

Gridwiz



GRIDWIZ

MAKING AN IMPACT ON THE EARTH IN 2022

GRIDWIZ 2022 ESG IMPACT REPORT

Gridwiz, delivering clean energy service to **Heal the Earth**,
presents how it impacted **the earth and society in 2022**

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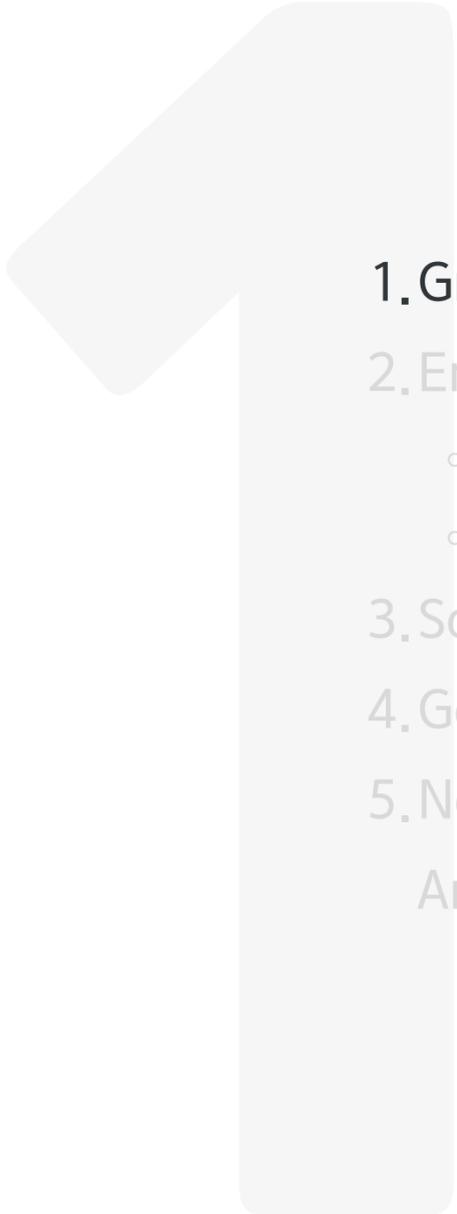
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Gridwiz is an energy service startup aspiring to create a society where **all can access clean energy** to ultimately **Heal the Earth**

Our Mission

Heal the Earth, enable access to clean energy for all

Our Vision

We deliver sustainable, efficient, and safe clean energy service on the back of all energy data connected together

Clean Energy for Everyone, Everywhere at Every Moment

Gridwiz

For anyone who has encountered stumbling blocks along the trailblazing path towards **Clean Energy**, Gridwiz is here to lend a hand.

Energy users burdened by rising energy costs,

Energy producers struggling to keep up with mounting demands,

Energy suppliers working to ensure the safety of the supply,

All are Gridwiz customers.

In order to let everyone enjoy clean energy, Gridwiz is here to meet the most pressing needs of

Energy users,

✔ Energy cost savings

Gridwiz manages energy for nearly 1,000 customers in helping reduce their energy costs. Our customers also participate alongside us in the demand response market to generate profit through the sales of their reserved energy.

✔ Energy transition needs

All over the world, virtually every sector – industries, public institutions, and transportation – is facing the challenge of pursuing the energy transition and reducing greenhouse gas emissions. Leveraging the energy use data of our customers, we work alongside them to explore and pursue the best path forward into the energy transition.

Energy producers, and

✔ Clean energy expansion and challenges in hosting capacity

While clean energy, ranging from wind power to photovoltaic generation, is rapidly on the rise, our present-day energy system is yet incapable of integrating such distributed resources to the full extent. Thus, a tremendous amount of clean energy is simply disposed of for the sake of the grids' operational stability. In 2022 alone, curtailment was implemented more than 100 times on Jeju Island, and this disposed energy could have powered nearly 80,000 households for a whole month.

At Gridwiz, we provide clean energy that would otherwise be discarded to power EVs and operate demand resources, energy storage batteries, and other energy resources so that grids can flexibly respond to supply issues. Ensuring grid flexibility contributes to increasing the hosting capacity of grids and improving the profitability of energy producers.

Energy suppliers.

✔ Reliable grid operation

Now more than ever, we have a more diversified energy user base. Some users opt to produce energy through PV generators installed on their rooftops or balconies while others are new EV owners whose energy needs have recently evolved.

Such a transition is also taking place among energy producers. There has been a rapid rise in small-scale PV power and wind power generators in the market which has traditionally been dominated by large-scale thermal power plants.

Energy suppliers increasingly assume expanded roles and responsibilities to maintain a stable energy supply. The resources we operate at Gridwiz amount to 3,600MW, which goes to show our capability in assisting these energy suppliers to secure reliable power grid operations.

