helping employees deepen their understanding of compliance.

Compliance-Related Legal and Regulatory Violations

Category		Unit	2023	2024	2025
Anti-corruption, defamation, antitrust, and anti-competitive practices	Case	Case	0	0	0
	Penalties	KRW thousand	0	0	0
	Fines	KRW thousand	0	0	0
Fines, penalties, warnings, and violations of voluntary codes resulting from non-compliance with regulations related to the health and safety impacts of products and services	Case	Case	0	0	0

Material Topic 4. Promoting Compliance and Ethical Management

Compliance Training for Employees

Training Name	Number of Sessions*	Topics	Cumulative Participants	Format
Improper Solicitation and Graft Act	2	· Gift standards under the Improper Solicitation and Graft Act; the reporting process for gifts received from business partners; and internal rules, including the Anti-Corruption Policy	430 employees	Compliance Letters regarding the Improper Solicitation and Graft Act

* Conducted twice for all employees ahead of Seollal on January 21, 2025, and Chuseok on September 24, 2025.

Training Name	Training Date	Topics	Cumulative Participants	Format
Compliance Training	Jul. 23, 2025 Jul. 29, 2025 Oct. 29, 2025 Dec. 10, 2025	· Amendments to the Popular Culture and Arts Industry Development Act, including its purpose, scope, and compliance requirements · The role of the Korea Fair Trade Commission, and an overview of the Korean Subcontracting Act and the Fair Trade Act · Laws and issues relevant to YG’s business, including the Unfair Competition Prevention Act, embezzlement and breach of trust, and workplace bullying	136 employees	In-person training

Stakeholder Engagement

Stakeholder Groups

Considering the characteristics of its industry, YG Entertainment defines its key stakeholder groups as those that have a significant impact on its business activities. These groups include customers (fans), employees, shareholders and investors, business partners, local communities, and government and industry associations. To engage effectively with stakeholders, YG Entertainment considers the key interests and needs of each stakeholder group and operates various communication channels accordingly, thereby building relationships based on trust.

Category	Definition
Customers (Fans)	Individuals and groups who consume and experience products and content developed and produced by YG Entertainment
Employees	Individuals who play a central role in YG Entertainment's value creation and business activities
Shareholders and Investors	Individuals and groups who provide capital to YG Entertainment and have an economic interest in the company
Business Partners	Current or potential individuals and groups that have, or are expected to have, business or collaborative relationships with YG Entertainment
Local Communities	Nearby residents and other stakeholders directly or indirectly affected by YG Entertainment's business activities
Government and Associations	Institutions and organizations that influence YG Entertainment's business activities through industry regulations and policy development

Stakeholder Engagement

Stakeholder Engagement Activities

Category	Customers (Fans)	Employees	Shareholders and Investors	Business Partners	Local Communities	Government and Associations
Communication Channels	· Company website · Customer Support (reports&inquiries) · Company and artist social media channels · Press coverage · Email · Offline community space (TheSameE) · Online community platforms · Online and app-based merchandise shop (YG SELECT)	· Company intranet · Labor-Management Council · Occupational Safety and Health Committee · Whistleblowing System (WBS)	· Public disclosures · General shareholders' meetings · Stakeholder surveys · Inquiries via company website and email	· Company website · Business inquiry channel · Business meetings · Business partner grievance reporting email	· Company website · Company and CSR social media channels · Media coverage	· Company website · Company social media channels · Roundtable meetings · Business Report · Audit Report · Sustainability Report
Activities	· Publish key content and announcements · Maintain a customer contact channel on the website · Operate a grievance channel for personal data-related concerns	· Collect compliance pledges from employees · Share internal policies and notices · Conduct internal training · Operate a grievance handling system · Employee pledges signing	· Hold general shareholders' meetings · Enhance communication through IR meetings · Announce quarterly earnings · Disclose financial performance through compliance with public disclosure obligations	· Sign business partner pledges · Fair contracts and equitable trade practices	· Publish updates on ESG and CSR initiatives · Announce engagement-driven campaigns	· Ensure legal compliance · Enhance the compliance framework · Propose and establish sustainability policies

ESG FACTBOOK

ENVIRONMENTAL

47

SOCIAL

55

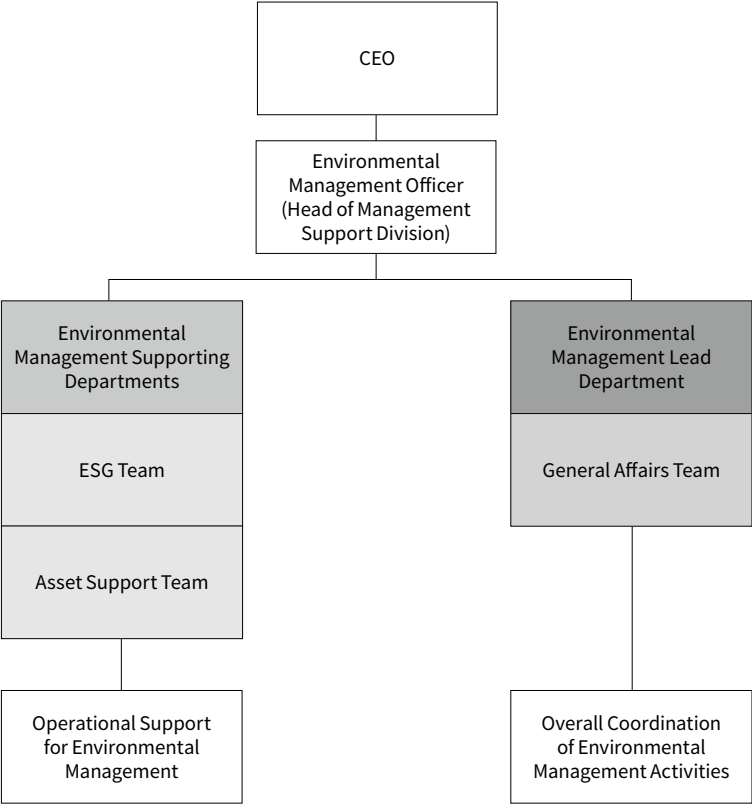
GOVERNANCE

76

ENVIRONMENT | ENVIRONMENTAL MANAGEMENT

Environmental Management System (Organizational Structure)

YG Entertainment has designated the Head of the Management Support Division as the Head of Environmental Management to drive company-wide environmental management activities. The Head of Environmental Management has decision-making authority over environmental management and oversees the entire process, from strategy development and implementation to performance management.



Category	Roles and Responsibilities
CEO	· Makes final decisions on overall environmental management and ensures legal and stakeholder requirements are incorporated across the organization · Oversees environmental management activities by setting environmental targets and allocating resources
Environmental Management Officer (Head of Management Support Division)	· Oversees the operation of the environmental management system, including establishing the environmental management policy, approving targets, and conducting management reviews · Establishes company-wide systems to address environmental risks and emergencies and drives continuous improvement
Environmental Management Lead Department (General Affairs Team)	· Leads company-wide environmental management activities · Develops and implements environmental management strategies · Measures and manages performance indicators related to environmental impacts

ENVIRONMENT | ENVIRONMENTAL MANAGEMENT

Scope of Environmental Data Calculation

GHG emissions and energy consumption are calculated for all domestic operations of YG Entertainment. GHG emissions from YG PLUS and YG JAPAN, the company's consolidated subsidiaries, are calculated separately for disclosure. Water withdrawal and consumption are calculated based on seven office facilities in Korea, including the headquarters and six other sites. Waste generation and air pollutant emissions are calculated based on YG Entertainment's headquarters.

Environmental Management Principles and Policy

YG Entertainment has established environmental management principles to reduce the environmental impact of its business activities and support sustainable management. In November 2024, the company established a separate Environmental Management Policy based on these principles. The policy aims to minimize negative environmental impacts that may arise throughout the Company's operations and value chain and to prevent potential risks. These principles cover GHG emissions management, energy efficiency improvement, expanded resource circulation, and compliance with laws and regulations, and are incorporated across YG's management activities. The relevant principles and policy are publicly disclosed on YG Entertainment's website to ensure transparency. The company will continue to manage its environmental performance and uphold responsible environmental management.

Environmental Management System (ISO 14001) Certification

YG Entertainment has established an environmental management system and operates in accordance with ISO 14001 system to promote systematic environmental management. Based on its Environmental Management Manual, the company has established environmental management processes and applied them across the organization, enabling the company to manage the environmental impacts of its business activities in a structured manner. The company also continuously monitors key environmental indicators, including energy consumption, GHG emissions, and waste generation, while identifying and managing environmental risks.

In 2025, YG Entertainment completed the ISO 14001 recertification assessment, maintaining the conformity and operational effectiveness of its environmental management system. The company also continues to review and improve the effectiveness of the system through internal audits and management reviews.

ENVIRONMENT | ENVIRONMENTAL MANAGEMENT

Environmental Management Training and Campaigns

YG Entertainment provides environmental management training and runs related campaigns to raise employees' awareness of environmental management. In 2025, the company conducted a total of five training and campaign activities for employees, including two environmental training sessions, one ISO 14001 training session, and two related campaigns. The total number of participants was 592.

Activity	Date	Topics	Participants	Format
Earth Day Environmental Training for Employees	Apr. 30, 2025	Training on low-carbon practices, resource circulation, and climate response through the operation of a refill station	138 employees	In person / online
Aseptic Carton Recycling Campaign	Sep. 24, 2025	Training on the separate collection of aseptic cartons and resource circulation practices	176 employees	In person
Climate Change and the Music and Live Entertainment Industry	Sep. 24, 2025	Training on climate response, climate-related issues in the music and live entertainment industry, and global trends	15 employees	In person
ISO 14001 Training	Nov. 18, 2025	Training on understanding and applying the Environmental Management System (ISO 14001)	6 employees	In person
Plastic Reduction Campaign	Dec. 10, 2025	Training on reducing carbon emissions and promoting eco-friendly consumption	257 employees	In person

Eco-Friendly CSR Activities

Environmental Education and a Zero-Waste Picnic with Children from the Local Community

In June 2025, YG Entertainment partnered with the environmental organization WIPERTH to carry out an environmental CSR initiative with 16 children from Samdong Boys Town, a child welfare facility in Mapo-gu. Under the theme "How Ordinary Citizens Can Help Clean Up the Planet," the program provided environmental education on the impacts of waste issues and practical actions that can be taken in daily life. The session was followed by a Zero-Waste Picnic, where participants shared a meal using reusable containers and experienced firsthand how to reduce the use of single-use items.