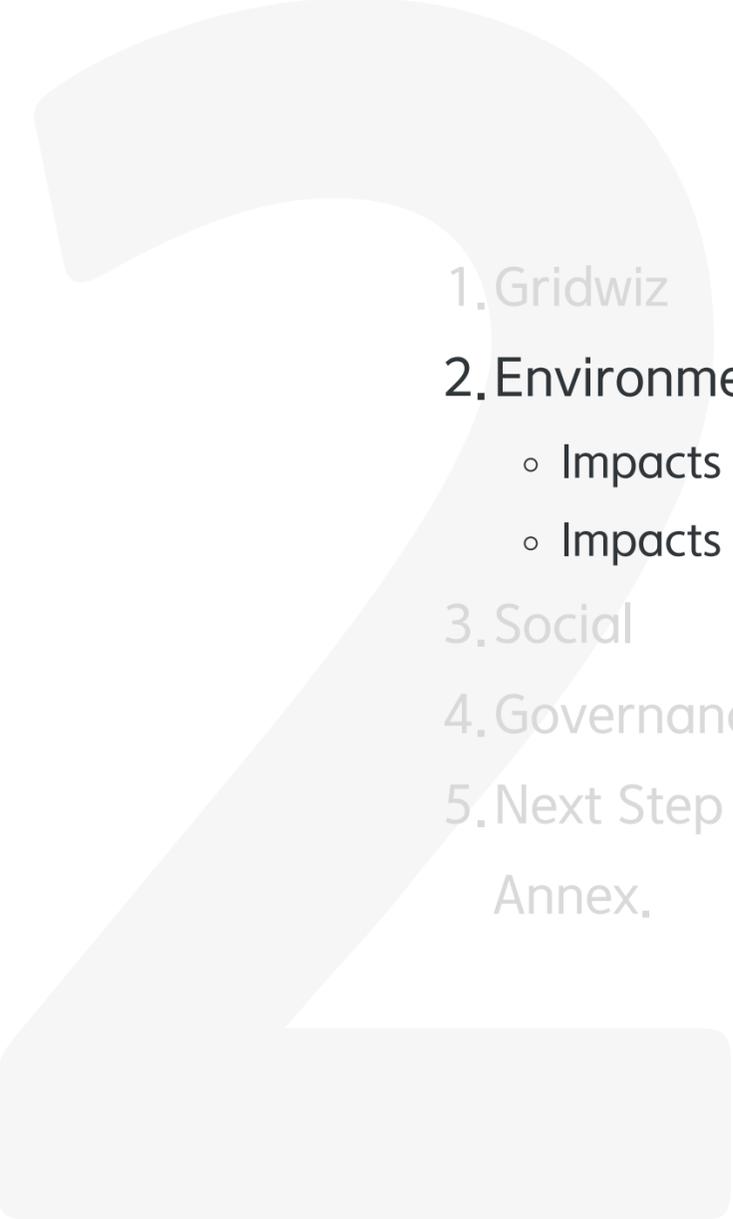
Gridwiz

Gridwiz at a Glance

| Category | Description |
|------------------|--|
| Name of company | Gridwiz |
| Establishment | March 2013 |
| CEO | David Kuwhan Kim |
| Headquarters | Building 1010, 25, Sanun-ro 280beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea |
| Employees | 110 persons |
| Total assets | KRW 128.5 billion |
| Sales | KRW 132.1 billion |
| Operating profit | KRW 9 billion |

Milestones

| Year | Description |
|------|---|
| 2013 | Gridwiz was founded |
| 2014 | Demand response market opened and services were initiated |
| 2015 | Achieved the green technology certification |
| 2016 | Received the Green Technology Award at the Korea Excellent Business Awards Received the Commendation of the Minister of Trade, Industry and Energy at the Korea Energy Efficiency Awards Received the Commendation of the Minister of Trade, Industry and Energy at the Korea Technology Awards |
| 2017 | Received the Presidential Award for contribution to venture business activation |
| 2018 | Received the 2018 Asia-Pacific Demand-Side Management Growth Excellence Leadership Award by Frost & Sullivan Received the Green Technology Award at the Korea Excellent Business Awards |
| 2019 | Launched Skyblue, Korea's first EV-enabled demand management charging service |
| 2021 | Launched Skyblue, Korea's first EV-enabled demand management charging service Skyblue received the Excellent Green Energy Business Award |
| 2022 | Named a Global Cleantech 100 company Received the ESG Brand Award |
| 2023 | Joined the SET (Start Up Energy Transition) 100 List in the Clean Energy & Storage category |

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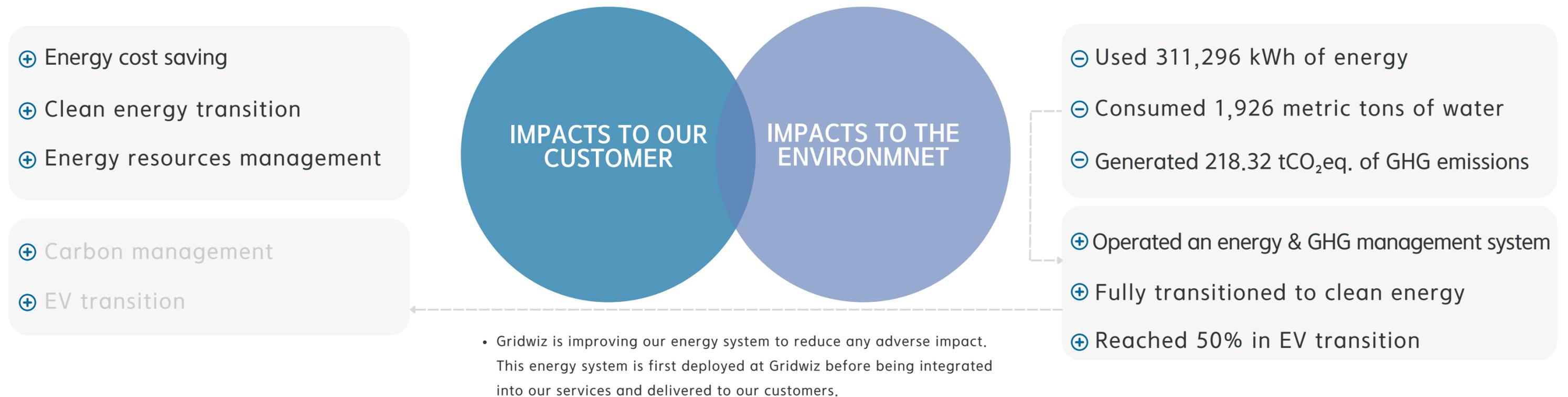
We offer solutions for the challenges our customers face in their energy transition journey to move towards a future of universal clean energy access.