Oak Seedling Growing Campaign for Urban Forest

In October 2025, 60 YG Entertainment employees took part in the oak seedlings growing campaign and donated them to Noeul Park in Mapo-gu. The campaign was designed as a participatory environmental initiative in which employees grew seedlings from seeds and contributed them to the creation of urban green spaces. The activity helped support urban ecosystem restoration and the expansion of green spaces, while also raising employees' environmental awareness.

ENVIRONMENT | ENVIRONMENTAL MANAGEMENT

Participation in Environmental Initiatives and Activities

YG Entertainment participated in CDP (Carbon Disclosure Project), a global environmental disclosure platform, to enhance the transparency of its environmental information. In 2025, the company received a Management Level (score B) in the climate change category, demonstrating the effectiveness of its framework for managing climate-related risks and opportunities.

The company also continues to maintain ISO 14001 certification, the international standard for environmental management systems, through a systematic approach. In the 2025 surveillance assessment, YG's environmental management system was found to meet the requirements of the standard and to be operating in alignment with the company's strategic direction. The assessment also identified the high level of awareness of environmental objectives across the organization and proactive improvement efforts led by the lead department as key strengths.

Sustainable Album Production

Since 2021, YG Entertainment has incorporated more sustainable materials in its album production process. The company currently uses FSC (Forest Stewardship Council)-certified paper and soy-based ink for major album components. The company is also working to minimize the environmental impact of the production process by using more sustainable packaging materials, including biodegradable plastic (PLA) and bioplastics. In 2025–2026, the company used FSC-certified low-carbon paper and soy-based ink in a total of 22 albums.

The company also reviewed the criteria for environmental claims and terminology used in album production to ensure that such claims are appropriate and supported by objective evidence. Based on objective data, including the properties of packaging materials, test reports, and technical documentation, the company assessed the appropriateness of environmental claims. It plans to establish internal standards for environmental claims used in albums and manage its use.

EV Charging Infrastructure

YG Entertainment has expanded its electric vehicle (EV) charging infrastructure at its headquarters to encourage the use of EVs. The company operates fast and standard charging systems that can be conveniently accessed using registered RF (Radio Frequency) cards. As a result, the number of registrations for EV charging usage increased by 120% year on year.

Environmentally Conscious Office Supplies

YG Entertainment procures office supplies such as paper cups and document envelopes made with lower-impact materials, including eco-label-certified materials and recycled paper. The company has also introduced water packaged in aseptic cartons in place of conventional plastic water bottles, helping reduce plastic waste and raise environmental awareness among employees.

ENVIRONMENT | BIODIVERSITY AND ECOSYSTEMS

Biodiversity Policy

YG Entertainment includes “Biodiversity Conservation and Natural Environment Restoration” as a core principle in its environmental management principles and policy. Based on these principles, the company participates in activities to protect and conserve biodiversity and restore the natural environment. It also continues to identify biodiversity-related risks that may arise in the course of its business operations and work to reduce their impacts.

Identification of Biodiversity Near Business Sites

A geographic assessment using the WWF Biodiversity Risk Filter* found that Seoul, where YG Entertainment’s headquarters is located, was rated as Medium for both physical risk and reputational risk. An ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) analysis**, reflecting the characteristics of the entertainment industry, was also conducted to review dependencies and impacts related to natural capital. The analysis found that dependency on visual amenity and mental, artistic, and symbolic services was rated Very High, while impacts related to pollution, including noise and light, and land use were rated Medium.

* WWF Biodiversity Risk Filter 
** ENCORE(Exploring Natural Capital Opportunities, Risks and Exposure) 

Biodiversity Conservation Activities with the Local Community

YG Entertainment partnered with Eco Buddy, a non-profit organization, to operate a biodiversity monitoring program along the 2 km section of Hongjecheon Stream near its headquarters. As part of the initiative, a total of 33 biotopes were created to improve breeding and habitat conditions for wildlife, including 17 artificial bird nests and 16 insect hotels. In total, 150 species were observed and recorded. The activities involved 204 local residents, with YG Entertainment providing KRW 20 million in project funding.

Session	Activity	Date	Participants	Format
1	Biodiversity Education and Launch Ceremony	Apr. 19, 2025	51	In person
2	Spring Monitoring (Insects/Birds)	May 17, 2025	49	In person
3	Summer Night Sound Monitoring (Insects)	Jul. 25, 2025	46	In person
4	Autumn Monitoring (Insects, Birds and Freshwater Fish)	Sep. 27, 2025	27	In person
5	Biotope Creation and Completion Ceremony (17 bird nests and 16 insect hotels)	Nov. 29, 2025	31	In person

ENVIRONMENT | BIODIVERSITY AND ECOSYSTEMS

Agreement for Forest Conservation and Responsible Resource Sourcing

In 2022, YG Entertainment signed a strategic partnership with the Forest Stewardship Council (FSC) to promote the use of FSC-certified paper and has continued to produce albums using FSC-certified paper and soy-based ink. By including the FSC label in albums, YG Entertainment communicates the meaning of the certification to consumers and raises awareness of forest conservation.

In 2025, YG Entertainment produced and released TREASURE's 3rd mini album LOVE PULSE and BABYMONSTER's 2nd mini album WE GO UP using FSC-certified paper and soy-based ink. The artists also took part in campaign videos promoting the importance of sustainable forest management and the value of FSC certification, helping to increase public interest in and awareness of sustainable album production.

Water Resource Management

According to an analysis using the World Resources Institute (WRI) Aqueduct Water Risk Atlas, Hapjeong-dong, Mapo-gu, Seoul, where YG Entertainment's headquarters is located, was identified as an area with medium-high water stress, corresponding to a water stress index of 20–40%. Although the area does not fall under the High or Extremely High categories, the company continues to monitor water-related risks as part of its proactive risk management. As part of these efforts, since March 2023, It has been reusing rainwater collected and treated at its headquarters since March 2023 and monitoring monthly water consumption.

Category	Unit	2023	2024	2025
Water withdrawal*	ton	11,864	13,268	13,592
Percentage of water withdrawal from areas with high water stress	%	0	0	0

* Water withdrawal and consumption are calculated based on water bills and are considered equivalent.

** The data scope covers seven office facilities, including the headquarters.

ENVIRONMENT | RESOURCE CIRCULATION AND RECYCLING

Waste Management Policy

YG Entertainment operates an integrated waste management process that combines internal management standards with outsourced treatment by qualified external specialists to ensure systematic and transparent waste management. The company categorizes waste by types and tracks and manages the entire process from generation to disposal, enhancing the reliability of waste management and compliance with applicable laws and government-managed data.

Asset Disposal Management

Assets discarded after internal use—such as office supplies, IT equipment, and furniture—undergo regular disposal procedures on a quarterly basis, overseen by the Asset Support Team. The disposal process is carried out safely by contracted specialists in accordance with applicable laws, and disposal volumes and records are systematically documented and managed.

General Waste Management on Business Sites

General waste from at business sites is collected and treated by specialized contractors, and all waste disposal information is managed in real time through the Allbaro System, the government's integrated waste management system. The collected data is used to monitor annual waste generation and for ESG performance disclosures.

Food Waste Management

Food waste generated from the cafeteria is regularly collected and treated by specialized contractors in accordance with hygiene standards. YG Entertainment also helps reduce waste generation through employee engagement efforts, including offering low-carbon meal options and conducting zero-waste campaigns.

Waste-Related Environmental Impacts

YG Entertainment operates an integrated management process based on its environmental management system to reduce the environmental impacts of waste. The company identifies potential environmental impact factors across its operations in advance and proactively manages waste generation through regular impact assessments and the establishment of management indicators. It also maintains separate waste discharge and treatment systems by waste type, monitors the entire process, and continues to pursue improvements to reduce the environmental impact associated with waste treatment. Based on a mid- to long-term strategy for waste reduction and resource circulation, the company plans to further advance its management system.

Waste Generation Volumes

Category	Unit	2023	2024	2025
Total waste generated *	Ton	61.8	69.9	120.13
General waste generated	Ton	25.5	38	64.21**
Other waste generated	Ton	6.8	-	26.4***
Food waste generated	Ton	29.5	31.9	29.52

* Calculated based on YG Entertainment's headquarters.

** Increase in waste generation due to expanded office space operations.

*** Waste generated due to the bulk disposal of obsolete security assets.

ENVIRONMENT | RESOURCE CIRCULATION AND RECYCLING

Air Pollutant Emissions and Management*

YG Entertainment has installed and systematically manages emission control equipments, including low-NOx burners, to reduce air pollutant emissions from boilers, heating and cooling systems, and other equipment at its headquarters.

Category	Unit	2023	2024	2025
Nitrogen oxides (NOx)**	Ton	0.212	0.140	0.132
Sulfur oxides (SOx)	Ton	-	-	0.005
Particulate matter	Ton	0.007	0.007	0.007

* Air pollutant emissions are calculated based on self-monitoring measurements conducted for each emission point in the first and second halves of the year, including measured concentrations and daily flow rates. The calculation is based on operations at YG Entertainment's headquarters.

** Calculated based on NO₂.

Adoption of Life Cycle Assessment (LCA)

As part of its sustainable album roadmap, YG Entertainment plans to adopt life cycle assessment (LCA) to quantitatively assess the environmental impacts of key products, identify the main drivers of those impacts, and develop improvement measures to reduce carbon emissions across the supply chain. The company also plans to gradually expand the scope of LCA application and to transparently disclose environmental information based on the assessment results.

SOCIAL | EMPLOYEES

Employee Statistics

YG Entertainment manages workforce data for all employees under employment contracts with the company, including permanent and non-permanent employees.

Category			Unit	2023	2024	2025
Total*			Person	460	496	438
By gender	Male		Person	187	194	150
	Female		Person	273	302	288
By age	Under 30		Person	186	184	125
	30–50		Person	268	301	302
	Over 50		Person	6	11	11
By employment type	Permanent employees	Subtotal	Person	410	427	373
		Male	Person	158	165	130
		Female	Person	252	262	243
	Non-permanent employees	Subtotal	Person	50	69	65
		Male	Person	29	29	20
		Female	Person	21	40	45

* Dispatched workers and temporary/daily workers are excluded from the calculation.

Employee Diversity

YG Entertainment aims to foster an inclusive workplace culture where people from diverse backgrounds can grow together. To attract a diverse workforce, the company has set key targets through 2028, including improving gender balance in management positions, increasing the hiring ratio of underrepresented groups, and increasing the number of foreign employees. The company has also set targets to expand employment of persons with disabilities and improve the quality of employment.

Category		Unit	2023	2024	2025
Employees	Percentage of male employees	%	41	39	34
	Percentage of female employees	%	59	61	66
Managers	Total	Person	77	78	66
	Number of male managers	Person	41	42	31
	Number of female managers	Person	36	36	35
	Percentage of male managers	%	53	54	47
	Percentage of female managers	%	47	46	53
Foreign employees	Number of foreign employees	Person	7	17	13
	Percentage of foreign employees	%	2	3	3
Employees with disabilities	Number of employees with disabilities*	Person	2	12	13

* The number of employees with disabilities is calculated in accordance with Article 28-3 of the Act on Employment Promotion and Vocational Rehabilitation of Persons with Disabilities, "Special exception to the calculation of the number of Employees with disabilities."

SOCIAL | TALENT ACQUISITION AND DEVELOPMENT

YG Entertainment's Talent Principles

YG Entertainment focuses on identifying and developing people with both potential and job fit based on its "Five Core Talent Traits." The company recruits entry-level and experienced employees through a recruitment process that reflects these traits, and offers a range of competency development programs that enable employees to set their own growth goals and directions.

Creative

- Thinks innovatively and takes initiative, guided by flexible thinking and an open mindset

Vision

- Possesses a clear set of values and personal goals that align with a long-term vision

Passion

- Takes full ownership of responsibilities and consistently puts forth their best effort

Professional

- Demonstrates expertise and a strong commitment to continuous learning and self-improvement

Partnership

- Values teamwork and communicates effectively to foster cooperation

Recruitment Process

YG Entertainment operates a transparent and fair recruitment process to attract outstanding talent. The company posts ongoing and year-round recruitment opportunities through the YG RECRUIT website, and candidates go through a series of recruitment stages, including document screening, first- and second-round interviews, and a pre-employment health check. At every stage, it upholds the principles of fair hiring and does not discriminate based on gender, age, place of origin, or other factors.

Recruitment and Retention Status

Category		Unit	2023	2024	2025
Recruitment	Total new hires	Person	145	142	100
	New graduate hires	Person	45	20	24
	Experienced hires	Person	100	122	76
Turnover	Total turnover	Person	101	127	154
	Voluntary turnover	Person	78	111	93
	Voluntary turnover rate	%	17	22	21
Retention	Average length of service (all)	Year	3.9	4.0	4.0
	Average length of service (male)	Year	4.6	4.9	5.1
	Average length of service (female)	Year	3.2	3.1	3.4

SOCIAL | TALENT ACQUISITION AND DEVELOPMENT

Employee Training Programs

YG Entertainment operates training programs tailored to different job functions and levels to support employees in developing into global talent. The company provides a learning environment that allows employees, from new hires to executives, to learn at any time and from any location. Through a range of programs, including role- and function-specific training, legally mandated training, and self-development training, it helps employees gain broad knowledge and insights from internal and external experts.

Onboarding Program

YG Entertainment provides an onboarding program for all new hires within one month of joining the company to help them quickly adapt to the corporate culture and work environment. The program covers a range of topics, including company history, work tools, compliance training, and introduction to the brand and employee benefits.

Role- and Function-Specific Training

YG Entertainment provides specialized training tailored to different roles and functions to strengthen employees' professional capabilities. The company also offers leadership development programs for leadership, as well as required online training for employees eligible for promotion, helping deepen their understanding of the roles and responsibilities associated with each level.

Legally Mandated Training

To protect workers' rights and create a safe work environment, YG Entertainment provides legally mandated training in five areas: disability awareness, workplace sexual harassment prevention, information security, retirement pensions, and occupational safety and health.

Company-Wide Training

YG Entertainment provides company-wide training for all employees on topics such as the internal accounting control system, ethics, and environmental education, helping build core capabilities and compliance awareness across the organization.

Self-Development

YG Entertainment offers online and offline self-development programs that employees can freely choose to participate in. These include phone-based foreign language courses in Chinese, English, and Japanese; microlearning platforms covering personal finance, business, and lifestyle topics; and training sessions led by internal and external experts.

Health and Safety

YG Entertainment operates training programs to promote employee health and create a safe work environment. These include personalized health management training, prevention of musculoskeletal disorders, safe use of in-house fitness facilities, and Red Cross first aid training.

SOCIAL | TALENT ACQUISITION AND DEVELOPMENT

Training Program Outcomes and Effectiveness

YG Entertainment conducts post-training satisfaction surveys to assess the effectiveness of its training programs. In 2025, the company conducted a leadership workshop for 34 team leaders who had either less than four years of tenure or less than four years of experience in a leadership role.

The workshop covered self-awareness as a leader, relationship awareness, and work awareness, and consisted of a three-week online course and two in-person sessions.

Participants showed positive changes in self-awareness, including a better understanding of their behavioral tendencies under stress, interpersonal styles, and the fit between their job and personal characteristics. These results confirmed that the workshop was effective in developing leadership competencies.

Leadership Workshop Effectiveness Survey Results

Survey item	Result
Overall satisfaction with the leadership workshop (out of 5 points)	5 points
Did the workshop help you understand your leadership?	Strongly agree: 83%
Would you recommend this workshop to colleagues or others?	Strongly agree: 92%

Training Completion Summary

Category	Unit	2023	2024*	2025
Male employees	Person	187	194	152
Female employees	Person	273	302	290
Permanent employees	Person	410	427	374
Non-permanent employees	Person	50	69	68
Total training hours	Hour	17,800	19,172	18,064
Training hours per employee	Hour	38.7	38.7	40.9
Employees required to complete training	Person	460	496	442
Total training expenses	KRW million	200	222	162
Training expenses per employee	KRW thousand	436	448	366

* In 2024, the scope of company-wide training data was expanded to include ESG and ethics training.

SOCIAL | TALENT ACQUISITION AND DEVELOPMENT

Employee Performance Evaluation

YG Entertainment's performance evaluation system is designed to measure individual performance and assess competencies in alignment with organizational performance. The results are used as the basis for HR practices, including compensation and career development.

At the start of each year, employees set individual goals aligned with organizational goals based on company-wide and divisional business plans. Progress toward these goals is monitored through interim check-ins and reviews, with coaching provided to support performance improvement. The final evaluation is conducted once a year and comprehensively reflects each employee's annual performance and competencies. At each stage of the evaluation process, department heads meet with employees and provide feedback to support their career development. Evaluation results are fairly reflected in the company's compensation system, and employees are supported in designing their own growth paths through opportunities for job transfers and career development.

Step 1. Goal setting

- Set individual annual goals aligned with organizational goals

Step 2. Interim check-in and review

- Monitor progress toward goals and provide feedback

Step 3. Final evaluation

- Evaluate final performance against goals and competencies (conducted annually)

Step 4. Performance-based rewards

- Provide compensation based on evaluation results
- Offer opportunities for internal job transfers and career development

Employees Subject to Regular Performance Evaluations*

Category		Unit	2023**	2024**	2025
Employees	Male	Person	169	168	131
	Female	Person	244	251	254
	Percentage of male employees	%	100	100	100
	Percentage of female employees	%	100	100	100
Managers	Male	Person	40	42	31
	Female	Person	34	36	34
	Percentage of male managers	%	100	100	100
	Percentage of female managers	%	100	100	100

* Employees actively employed at the time of evaluation, excluding interns and employees scheduled to leave the company. New hires and experienced hires are included after completing a minimum period of service.

** Data for 2023 and 2024 have been revised due to errors in the calculation of historical data.

SOCIAL | TALENT ACQUISITION AND DEVELOPMENT

Trainee Education

YG Entertainment systematically provides trainees with specialized training to strengthen professional capabilities in areas such as vocal performance, rap, and dance, along with foundational education in language, compliance, human rights, communication, safety, and everyday etiquette. Together, these programs support trainees' well-rounded growth and help prepare them to become global artists.

Program	Training Description
Skills training	Training to strengthen specialized skills such as vocals, rap, dance, lyric writing, composition, and musical instrument performance
Language education	Korean, English, Japanese, Spanish, and Chinese language training
Compliance education	- Understanding the concept of compliance - Recognizing the importance of compliance
Human rights education	- Age-appropriate sexuality education for different developmental stages and the importance of gender sensitivity - Disability awareness training - Understanding the value of life and developing sensitivity to human rights
First aid training	Emergency situations and appropriate response methods
Communication training	Respectful communication practices and emotional expression
Etiquette training	Basic manners and behavioral norms for daily life
Physical Health and Wellness Training	Training on posture and body alignment, healthy nutrition, and exercise habits

Artist Training

YG Entertainment operates training programs for its artists tailored to the nature of their activities, including artist role orientation, concert safety, and global tour safety and cultural training. The company also provides regular ethics and compliance training on topics such as defamation, assault, Korean Information and Communications Network Act, and social media guidelines. In addition, it operates a preventive training framework designed to address risks that may arise during artist activities. The company also provides artist-specific branding training tailored to each artist's needs to support their global activities.