Despite our best intentions for a sustainable future, it would be naive to assume that we ourselves left no discernable trace of a negative footprint.

This is why our team at Gridwiz took it upon ourselves to transform our energy system. As we update and perfect it, our hope is that it will benefit our society and environment and will stand the test of time for the services we provide our customers.

Environmental

Gridwiz makes it a priority to understand how we impact our **Customers** and the **Environment**.



As we worked to help our customers resolve their energy issues in 2022, we

✔ Reduced **KRW 97,893,912,961** in energy costs,

Gridwiz assists over 1,000 customers in dealing with energy cost issues. Leveraging our energy data and technology, we help customers achieve energy cost savings. Our customers also participate in the demand response market alongside us to generate profits through selling the energy they reserve.

✔ Reclaimed **56,002 kWh** of clean energy that would have otherwise been wasted, and

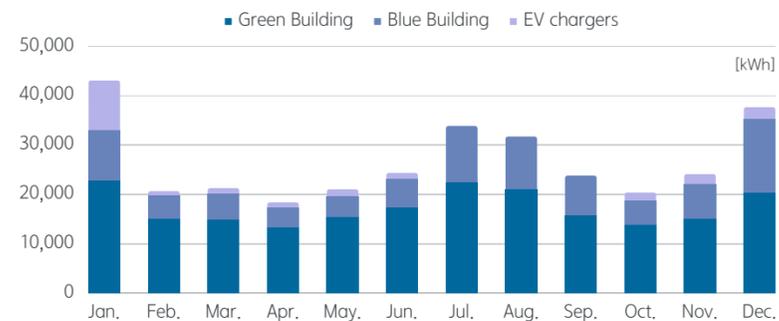
While Jeju Island has the highest proportion of clean energy generation in Korea, the energy generated at its wind and PV power generators frequently goes unused. This is because the generation of such distributed resources far exceeds the hosting capacity of the island's power grid. Our Skyblue service launched in 2019 lets Gridwiz and EV users on the island to charge their EVs with clean energy that would have otherwise been discarded.

✔ Managed **3,623,998 kW** in energy resources.

Gridwiz manages a wide range of energy resources - from demand resources that help control electricity consumption and PV resources that generate energy to EVs and chargers that are mobile in nature and energy storages. While these resources make valuable contributions to grid operations in their own distinctive ways, it is unfathomable how valuable they will be when combined and operated in tandem.

As we progress towards a future that enables access to clean energy for all, operating our energy service inevitably resulted in

☑ 311,296 kWh of electricity used



[Gridwiz's energy consumption in 2022]

☑ 1,926 ton of water consumed, and

| Category | Water Consumption (metric ton) |
|------------------------|--------------------------------|
| Gridwiz Green Building | 1,638 |
| Gridwiz Blue Building | 288 |

[Reference] Gridwiz's water bills

☑ 218.32 tCO₂eq. of GHG emissions generated.

| Category | GHG Emissions (tCO ₂ eq.) |
|--------------------------|--------------------------------------|
| Scope 1 | 44.25 |
| Scope 2 | 174.07 |
| - Gridwiz Green Building | 123.83 |
| - Gridwiz Blue Building | 43.60 |
| - EV chargers | 6.64 |

[Reference] Emission factor approved by the Korean government in 2021

Environmental

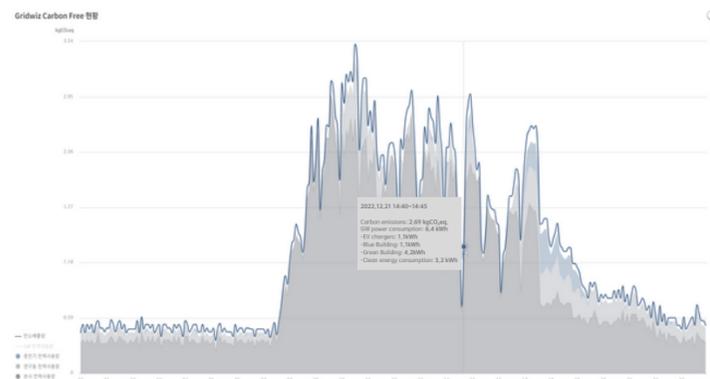
Impacts to the Environment

This is why Gridwiz transformed our energy system.