Program	Training Description
Language education	Ongoing language training in Korean, English, Japanese, French, and other languages
Compliance education	Training on potential legal issues that may arise during entertainment activities
Personal data protection education	- Understanding the concept of personal data - Prevention of electronic financial crime and post-incident response procedures
Human rights education	Training to prevent discrimination and improve disability awareness
Artist role and responsibilities training	- Defining an artist's identity and setting roles and goals - Enhancing interpersonal and conflict management skills for effective collaboration
Concert safety guide training	- Familiarization with emergency evacuation routes and AED locations; understanding stage-related risks and precautions - Guidance on the Fitness Care Team's support system and role - Accident prevention through rehearsals and effective communication
Global tour safety and cultural training (Global Tour Multi-Checklist)	- Safety rules at airports and concert venues - Understanding country-specific business etiquette; disaster response and safety protocols - Guidance on local norms and legal considerations
Speech enhancement training	- Improving public speaking skills; speech habit analysis and tailored feedback - Refinement through scenario-based practice and monitoring
Artist-specific branding training	Tailored training for each artist, in addition to common training, based on their stage of development, team characteristics, age group, and scope of global activities

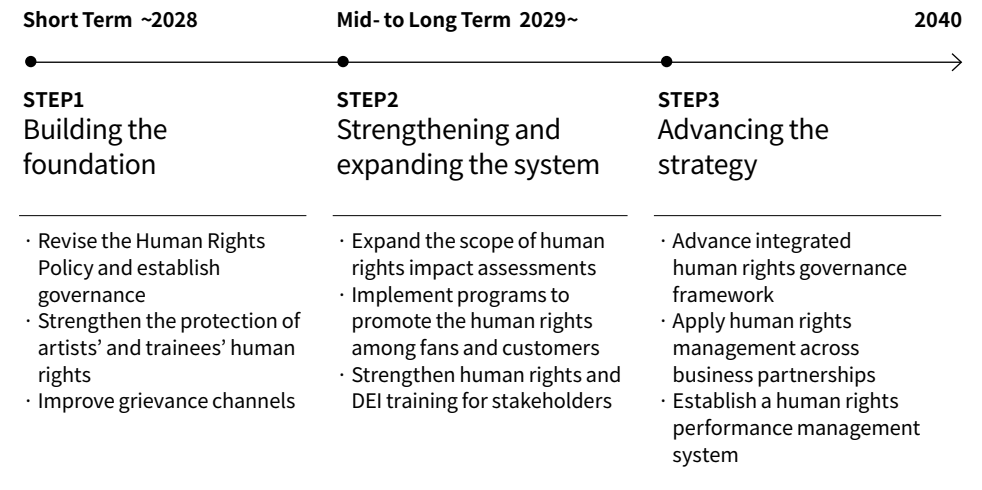
SOCIAL | HUMAN RIGHTS

Human Rights Policy

YG Entertainment established its Human Rights Policy in June 2023 and revised it in May 2026. Designed to embed respect for human rights across its management practices and prevent potential violations throughout its business activities, the policy applies to YG Entertainment and its affiliates in Korea and abroad. The company also seeks to uphold its principles of respect for human rights in its relationships with all stakeholders, including customers (fans) and business partners. The policy is available on its website, making it accessible to the public and demonstrating its commitment to upholding human rights across its operations and stakeholder relationships. Key revisions are outlined below.

Mid- to Long-Term Goals for Human Rights Management

YG Entertainment upholds human rights as a core management value and continues to advance its human rights management system. Following the establishment of its Human Rights Policy in 2023, YG reviewed its internal human rights-related regulations and systems in 2025 and developed phased implementation plans for areas requiring improvement. Based on these plans, the company will strengthen its human rights management system in stages, with the short-term goal of building the foundation and the mid- to long-term goal of systematizing, expanding and advancing the strategy.



SOCIAL | HUMAN RIGHTS

Human Rights Impact Assessment Process

YG Entertainment has established a Human Rights Impact Assessment (HRIA) process to systematically manage human rights risks. The process consists of four stages: establishing an assessment plan; conducting the assessment, either in person or remotely; analyzing the results and identifying key impacts; and implementing and monitoring improvement measures. The assessment covers artists, trainees, and employees. Identified human rights risks are prioritized based on their severity and likelihood of occurrence to identify key areas for improvement, with implementation continuously monitored under the oversight of the ESG Team.

Human Rights Impact Assessment Results

YG Entertainment reviewed Korean and international human rights guidelines, including those of the National Human Rights Commission of Korea and the UN Guiding Principles on Business and Human Rights (UNGPs), as well as expert advice, to identify human rights risks specific to the entertainment industry. The Company then developed checklists to identify adverse impacts for each of the four stakeholder groups: artists, trainees, minors, and employees. Taking into account the entertainment industry's unique operating environment and the human rights vulnerabilities of each group, YG Entertainment further identified priority management areas that require monitoring.

Trainees

- Sharing assessment results
- Grievance handling process
-

Artists

- Transparent contracts
- Right to free choice
-

Minors

- Ensuring the right to education
- Regular contact with guardians
-

Internal Reporting System for Human Rights Violations

YG Entertainment operates an internal reporting system, the Whistleblowing System (WBS), through which employees and external stakeholders can report concerns at any time, helping to foster a respectful workplace for all employees and prevent unethical conduct. This open grievance reporting channel is accessible to both employees and external stakeholders. To ensure that anyone can clearly understand the reporting process, the company makes the relevant procedures available through its intranet and other communication channels. To safeguard the anonymity of whistleblowers, all information is encrypted and managed securely. The system also allows users to submit named reports or request consultations, depending on the whistleblower's preference.

Reportable matters include a broad range of unethical conduct, from corruption such as bribery and abuse of position to workplace harassment and human rights violations. Reports received through the system are investigated promptly and rigorously by the department responsible for audits in accordance with applicable internal rules. YG Entertainment also takes effective follow-up measures to help prevent recurrence. Through robust identity protection and a structured response process, the company remains committed to enhancing the effectiveness of its human rights management and reinforcing its internal checks and corrective mechanisms.

SOCIAL | HUMAN RIGHTS

Human Rights Protection Activities for Key Stakeholders

YG Entertainment works to protect the human rights of major stakeholders in the entertainment industry, including artists, underage artists, and fans. The company identifies human rights risks that may arise from the nature of its business and has put in place tailored safeguards for each stakeholder group.

Artist Human Rights Protection

YG Entertainment runs a Fan Etiquette Campaign to protect the rights and interests of artists who may face human rights and safety risks. In August 2025, to protect artists' privacy and safety, the company posted a notice on its website and social media channels requesting that fans refrain from unauthorized visits to or waiting near company premises, helping promote a safer fan culture. It also provides various types of support to help ensure a healthy working environment for artists. This includes support for artists' physical and mental health, as well as on-site medical assistance provided by nurses stationed at the company. To prevent fatigue from accumulating during work schedules, the company also ensures that artists are given adequate rest.

Protection of Young Artists

YG Entertainment has appointed a Youth Protection Officer to protect the basic rights of artists under the age of 15, including their physical and mental health, right to education, right to sleep, right to rest, and right to free choice. The Youth Protection Officer manages matters such as the scheduling, contractual arrangements, and daily routines of underage artists, and holds regular interviews with them to help ensure that their rights are protected.

The company also operates YG Guardian, an anonymous reporting channel designed to protect the rights and interests of underage artists. Underage artists can report grievances through this channel, and the Youth Protection Officer reviews each report and provides appropriate support and takes any necessary follow-up measures.

YG Entertainment also operates YG Connect to further protect the rights and interests of underage artists and support regular, trust-based communication with their guardians. As a regular communication channel between YG Entertainment and the guardians of underage artists, YG Connect shares information on schedules, health and safety management, and other important matters, while also delivering notices in a timely manner.

Human Rights Protection for Customers and Fans

YG Entertainment established the "Compliance and Human Rights Guidelines for Concert Operations" and provided advance training for on-site staff to protect the human rights of customers and fans attending its concerts and to create a safe concertgoing environment. Staff were instructed to use respectful language when interacting with customers and fans, and to refrain from touching customers, fans or their belongings without prior consent. The company also provided guidance on privacy compliance, including prohibiting the collection or use of personal information beyond the minimum necessary for purposes such as ticket distribution. To ensure that fans from different backgrounds, including foreign audience members, fans with disabilities, and children, can enjoy concerts safely and without discrimination, it provided additional guidance for on-site staff. Relevant training was also provided to event operations staff and security personnel before each concert. In January 2026, the company posted "The Guide to Audience Etiquette for a Safe and Enjoyable Concert Experience" on its website and social media channels, outlining prohibited conduct and requesting cooperation in maintaining order and preventing safety incidents.

SOCIAL | HUMAN RIGHTS

Internal Grievance Handling Process

Consultation / Report Intake

- Submission channels: WBS, face-to-face meetings, messenger, phone call, or email



Consultation and Investigation

- For reports submitted via WBS, the internal audit department conducts the investigation.
- Individual or department-level interviews are conducted as needed, with strict confidentiality maintained throughout the process.



Resolution and Follow-up Action

- Informal internal procedure: Resolution through dialogue between the parties or individual consultation
- Formal internal procedure: Resolution in accordance with internal regulations or HR Committee procedures



Ongoing Monitoring

- Creating a safe work environment that supports recovery following grievance resolution while protecting the identities of whistleblowers
- Implementing measures to prevent recurrence and improve the overall organizational culture and systems
- Regular monitoring of preventive and response systems

Internal Grievance Handling Status

Category	Unit	2023	2024	2025*
Internal grievance resolution rate	%	100	100	100
Violations of human rights laws and regulations	Case	0	0	0
Administrative fines and penalties related to human rights	KRW thousand	0	0	0

* In 2025, 12 internal grievances were received and all 12 were resolved, achieving a 100% resolution rate.