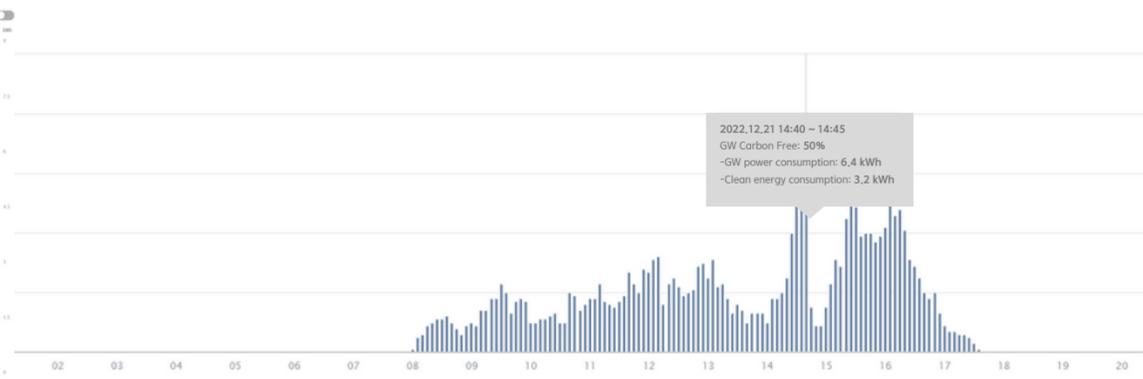
We are shifting towards a new approach for energy and GHG management.

We analyzed our total energy consumption and established a **24/7** GHG emissions management system.

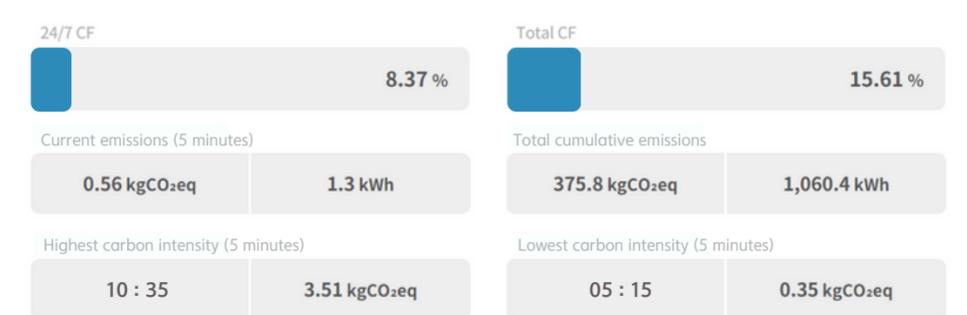
Gridwiz deployed our own platform to manage the GHG emissions generated through the power consumed at our Green Building, Blue Building and EV chargers at five-minute intervals. Real-time matching of power generated by our own generators and power that we consumed enables 24/7 GHG emissions management at five-minute intervals. Accurate measurement and management form the backbone of our operational emissions reductions.



Gridwiz's 24-hour power consumption on Dec. 21, 2022



Gridwiz's 24-hour carbon free duration on Dec. 21, 2022



Gridwiz's 24-hour GHG emissions on Dec. 21, 2022

We are changing our energy mix.

We achieved

a **100 %** clean energy transition for all the energy we use.

In 2022, Gridwiz joined the K-RE100 and implemented a 100% energy transition. As an energy solution provider in the climate tech industry, we serve as a forerunner in pursuing energy transition and work right alongside our customers in navigating through the maze of this difficult yet necessary challenge. Our overarching goal is to first understand the multitude of issues involved in energy transition so that we provide our customers the most accurate, sustainable mapping to the final destination.

✓ RECs Purchased

| Year | Energy Consumed | RECs Purchased | Weight | Conversion |
|------|-----------------|----------------|--------|------------|
| 2022 | 311,296 kWh | 379 REC | 1,216 | 100% |

✓ Installing a PV generator for self-consumption

Gridwiz installed a PV power generator on the rooftop of its Blue Building to meet a portion of its power needs. This building serves to operate our e-mobility service and is thus a heavy power consumer as it conducts a range of tests on EVs and chargers.

This PV power generator went into full operation on December 8, 2022 following the construction of the building. Since it only operated for less than a month in 2022, its total generation for the year was meager. However, between January 1 and March 16 of 2023, the generator produced 3,337.1kWh of clean energy.

| Period | Generation | Energy Consumption * |
|------------------|------------|----------------------|
| Dec. 8 - Dec. 31 | 615.9 kWh | 14,852 kWh |

* Data of Blue Building

We are shifting into a new mobility mode.

We converted
50 % of our corporate vehicle fleet to EVs.

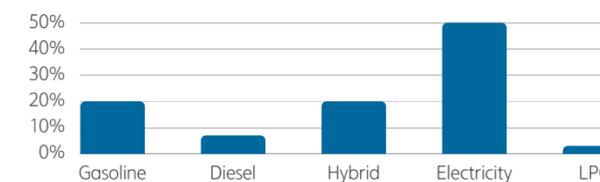
Gridwiz aims to fully shift to EVs for our entire corporate vehicle fleet by 2025. In 2022, we joined the K-EV100 to create a roadmap towards a 100% EV transition.

Under this EV100 transition roadmap, our transition target for 2022 was 45.5%, and in fact, we achieved 50% in transition.