SOCIAL | HUMAN RIGHTS

Labor-Management Council

YG Entertainment aims to foster an open, flat workplace culture. The company operates a Labor-Management Council which meets quarterly (four times per year). The council consists of 3 employee representatives and 3 management representatives. Through the council, the company discusses key matters affecting employees, including working conditions and benefits. In 2025, the council addressed a total of 12 agenda items, achieving a 100% resolution rate.

Category	Date	No. of Agenda Items	Resolution Rate (%)
1 st meeting	Mar. 21, 2025	3	100
2nd meeting	Jun. 26, 2025	3	100
3 rd meeting	Sep. 25, 2025	3	100
4 th meeting	Dec. 18, 2025	3	100

Human Rights Training

YG Entertainment provides human rights training to enhance human rights awareness among all employees and foster a culture of respect for human rights. The company offers legally mandated training online, including disability awareness training and sexual harassment prevention training. In 2025, 450 employees completed sexual harassment prevention training, and 464 employees completed disability awareness training.

Category	Unit	2023	2024	2025
Sexual harassment prevention training	Person	482	503	450
Disability awareness training	Person	399	501	464

SOCIAL | OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety Management Policy

YG Entertainment has established occupational health and safety goals and management policies in line with the intent of the Serious Accidents Punishment Act and built a company-wide occupational health and safety management system. The company has set eight occupational health and safety goals and is diligently implementing them. These goals support legal compliance while laying the foundation for a proactive safety culture. It also provides ongoing training and inspections so that all employees can understand and put these goals into practice.

In 2025, YG Entertainment established an occupational health and safety management plan, with achieving zero serious accidents and occupational accidents as a core target. The plan sets out priority initiatives for the occupational health and safety management organization, inspection standards, scenario-based response manuals, and key safety management measures. The company remains committed to creating a safe, healthy, and comfortable workplace for its employees.

Safety and Health Council

YG Entertainment has established a Safety and Health Council to proactively identify and address safety and health risks. The council consists of internal personnel, including the safety officer, health officer, and safety and health manager, as well as external personnel responsible for contracted services such as facility security and equipment maintenance. By bringing together internal and external personnel, the council regularly reviews safety and health risk factors that may arise in and around its sites, identifies areas for improvement, and helps reduce the likelihood of safety-related incidents.

Occupational Safety and Health Grievance Reporting and Handling

To promptly and proactively address safety and health-related concerns raised by employees, YG Entertainment operates a dedicated safety and health feedback channel that employees can use at any time. The company also strengthens its safety and health management system through regular meetings of the Occupational Safety and Health Committee and the Subcontractor Council.

In 2025, the Occupational Safety and Health Committee held a total of 4 regular meetings. Key agenda items reviewed and resolved by the committee were shared through the internal bulletin board, giving all employees easy access to relevant safety and health information. The Subcontractor Council also holds regular meetings at least once a month to strengthen safety and health cooperation between YG Entertainment and its subcontractors. In 2025, the council held a total of 12 regular meetings, jointly reviewed and resolved safety and health matters between the contracting and subcontracting parties, and took immediate corrective measures on the issues identified.

Occupational Health and Safety Management System Certification (ISO 45001)

YG Entertainment, the first company in Korea's entertainment industry to obtain ISO 45001 certification, renewed the certification in 2025 and continues to maintain its occupational health and safety management system. To ensure a prompt response to potential emergencies, the company has established an emergency response manual tailored to the types of incidents that may occur within its operations. It also provides regular emergency safety response training for employees to help reduce the impact of occupational accidents. In addition, the company independently conducts annual risk assessments across all office facilities, evaluating potential hazards based on frequency (likelihood) and severity (impact), and implements comprehensive corrective actions.

SOCIAL | OCCUPATIONAL HEALTH AND SAFETY

Identification and Management of Occupational Safety and Health Risks

YG Entertainment conducts regular annual risk assessments in accordance with the Occupational Safety and Health Act to protect employee safety and health and pursue a zero-accident workplace. From April 18 to May 16, 2025, the company conducted risk assessments across 10 office facilities and identified a total of 35 risk factors. It completed corrective actions for all identified risks and assessed their effectiveness, helping create a safer and more comfortable work environment.

In addition to office facilities, YG Entertainment conducts regular and ad hoc risk assessments at external locations such as concert venues and filming sites. Through rigorous risk prevention and management, including the management of near-miss incidents, the company operated external sites safely in 2025 with no occupational accidents.

1. Office Facility Risk Assessment Results

- Assessment Period: April 18–May 16, 2025
- Assessment Scope: 10 office facilities
- Identified Risks: 35 cases / All fully addressed
- Employee Feedback: 22 comments

2. External Location Risk Assessment Results

- Assessment Period: January 1–December 31, 2025
- Assessment Scope: Concert venues and filming sites, including M/V, P/V, and content filming locations; 34 assessments in total
- Identified Risks: 807 cases / All fully addressed

Serious Accident Prevention Activities

In 2025, YG Entertainment provided training on first aid, fire response and evacuation, and confined space safety to prevent serious industrial accidents at its sites and enhance employees' emergency response capabilities. The hands-on training covered CPR, the use of automated external defibrillators (AEDs), fire response and evacuation procedures, confined space safety rules, and rescue drills, helping employees respond quickly and safely in emergency situations.

Occupational Accident Status*

Category	Subcategory	Unit	2023	2024**	2025
Work-related injuries	Number of workers covered by the occupational health and safety management system***	Person	460	496	438
	Number of injured workers	Person	0	1	0
	Number of work-related fatalities	Person	0	0	0
	Occupational accident rate	%	0	0.23	0
Work-related illnesses	Lost Time Injury Frequency Rate (LTIFR)	-	0	1.01	0
	Number of workers with work-related illnesses	Person	0	0	0
	Occupational Illness Frequency Rate (OIFR)	-	0	0	0

* No occupational accidents occurred among contractor employees working at YG Entertainment facilities, including security, cleaning, facility management, and document management personnel.

** The 2024 data has been revised to reflect calculation errors identified for prior years.

*** Percentage of workers covered by the occupational health and safety management system: 100%

SOCIAL | OCCUPATIONAL HEALTH AND SAFETY

Employee Health and Well-being Initiatives

A Safe and Healthy Workplace

YG Entertainment regularly conducts work environment and indoor air quality assessments through specialized agencies certified by the Ministry of Employment and Labor and the Ministry of Environment to proactively identify, prevent, and manage occupational illnesses, including respiratory diseases, among employees. The assessments cover 10 indoor air quality indicators, including particulate matter, as well as 27 chemical substances and noise. No hazardous substances were detected among the chemicals handled, and indoor air quality was confirmed to remain within regulatory standards.

Health Consultation Campaign

YG Entertainment provides monthly health consultations to support disease prevention among employees. An occupational health physician and nurse visit the headquarters to provide basic health consultations for employees, including blood pressure, blood sugar, and cholesterol screenings.

YG Hyu Station Day Program

In 2025, YG Entertainment launched the YG Hyu Station Day program in observance of Mental Health Day to help employees manage stress and take time for mental well-being and rest. The program was organized with booths offering color therapy, caricature sessions, and activities designed to help employees recharge.

YG Wellness Kit – Essential Medicine Kit

For employees who frequently travel for business, YG Entertainment provides an annual kit that includes essential medicines and first-aid supplies. The kit is designed to help employees prepare for health risks in unfamiliar environments and respond quickly to sudden symptoms.

Smoking Cessation Campaign and Education

In 2025, YG Entertainment worked with the Seoul Smoking Cessation Support Center to conduct a smoking cessation campaign and educational programs, supporting a smoke-free workplace culture and employee health.

Health Management Support

YG Entertainment operates health and wellness support programs to promote employee well-being. The company supports the cost of comprehensive health check-ups and recommends personalized check-up programs through one-on-one consultations with an in-house health manager. It also provides mandatory employee health examinations every two years and covers the cost of annual flu vaccinations. In addition, the company covers accident and life insurance premiums to provide employees with greater security and financial stability.

Psychological Counseling Programs

YG Entertainment offers psychological counseling programs to support employees' mental health. The company regularly provides in-house art therapy sessions and fully covers the cost of external professional counseling services for up to eight sessions per year, allowing employees to access counseling without financial concerns.

SOCIAL | OCCUPATIONAL HEALTH AND SAFETY

Safety Training Status

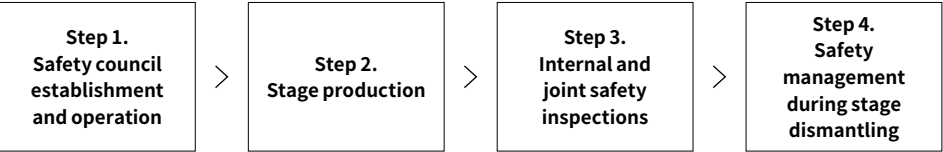
Category	Description	Cumulative Participants	Training Hours per Person
Mandatory occupational safety and health training	New hire training	110	8 hours
	Regular training for employees	1,716	3 hours
	Supervisor training	3	16 hours
Emergency response training	First aid training	37	1.5 hours
	Joint fire and evacuation drill	303	1 hour
	Confined space training and drill	17	1 hour
In-house fitness facility safety training	Safety rules for using in-house fitness facilities	105	0.5 hours

Safety Manual for Concert and Filming Sites

Since 2023, YG Entertainment has developed and implemented a safety manual for both its internal workplaces and external sites, including concert venues and content filming locations, to proactively mitigate potential hazards. To prevent accidents, the company provides certified personal protective equipment (PPE), including safety shoes and helmets, at concert and filming sites. It also provides occupational health supplies and supplements to help prevent heat-related illnesses and other seasonal health conditions. Led by a Chief Safety Officer and supported by field experts, the company has established a site-specific safety management system and continues to identify areas for improvement through regular consultations with workers stationed on site.