We also continue to manage the mileage for all our operational vehicles, based on which we have calculated our Scope 1 GHG emissions.

| Year | Transition Target | Transition Rate |
|------|-------------------|-----------------|
| 2022 | 45.5 % | 50.0 % |
| 2023 | 60.9 % | - |
| 2024 | 75.0 % | - |
| 2025 | 100.0 % | - |

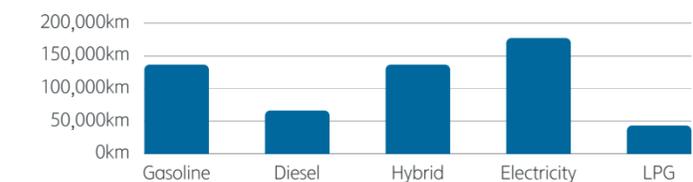
Owned Vehicles by Fuel Type



Creating an EV charging infrastructure

To help our employees gravitate towards choosing EVs for their personal transportation, we are building our own EV charging infrastructure in all our company buildings so that they can easily charge their vehicles.

Mileage by Fuel Type



| Category | Slow Charger | Fast Charger |
|----------------|--------------|--------------|
| Green Building | 4 units | - |
| Blue Building | 7 units | 1 unit |

As clean tech professionals, it is our hope that every innovation we make will create a lasting ripple effect on the services we deliver.

Energy and GHG Management

✔ Demand Response Market

For the few hours of power consumption spikes, massive investments could be needed to construct new power generators and power lines. If customers could cut back their power use in the demand response market just for a few hours, it would create tremendous financial savings required for power generator construction while minimizing the environmental impact that would otherwise occur in construction. Gridwiz participates in the demand response market along with more than 1,000 customers, and helps maintain the reliability of the power grid and manage energy consumption and energy costs for our customers.

✔ Energy storages

Energy transition naturally results in continued increases in the proportion of distributed energy resources, including but not limited to PV and wind power. An energy storage is the essential key to ensuring the reliable use of energy all while integrating these resources. Our 24/7 energy storages operations enable us to reduce energy costs and manage GHG emissions.

Clean Energy Transition

✔ RE100 membership and energy transition

Many of our customers mention a demand for their own energy transition.

Gridwiz accurately anticipated the needs of our customers in pursuing our own energy transition. In 2022, we were directly engaged in the entire transition process, from joining the K-RE100 to purchasing RECs on the trading platform. This served as the cornerstone to our service delivery as we learned about the possible challenges our customers face in their energy transition journey, as well as solutions that we could provide them to accommodate their needs.

There could be multiple ways to implementing the RE100 initiative. Gridwiz is willing to keep on exploring additional modalities one after another so we can truly understand the challenges our customers encounter and better serve them in achieving their energy transition.

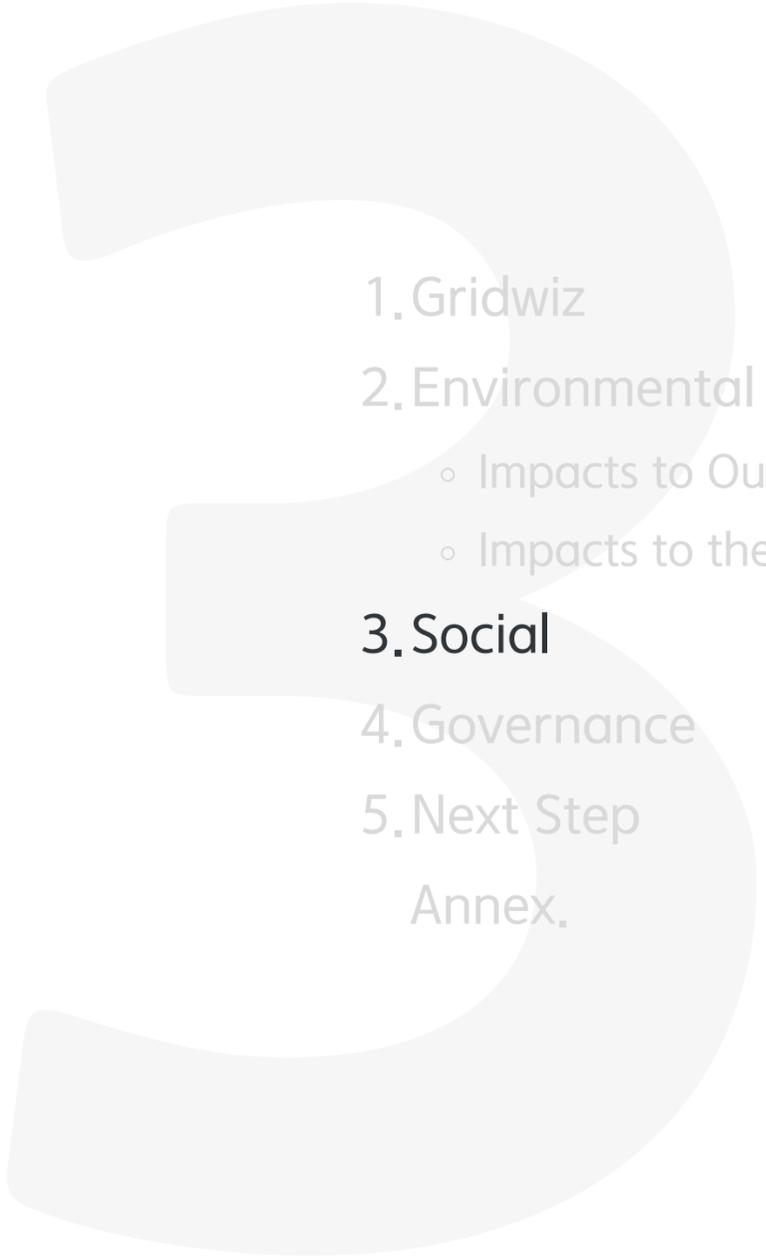
New Roles of EVs

✔ Syblue, our EV energy service for clean air

In 2019, Gridwiz became Asia's first to launch an EV-DR service, which enables EVs and chargers to participate in the energy market.