In April 2024, YG Entertainment published the Concert Venue Safety Guide to help ensure safety at all concert sites. The guide includes safety management procedures to prevent accidents at concert venues, venue safety compliance standards, safety management checklists, and response protocols in the event of an accident. It applies to all concerts produced by YG Entertainment. To prevent similar incidents from recurring, the company will continue to improve the guide and update it in line with changes in relevant laws and site conditions.

Concert Safety Management Process



SOCIAL | INFORMATION SECURITY

Privacy Policy

YG Entertainment has established and implements a Privacy Policy to safeguard the personal data and rights of customers and employees in accordance with applicable privacy laws and regulations. The policy outlines the collection, processing, and use of personal data, ensures transparency in data processing, and defines secure management practices. The policy is approved by the Chief Administrative Officer (CAO) and is publicly available on its website.

Privacy-related inquiries and complaints may be submitted to the IT Infrastructure Team and are handled promptly through a four-step process: intake, investigation, notification, and action.

The IT Infrastructure Team also oversees privacy risk management, following procedures for risk identification, monitoring, reporting, response, resolution, evaluation, and follow-up. The team identifies risk factors that may affect the implementation of the Privacy Policy both proactively and reactively, detects early warning signs, and works to prevent privacy risks.

Awareness and analysis

- Identifying crisis situations and changes in indicators



Identification

- Identifying the causes and sources of risks



Monitoring and reporting

- Conducting ad hoc checks and operating an immediate reporting system



Response and follow-up

- Taking action and preventing recurrence

Information Security Status

Category	Unit	2023	2024	2025
Total information leak incidents	Case	0	0	0
Customer data leak incidents	Case	0	0	0
Fines for violations of laws and regulations related to information leaks	KRW thousand	0	0	0
Data breaches	Case	0	0	0
Percentage of data breaches involving personally identifiable information (PII)	%	0	0	0
Users affected by data breaches	Person	0	0	0
Case where personal data was used for secondary purposes	Case	0	0	0

Privacy and Information Security Investment

YG Entertainment provides document and office software, as well as data loss prevention software, to all employees to strengthen information security. The company also maintains and regularly renews personal information protection liability insurance to prepare for potential personal information-related incidents.

SOCIAL | INFORMATION SECURITY

Information Security Risk Management

YG Entertainment operates a dedicated team responsible for information security and privacy to manage information security in a structured manner. The IT team follows a risk management process for risk identification, assessment, mitigation planning, and monitoring. The team also develops and implements short-, medium-, and long-term plans for identified improvement tasks.

Protection Against Hacking

When abnormal traffic or excessive access attempts are identified as signs of external intrusion or hacking threats, YG Entertainment detects and blocks them through log analysis and real-time monitoring. In cooperation with the Korea Internet & Security Agency (KISA), the company receives real-time information on threat IP addresses used for criminal activity and immediately applies blocking rules through its network security equipment. It also conducts regular security assessments of all servers and uses dedicated server antivirus software to prevent malware infections.

Data Leakage Prevention

YG Entertainment mitigates the risk of unauthorized removal of sensitive information by using secure links on YG Drive and controlling the use of removable storage media. The company also monitors large-scale transfers and deletions of key files in real time. When an employee leaves the company, it strengthens security checks and obtains certificates of data destruction to manage information leakage risks.

As a result of these measures, there were no violations of information security laws or regulations or personal data breaches in 2025. YG Entertainment will continue to review and improve its information security risk management framework.

Information Security Training

YG Entertainment helps employees understand and apply security policies from the start through onboarding training for new hires, and provides regular information security and privacy training for all employees. The company also conducts simulated phishing email exercises for artists and employees.

Training	Topics	Participants	Training Hours per Person
YG information security training	YG security policies	450	1 hour
Privacy training	Overview of personal data and response procedures in the event of a personal data breach	450	3 hours

SOCIAL | BUSINESS PARTNER SUSTAINABILITY

Business Partner Code of Conduct and Compliance Pledge

In May 2023, YG Entertainment established the Business Partner Code of Conduct to promote sustainable management practices among its business partners. The Code of Conduct establishes standards for business partners across four areas: ethics, occupational health and safety, respect for human rights, and environmental protection.

YG Entertainment requires all business partners to sign the Compliance Pledge for the Business Partner Code of Conduct when entering into a contract. This requirement is formalized as an internal policy to ensure that consistent standards are applied across all contracts. The pledge also stipulates that violations of the Code of Conduct may be treated as breaches of contractual obligations and result in measures such as contract termination.

In October 2025, the pledge was revised to include an information security pledge designed to strengthen business partners' information security management. The revised pledge also states that YG Entertainment may request corrective action in the event of a violation, and that failure to comply without just cause may result in measures such as contract termination, thereby strengthening its effectiveness.

Grievance Handling Process for Business Partners

YG Entertainment operates a grievance reporting system for business partners to help prevent unethical or illegal conduct. Information on the system is provided through the Compliance Pledge for the Business Partner Code of Conduct, and reported issues are addressed promptly in accordance with the responsible department's case handling procedures. No complaints were received from 2022 to 2025.

Business Partner Support Initiatives

YG Entertainment provides financial and non-financial support to subcontractors as part of its efforts to promote shared growth with business partners. To enhance safety at concert and content production sites, the company provides safety equipment such as safety helmets and safety shoes. It also helps improve the cultural well-being of business partner employees by providing tickets to cultural events. In addition, the company supports business partners' capacity building and protection of their rights and interests by providing training course vouchers and access to a legal services platform.

Support Item	Amount of Support
Safety equipment (safety helmets and safety shoes)	KRW 21,965,000
Tickets to cultural events	KRW 24,840,000
Training course vouchers and access to a legal services platform	KRW 5,812,500

SOCIAL | COMMUNITY ENGAGEMENT

Corporate Social Responsibility Policy

YG Entertainment established its Corporate Social Responsibility (CSR) Policy in May 2024 to provide a structured framework for its CSR campaign, YG WITH, and to strengthen its commitment to creating social value. The policy is publicly available on its website. Under the slogan "Building a society where no one is left behind," the policy focuses on supporting the healthy development of children and youth, improving access to culture for underserved children and youth, and spreading positive influence through music. Based on these priorities, the company has established three strategic directions: "Inclusive Society," "Bridging the Cultural Gap," and "Positive Influence," and implemented CSR initiatives aligned with each strategy.

Mid- to Long-Term Goals for CSR Initiatives



SOCIAL | COMMUNITY ENGAGEMENT

Employee CSR Participation: YG WITH

YG Entertainment runs the YG WITH campaign to build a corporate culture of giving. We designate WITH DAY as a regular employee volunteer day, enabling employees to participate more easily in volunteer activities. We also encourage voluntary participation through the WITH Points program.

Category	Unit	2023	2024	2025
Total volunteer hours	Hour	3,088*	528	945.5
Beneficiaries	Person	3,621	2,494	5,899
Total community contribution amount	KRW 10 million	61	34	70

* The increase in total volunteer hours in 2023 was due to a virtual walking donation challenge.

Inclusive Society

YG BOPCHA

YG BOPCHA (meal truck) is one of YG Entertainment's flagship CSR initiatives, launched in 2015. The program provides meals at local community events for children and youth. In 2025, YG BOPCHA was held five times, delivering meals to 1,320 people, including underserved community members and children and youth.

Employee Volunteering in Local Communities

YG Entertainment contributes to local communities through employee volunteer activities conducted in partnership with local organizations. In 2025, employees visited Samdong Boys Town, a child welfare facility in Mapo-gu, and took part in activities including a baking volunteer program, self-defense training, and a mini concert. At the end of the year, employees also participated in a Secret Santa volunteer initiative for underserved children and pediatric patients hospitalized at Severance Hospital.

Learning Support for Children with Migrant Backgrounds: "First Korean" Program

In partnership with ChildFund Korea, YG Entertainment provided basic Korean-language learning content, educational devices, and learning kits to approximately 200 children with migrant backgrounds who entered Korea after living abroad. Employees also volunteered to package and deliver the learning kits.

Support for Disaster-Vulnerable Groups and Emergency Relief

In May 2025, YG Entertainment ran a fundraising campaign in partnership with Happybean to support recovery from wildfires in Ulsan, Gyeongbuk, and Gyeongnam. A total of 7,612 people participated, raising KRW 80 million to help 681 displaced residents and disaster-vulnerable individuals return to their daily lives. In response to a fire in Hong Kong in the same year, YG Entertainment also provided HKD 1 million in emergency relief through the Korean Red Cross.

SOCIAL | COMMUNITY ENGAGEMENT

Bridging the Cultural Gap

Bridging Regional Cultural Gaps: PROJECT YOURSIDE

PROJECT YOURSIDE is one of YG Entertainment's flagship CSR programs, launched in 2022 to bridge regional cultural gaps and expand access to culture for children and youth. In 2025, the program held a three-day pop-up event in Jinju, Gyeongsangnam-do, providing a total of 5,010 local children, youth, and residents with opportunities to experience popular culture, a 2.5-fold increase from the previous year.

The program also deepened engagement with the local community through a range of collaborations, including the YG BOPCHA meal truck, merchandise developed with a signature local character, and online content production. By enhancing interactive content such as merchandise and costume displays and hands-on programs, the event enabled visitors to experience YG Entertainment's cultural content more closely.

These efforts generated strong local interest and participation, and it received positive feedback, with an average satisfaction score of 4.64 out of 5.

Cochlear Implant and Music Rehabilitation Support for Pediatric Patients

In partnership with Seoul National University Children's Hospital, YG Entertainment supports medical treatment and music rehabilitation for children who have undergone cochlear implant surgery. In 2025, YG Entertainment contributed KRW 150 million, supporting surgery costs for 33 children and music rehabilitation services for 25 children. Cumulatively, the program has supported surgery costs for 46 children and music rehabilitation services for 58 children. Based on clinical data, 5 academic case reports were also presented.

Positive Influence

TREASURE Double Donation Fundraising Campaign

In 2025, YG Entertainment, together with TREASURE, ran a Happybean Double Donation fundraising campaign to support children with limited access to arts and cultural opportunities. A total of 12,145 fans participated, and YG Entertainment matched the online donations, raising KRW 80,860,200 in total. In October 2025, YG Entertainment also invited 53 children supported by Gfoundation and the nonprofit Beautiful Mind to a TREASURE concert, providing children from underserved communities with an opportunity to attend a live performance.

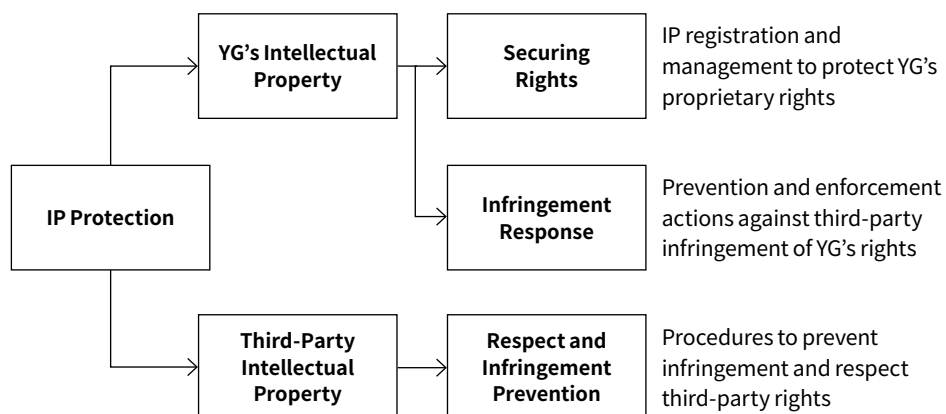
Giving Activities Involving Artists, Fans, and Employees

In 2025, YG Entertainment artist SEAN and YG employees donated 5,000 coal briquettes and delivered 2,400 briquettes to underserved households. In December, SUHYUN of AKMU joined fans and employees in making teddy bears and packing hospital care kits for children with intractable diseases.

GOVERNANCE | INTELLECTUAL PROPERTY

Intellectual Property Protection System

YG Entertainment systematically manages and protects intellectual property (IP), a core asset of its content business, through a dedicated IP team. To safeguard copyrights, trademarks, and other IP rights and prevent infringement across its content production and business operations, YG has established and operates an IP protection policy and framework.



Intellectual Property Protection Activities

In 2025, YG Entertainment conducted enforcement activities across 55 platforms in 23 countries to protect its intellectual property rights both in Korea and internationally. The company also continuously monitors potential IP infringements during content production in accordance with its internal guidelines. Recognizing the importance of IP protection, YG will continue working to protect its own intellectual property rights while preventing infringement of third-party rights.

Intellectual Property Training

To raise awareness of intellectual property rights, YG Entertainment provides employees in key production departments trademark training, copyrights, and other IP matters relevant to their work. In 2025, the company conducted a total of three training sessions. With a strong sense of responsibility for IP protection, YG will continue to enhance its IP management and expand related initiatives.

APPENDIX

GRI STANDARDS 2021	78
SASB INDEX	81
INDEPENDENT ASSURANCE STATEMENT	82
GHG EMISSIONS ASSURANCE STATEMENT	85

GRI Standards

GRI Standards 2021				
GRI 1: Foundation 2021	Description	YG Entertainment reports this Sustainability Report in accordance with the GRI Standards 2021, covering the period from January 1 to December 31, 2025. Certain information on key activities and performance includes data from periods prior to 2025 or the first half of 2026.		
	GRI 1	GRI 1: Foundation 2021		
	GRI sector standards	Sector-specific standards relevant to YG Entertainment have not yet been published and are therefore currently unavailable.		
General Disclosures			Page	Remarks
GRI 2: General Disclosures 2021	2-1	Organizational details	7, 8	
	2-2	Entities included in the organization's sustainability reporting	3	
	2-3	Reporting period, frequency and contact point	3, 78	
	2-4	Restatements of information	28, 59, 67	
	2-5	External assurance	82-84	
	2-6	Activities, value chain and other business relationships	10	
	2-7	Employees	55	
	2-8	Workers who are not employees	55	
	2-9	Governance structure and composition	34-35, 37	Refer to the FY2025 Annual Report (Status of Executives and Employees).
	2-10	Nomination and selection of the highest governance body	34	
	2-11	Chair of the highest governance body	34	
	2-12	Role of the highest governance body in overseeing the management of impacts	37	
	2-13	Delegation of responsibility for managing impacts	37	
	2-14	Role of the highest governance body in sustainability reporting	38	
	2-15	Conflicts of interest	34	
	2-16	Communication of critical concerns	38-39	
	2-17	Collective knowledge of the highest governance body	34, 36	
	2-18	Evaluation of the performance of the highest governance body	34	
	2-19	Remuneration policies	-	Refer to the FY2025 Annual Report (Status of Executives and Employees).
	2-20	Process to determine remuneration	-	Refer to the FY2025 Annual Report (Status of Executives and Employees).
	2-21	Annual total compensation ratio	-	Refer to the FY2025 Annual Report (Status of Executives and Employees).
	2-22	Statement on sustainable development strategy	6	
	2-23	Policy commitments	40, 48, 51, 53, 61, 66, 70, 73	
	2-24	Embedding policy commitments	40, 48, 51, 53, 61, 66, 70, 73	
	2-25	Processes to remediate negative impacts	64, 66, 72	
	2-26	Mechanisms for seeking advice and raising concerns	62	
	2-27	Compliance with laws and regulations	64, 70	
	2-28	Membership associations	-	Federation of Korean Industries (FKI), Korea Music Content Association (KMCA)
	2-29	Approach to stakeholder engagement	44-45	
	2-30	Collective bargaining agreements	65	

GRI Standards

Material Topics			Page	Remarks
GRI 3: Material Topics 2021	3-1	Process to determine material topics	16	
	3-2	List of material topics	17	
Material Topic 1. Climate Change Response				
GRI 3: Material Topics 2021	3-3	Management of material topics	19-30	
GRI 302: Energy	302-1	Energy consumption within the organization	28	
	302-3	Energy intensity	28	
	302-4	Reduction of energy consumption	28	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	26	
	305-2	Energy indirect (Scope 2) GHG emissions	26	
	305-3	Other indirect (Scope 3) GHG emissions	26	
	305-4	GHG emissions intensity	26	
	305-5	Reduction of GHG emissions	22, 23, 28	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	54	
Material Topic 2. Improving Working Conditions and Employee Benefits				
GRI 3: Material Topics 2021	3-3	Management of material topics	31-33	
GRI 401: Employment	401-1	New employee hires and employee turnover	56	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	31-33	
	401-3	Parental leave	33	Refer to the FY2025 Annual Report (Status of Executives and Employees).
GRI 404: Training and Education	404-1	Average hours of training per year per employee	58	
	404-2	Programs for upgrading employee skills and transition assistance programs	57	
	404-3	Percentage of employees receiving regular performance and career development reviews	59	
Material Topic 3. Strengthening Governance				
GRI 3: Material Topics 2021	3-3	Management of material topics	34-39	
Material Topic 4. Promoting Compliance and Ethical Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	40-43	
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	42	
	205-2	Communication and training about anti-corruption policies and procedures	40, 43	
	205-3	Confirmed incidents of corruption and actions taken	42	
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	42	

GRI Standards

GRI Standards			Page	Remarks
Economic Topic				
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	-	Refer to the FY2025 Annual Report (Consolidated Statements of Financial Position and Comprehensive Income).
Environmental Topics				
GRI 101: Biodiversity	101-4	Identification of biodiversity impacts	51	
	101-5	Locations with biodiversity impacts	51	
GRI 303: Water and Effluents	303-3	Water withdrawal	52	
	303-4	Water discharge	52	
	303-5	Water consumption	52	
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	53	
	306-2	Management of significant waste-related impacts	53	
	306-3	Waste generated	53	
Social Topics				
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	66	
	403-2	Hazard identification, risk assessment, and incident investigation	67	
	403-3	Occupational health services	68	
	403-4	Worker participation, consultation, and communication on occupational health and safety	66	
	403-5	Worker training on occupational health and safety	69	
	403-6	Worker health promotion	68	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	69, 72	
	403-8	Workers covered by an occupational health and safety management system	67	
	403-9	Work-related injuries	67	
	403-10	Work-related ill health	67	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	34-35	Refer to the FY2025 Annual Report (Status of Executives and Employees).
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	64	
GRI 416: Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	42	
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	70	

SASB Index

YG Entertainment is committed to transparently disclosing relevant information to stakeholders in accordance with the Sustainability Accounting Standards Board (SASB) Standards, a set of industry-specific sustainability accounting standards developed by SASB. YG Entertainment selects and reports applicable indicators from the Internet Media & Services and Media & Entertainment industries within the Services sector of the SASB Standards.

Topic	SASB Code	Accounting Metric	Reporting Page
Environmental Footprint of Hardware Infrastructure	TC-IM-130a.1	(1) Total energy consumed (2) Percentage of grid electricity (3) Percentage of renewable energy	28
	TC-IM-130a.2	(1) Total water withdrawn (2) Total water consumed, percentage of regions with high or extremely high baseline water stress	52
Data Privacy, Advertising Standards & Freedom of Expression	TC-IM-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	70
	TC-IM-220a.2	Number of users whose information was used for secondary purposes	70
	TC-IM-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	70
Data Security	TC-IM-230a.1	(1) Number of data breaches (2) Percentage involving Personally Identifiable Information (PII) (3) Number of users affected	70
	TC-IM-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	70
Employee Recruitment, Inclusion & Performance	TC-IM-330a.1	Percentage of employees that are foreign nationals	55
Intellectual Property Protection & Competitive Behavior	TC-IM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	42
Intellectual Property Protection & Media Piracy	SV-ME-520a.1	Description of approach to ensuring intellectual property (IP) protection	76
Media Pluralism	SV-ME-260a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) professionals, and (3) all other employees	55
	SV-ME-260a.2	Description of policies and procedures to ensure pluralism in news media content	-

INDEPENDENT ASSURANCE OPINION STATEMENT

To: The Stakeholders of YG Entertainment

Overview

The British Standards Institution (hereinafter referred to as the "Assurer") was requested to verify the 2026 YG Entertainment Sustainability Report (hereinafter referred to as the "Report"). The Assurer is independent to YG Entertainment and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the YG Entertainment report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the YG Entertainment. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.