Our Skyblue service sends alerts to EV users so that they can manage their charging based on the current conditions of the power grid. This allows users temporarily suspend charging their EVs when the power ebbs, while encouraging them to charge when there is a flow of clean reclaimed energy. Following such a model, EV users are rewarded for their contribution to the reliable operation of the power grid.

This service laid the groundwork for EVs and EV users to participate in the energy market, create added value as new resources in the power grid, and assume brand new roles and responsibilities.



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Gridwiz is a rapidly expanding startup specializing in clean energy.

We create a corporate culture that empowers our team members to broaden their knowledge and understanding in step with our growth as a company.

There is true power in an esprit de corps vision for **universal access to clean energy to Heal the Earth**

Our corporate culture was designed with our team members in mind and is operated as such.

Grew Who Grow Hand-in-hand with Gridwiz

At Gridwiz, we address each team member as “Grew”. They are outstanding individuals who have dedicated themselves to Gridwiz’s journey in manifesting its vision for a better world. The word “Grew” is actually a Korean counter word for trees that bring tremendous benefits to the planet. It is therefore a quite fitting analogy, as Gridwiz flourishes only when individual Grew work together to thrive as one forest.

✔ People First

Grew are instrumental.

Achieving our overarching future vision and realizing the importance of each of those who drive it forward is our top priority.

The sense of pride and accomplishment intrinsic to each Grew at Gridwiz will not only allow each to realize their vision, but will drive us to become truly a great company.

At Gridwiz, we create an environment where our Grew can fully engage in their work so that they pursue growth, stay focused, and feel contented in the workplace.

✔ Future Focused

Grew do their part.

Our goal is to ensure access to clean energy for all and Heal the Earth.

While we are committed to our role as responsible stewards of the environment for present-day and future generations, we also know that the key to healing the earth lies in small daily habits and actions.

We walk the walk and live our values in our everyday life.

✔ Stronger Together

Grew work as one team.

While each individual Grew is exceptional in their own field, the magic really happens when such individuals come together to work for the highest good.

We perform best as each Grew brings their own strengths to the table to work in harmony with all the others, who all have their own distinctive strengths.

Social

In 2022, **6.3 %** of our operating profit was allocated to welfare programs for Grew.

✔ People First

52.2% We provide a range of employee welfare programs to help our Grew grow and focus on their work.



Meal support

When overtime work is required, we pay for delicious meal options, which helps create a festive experience and greater energy to perform.



Reading support

We purchase any book our Grew requests, irrespective of genre, to help ensure greater intellectual diversity and self-directed growth.



Health check-ups

We provide annual health check-ups to our Grew and their family members.



Gifts for varying occasions

We provide gifts to our Grew when they celebrate special moments in their life, from their own birthday and wedding anniversary to weddings, births and even their first day at Gridwiz.

✔ Future Focused

9.1% We encourage Grew to take the necessary steps for a more promising future.



EV experience program

To help familiarize Grew with EVs and charging infrastructure, we operate an EV experience program over the holidays so they can freely use Gridwiz's EVs that would otherwise sit idle. This helps take the guesswork out of selecting a new car, and makes it a bit easier to consider an EV for their next car.



Collaboration with social enterprises

Supplies are necessary tools for a company. In producing corporate office supplies, Gridwiz always opts to collaborate with social enterprises. In fact, our business card cases, calendars, tumblers and mugs are all produced in partnership with social enterprises.

✔ Stronger Together

21.1% Gridwiz provides an environment that lends itself to collaboration and mingling.



Grew coming together

We offer financial support for organizational facilitation to promote teamwork among Grew. Such expenses may be used freely as long it supports teamwork. We also support Grew in their hobby club activities so that Grew from different functions may come together and enjoy common favorite hobbies.



Talk Talk Day

Every last Friday of each month, all Grew come together to share knowledge, pursue growth together, or participate in varying contests before going home early to relax and reward themselves with the gift of quality time with their family and friends at the end of the month.

We have an established hiring system in place to recruit new hires.

We have a dedicated recruiting website for our hiring process and we brought in **39** new Grew members.

In 2022, Gridwiz hired new recruits from diverse gender and age groups. We split our website into two parts: the existing official one outlines the details of our business and the second additional one introduces our corporate culture and recruitment information. Our hiring process was also realigned to establish an onboarding system that ensures the seamless introduction of new Grew members with present members.

 Onboarding process for newly hired Grew

 Introductory training by Talent Team

We assist new hires in performing the necessary paperwork and offer them a general overview of Gridwiz.

 Cultural training

We introduce our corporate culture nurtured by Grew themselves, and train new hires on Grew’s work approaches and attitudes.

 Business introduction

We help new Grew understand Gridwiz’s overall business before they join their assigned them.

 Financial regulation training

We train new hires on our internal financial system.

 Grew Hired in 2022

| Gender | Age | New Hire |
|--------|------------------------|------------|
| Male | 20 and over – under 30 | 10 persons |
| | 30 and over – under 40 | 7 persons |
| | 40 and over – under 50 | 3 persons |
| | 50 and over | 1 person |
| Female | 20 and over – under 30 | 10 persons |
| | 30 and over – under 40 | 8 persons |
| | 40 and over – under 50 | - |
| | 50 and over | - |

Gridwiz implements regulations stipulated to ensure the health and safety of Grew.

All Grew receive annual **comprehensive health check-ups** along with their family members, and are protected through on-going **safety training** and **safety guidelines**.

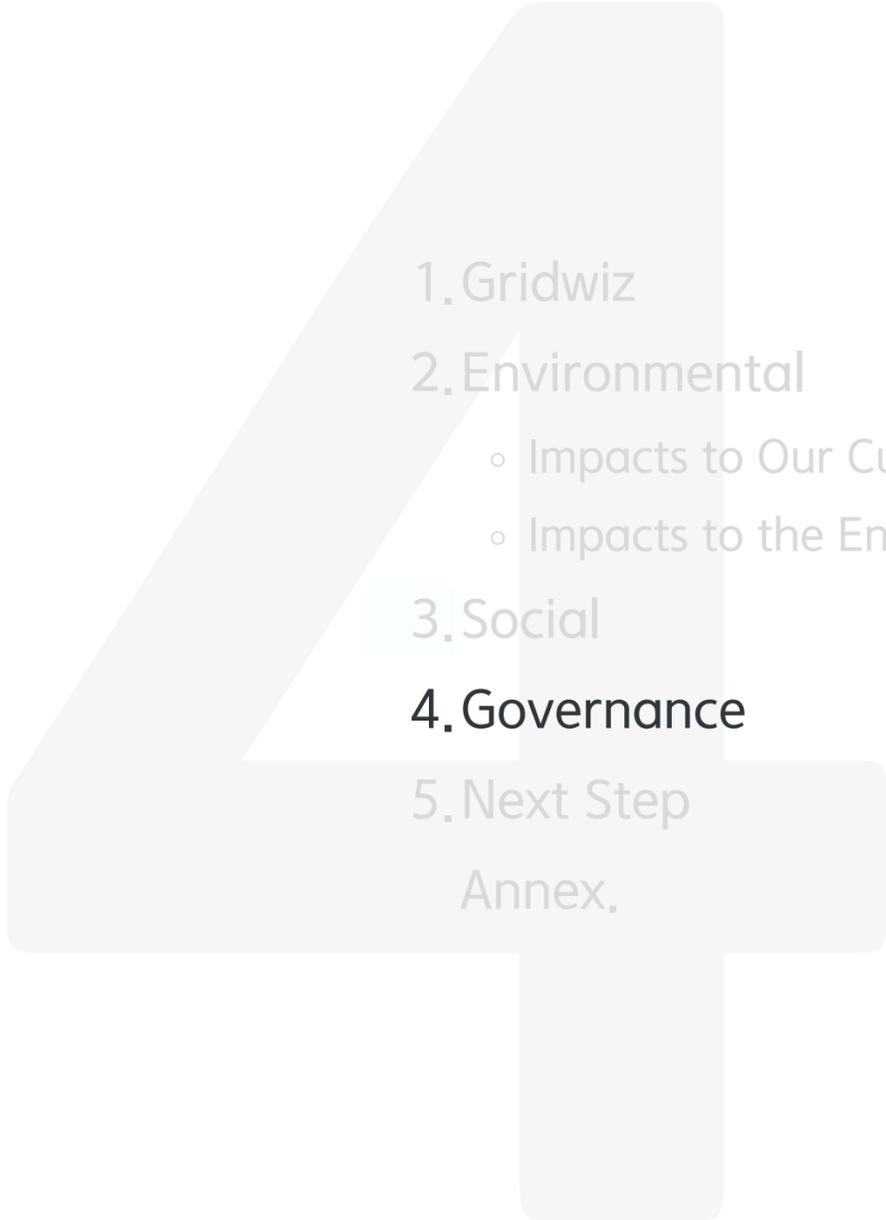
✔ Management philosophy and safety guidelines

At Gridwiz, we recognize that health and safety measures for our employees are key to business operations, and ensure workplace safety, abide by applicable laws and regulations, and advance our management philosophy which places people at the hub from which all activity revolves.

- We comply with workplace safety laws and regulations and implement our ethical management guidelines.
- We identify and eliminate potential risk factors to workplace safety and tolerate no compromise in this regard.
- We are part of Team Gridwiz first and foremost and fully participate in health and safety activities to establish a culture of safety at Gridwiz.
- We never lose sight of our mission to 'Heal the Earth' and prioritize our health and safety responsibility as a company aspiring to advance ESG goals.
- All our Grew fully participate in workplace safety activities and join forces to reduce our workplace safety risks to zero.

✔ Health and Safety at Gridwiz

| Category | Item | 2021 | 2022 |
|---------------------|--|--------------|--------------|
| Occupational injury | Occupational injuries | Zero persons | Zero persons |
| | Occupational injury rate | 0 % | 0 % |
| Safety training | Total safety training hours | 1,176 hours | 1,320 hours |
| | Employees who completed safety training | 98 persons | 110 persons |
| | Safety training hours completed per person | 12 hours | 12 hours |



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Gridwiz is a rapidly expanding clean energy startup.

Gridwiz’s management system evolves in tandem with our growth as a company.

An evolving decision-making system is something that we take seriously.

We are ever striving to ensure its **transparency and sustainability**.