YG Entertainment is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to YG Entertainment only.

The Assurer is responsible for providing YG Entertainment management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of YG Entertainment. The Assurer will not, in providing this Independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the Independent assurance opinion statement may be read.

Scope

The scope of engagement agreed upon with YG Entertainment includes the following:

- Report contents during the period from January 1st to December 31st 2025 included in the Report, some data of 2026 are included.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- Confirmation of the Report's compliance with the AA1000 AccountAbility Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance level and type are as follows;

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the Assurer reviewed the following disclosures based on the sampling of information and data provided by YG Entertainment.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

101-4&5, 201-1, 205-1~3, 206-1, 302-1, 302-3&4, 303-3~5, 305-1~7, 306-1~3, 401-1~3, 403-1~10, 404-1~3, 405-1, 406-1, 416-2, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- Validation of the materiality assessment and internal analytical process for determining assurance priorities, and a top-level review of issues that may be raised by external stakeholders in the context of sustainability.
- Discussion with managers and representatives on stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation.
- Review of the materiality issue analysis process and prioritization and verifying the results.
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures.
- An assessment of YG Entertainment reporting and management processes against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000

INDEPENDENT ASSURANCE OPINION STATEMENT

AccountAbility Principles Standard (2018).

- Visit of the HQ of YG Entertainment to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by YG Entertainment. It implies that the Assurer is therefore subject to limitations relating to inherent risks that may exist without the identification of material errors. The Assurer does not provide assurance on possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

British Standards Institution (BSI) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with over 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with YG Entertainment. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain YG Entertainment approach to the AA1000 Assurance Standard and to provide confidence in its self-declaration of compliance with the GRI Standards. On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards is set out as below.

Inclusivity: Stakeholder Engagement and Opinion

YG Entertainment categorizes its key stakeholders, who exert a significant influence on the company's business activities, into the Customers (Fans), Employees, Shareholders & Investors,

Business Partners, Government & Associations and operates tailored communication channels for each group. Through these communication channels, the company regularly collects stakeholder feedback and requirements to reflect them in its management activities, including strategy formulation and implementation, and transparently discloses this entire process through the report.

Materiality: Identification and reporting of material sustainability topics

YG Entertainment has established a process to formulate sustainability-related strategies and derive key reporting issues. Under the supervision of the ESG Team, material issues were identified through a comprehensive analysis of global disclosure standards, peer benchmarking, and internal/external environmental assessments. The final results were confirmed following a report to executive management and approval from the ESG Committee under the Board of Directors. The major activities and future plans related to this process are transparently disclosed in this report.

Responsiveness: Responding to material sustainability topics and related impacts

YG Entertainment operates a management process for key material issues identified within the context of sustainability through its materiality assessment. To effectively reflect the expectations of relevant key stakeholders, the organization utilizes its unique, established management methodology. In accordance with this approach, the company transparently discloses its major response performances including the management methodologies, outcomes, and improvement plans related to the reported material issues through the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

YG Entertainment has established a process to identify and assess the impacts of its core reporting issues on the organization and its stakeholders. The results of the analysis regarding the impacts, risks, and opportunities associated with these core reporting issues are utilized in decision-making to formulate tailored response strategies for each specific issue, and this entire process is transparently disclosed through the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, an assurance Type 2 were conducted against the following disclosures based on the information and data provided by YG Entertainment. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the Report were not found

INDEPENDENT ASSURANCE OPINION STATEMENT

through assurance processes. The YG Entertainment manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected and the Assurer confirmed the final version of the Report prior to its final publication.

· GRI Topic Standards: 205-1~3, 206-1, 302-1, 302-3&4, 305-1~7, 306-3, 401-1, 404-1~3

Recommendations and Opportunity for improvement

The Assurer provides the following observations to the extent that they do not affect the assurance opinion;

· YG Entertainment is currently making multifaceted efforts to reduce carbon emissions that reflect the unique characteristics of the K-POP industry. These initiatives include producing albums using eco-friendly materials, introducing digital technology-based electronic tickets, and attempting to measure the carbon emissions of the global fandom (audiences) participating in concerts. This is a highly pioneering practice that spreads eco-friendly values across the industry. To enhance the credibility of future sustainability reports, it would be highly effective to move beyond the stage of fragmented measurement and establish a structured framework that connects carbon reduction performance analysis to board reporting and public disclosure.

GRI-reporting

YG Entertainment has self-declared compliance with GRI Standards. Based on the data and information provided by YG Entertainment, the Assurer confirmed that the Report is prepared in accordance with the GRI Standards, and confirmed there are no errors in the disclosures related to the Universal Standards and Topic Standards Indicators. No sector standard is applied.

Issue Date: 06/05/2026

For and on behalf of BSI(British Standards Institution):

BSI representative



Doowon Kim, Lead Assurer (LCSAP)



Seonghwan Lim, Managing Director of BSI Korea

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea

Hold Statement Number: SRA 845727



GHG Emissions Assurance Statement



LRQA Independent Assurance Statement

Relating to GHG Emissions Inventories of YG Entertainment Inc., YG Plus Inc. and YG Entertainment Japan Co., Ltd. for the calendar year 2025

This Assurance Statement has been prepared for YG Entertainment Inc. in accordance with our contract.

Terms of engagement

LRQA was commissioned by YG Entertainment Inc. YG Entertainment to provide independent assurance on the GHG emissions inventories of YG Entertainment, YG Plus Inc. YG Plus and YG Entertainment Japan Co., Ltd. YG Japan for the calendar year 2025 hereinafter referred to as "the report") against the assurance criteria below to a limited level of assurance and materiality of 5% using ISO 19011:2018 "Specification with guidance for verification and validation of greenhouse gas statements".

Our assurance engagement covered the operations and activities of domestic and overseas sites YG Entertainment, YG Plus and YG Japan, and specifically the following requirements:

- Evaluating conformance with Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, revised edition
- Evaluating conformance with Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- Evaluating the accuracy and reliability of data and information for direct GHG emissions (Scope 1), indirect GHG emissions (Scope 2) and other indirect GHG emissions (Scope 3)

The main activities of YG Entertainment, YG Plus and YG Japan include entertainment service, and the GHG emissions have been consolidated using an operational control approach.

LRQA's responsibility is only to YG Entertainment, YG Plus and YG Japan. LRQA disclaims any liability or responsibility to others as explained in the end footnote. The responsibility of YG Entertainment, YG Plus and YG Japan is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of YG Entertainment, YG Plus and YG Japan.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that YG Entertainment, YG Plus and YG Japan have not, in all material respects:

- Met the requirements above and
- Disclosed accurate and reliable data and information as summarized in Table 1 and Table 3 below.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of 5%.

Note: The extent of evidence gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

¹ <https://www.ghgprotocol.org>

² The other indirect GHG emissions (Scope 3) of YG Plus and YG Japan were excluded from the verification boundary.



LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Interviewing key people of the organization responsible for managing GHG emissions data and records
- Reviewing processes related to the control of GHG emissions data and records
- Visiting the headquarters of YG Entertainment and reviewing additional evidence made available by YG Entertainment, YG Plus and YG Japan
- Verifying historical GHG emissions data and records at an aggregated level for the calendar year 2025.

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 19011 General principles and requirements for bodies validating and verifying environmental information and ISO/IEC 17021 Conformity assessment - Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification engagement is the only one undertaken by LRQA for YG Entertainment, YG Plus and YG Japan and as such does not compromise our independence or impartiality.

Signed

Chan Yoon
LRQA Lead Verifier
On behalf of LRQA
2nd Floor, T Tower, 30, Seolleong-ro 2gil, Jung-gu, Seoul, Republic of Korea

Dated: 28 April 2025

LRQA reference: SEO00001500

LRQA Group Limited, its affiliates and subsidiaries, and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'LRQA'. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

The English version of this Assurance Statement is the only valid version. LRQA assumes no responsibility for versions translated into other languages.

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GHG Emissions Assurance Statement



Table 1. Summary of YG Entertainment, GHG Emissions Inventory 2025

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions Scope 1	50
Energy indirect GHG emissions Scope 2, Location-based	1,002
Energy indirect GHG emissions Scope 2, Market-based	0
Other Indirect GHG emissions Scope 3	
• Capital goods – buildings, machinery and equipment, vehicles, IT and electronic equipment, and fixtures and fittings	1,003
• Fuel and energy related activities – upstream emissions of purchased fuels and electricity	100
• Waste generated in operations and treatment of wastes	100
• Employee commuting – subway, buses, personal vehicles, and electric scooters	0
• Upstream leased assets – artist and trainee accommodations	110
• Downstream leased assets – leased buildings	15

Note 1: Scope 2, Location-based and Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015

Table 2. Summary of YG Plus, GHG Emissions Inventory 2025

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions Scope 1	23
Energy indirect GHG emissions Scope 2, Location-based	252

Note 1: Scope 2, Location-based is defined in the GHG Protocol Scope 2 Guidance, 2015

Table 3. Summary of YG Japan, GHG Emissions Inventory 2025

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions Scope 1	0
Energy indirect GHG emissions Scope 2, Location-based	22

Note 1: Scope 2, Location-based is defined in the GHG Protocol Scope 2 Guidance, 2015