Gridwiz’s management system is **evolving** from one driven by the founder into one where management accountability **leadership of the Board of Directors**

✔ Laying the basis for diversity at the Board level

In 2022, Gridwiz paved the way for establishing a fair and independent governance system. Bringing diverse experience and knowledge to our Board of Directors, we aim to make the best possible decisions to address a range of issues that occur in our industry.

| Director | Name | Current Position | Expertise |
|----------------------|---------------------------------|--|---|
| Independent Director | Jungseok Ko (May. 25, 1975) | Executive responsible for renewable energy at SK gas Executive responsible for new business strategy at SK D&D Independent director at Gridwiz | Provide oversight and mentorship in developing and implementing our strategy based on his experience in renewable energy and new business areas |
| | Jungsub Lee (Jul. 13, 1963) | Visiting professor, Soonchunhyang University Independent director, SK E&S Member of the Regulatory Reform Advisory Board under the Prime Minister’s Office | Provide oversight and mentorship in realizing our vision and mission his expertise in the environmental sector |
| | Hongsik Choi (Aug. 11, 1962) | Standing advisor, Dentons Lee Advisor, KONEX Association Independent director, dynamic design Independent director, CSA Cosmic | Supervise and support our IPO efforts his expertise on the securities market |
| Auditor | Jinsoo Kim (Jun. 2, 1966) | Adjunct professor, Graduate School of Policy Studies, Korea University Adjunct professor, Graduate School of Public Administration, Hansung University | Oversee our management activities and fulfillment of social responsibility his knowledge and experience on economics |

✔ Stipulating the Code of Conduct and its implementation guidelines

To ensure transparency and fairness in our business operations, Gridwiz stipulated our Code of Conduct and its implementation guidelines.

Our attitude toward customers

We respect the diverse voices of our customers and fully reflect them in our business operations to serve their product and service needs. We keep the property and data of our customers safe pursuant to applicable laws and our internal regulations.

Our responsibility toward shareholders

We maximize our corporate value by efficiently and transparently conducting business through relentless innovation and share the resulting outcomes with shareholders. We prepare management data in accordance with all applicable laws and standards, and sincerely and lawfully disclose such data to protect the interest of shareholders.

Our role toward society

We pursue zero injuries and environmentally-conscious management to contribute to social development, and fully participate in social-giving activities to bring joy to society at large. We abide by all applicable laws and regulations in the countries where we operate, and respect the traditions and culture of local communities.

Our responsibility towards employees

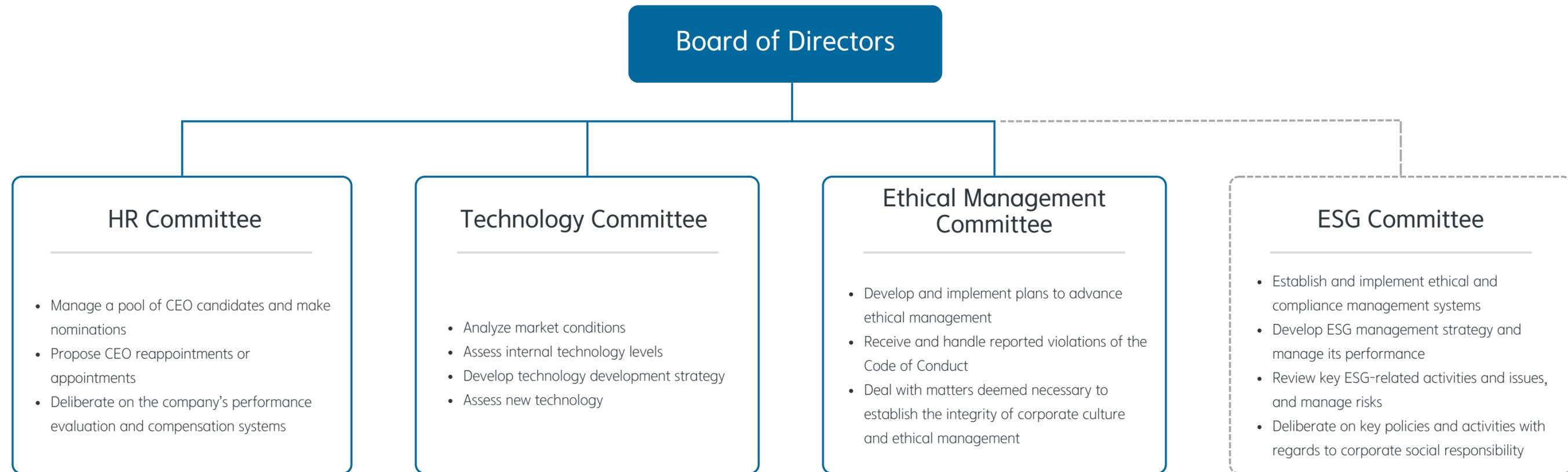
We respect our employees and provide them fair and reasonable treatment according to their capabilities and performance. We proactively offer learning opportunities to assist their self-development activities and perform their work, align our systems to ensure their health and safety, and abide by relevant international standards, laws and regulations, and internal regulations.

Our relationship with suppliers

We provide our suppliers with fair business opportunities and pursue mutual interest and joint development. We compete with industry peers in good faith under the spirit of mutual respect. Our employees do not illegally gain or use any trade secret of competitors.

Governance

Gridwiz is working to establish institutional mechanisms to make important business decisions with our Board of Directors playing a key role.



* Review the creation of the ESG Committee in the first half of 2024



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Gridwiz is yet to completely satisfy the ESG assessment standards. Still, we commit to consistently manage the values that we believe are important in our own distinctive ways.

Next Step

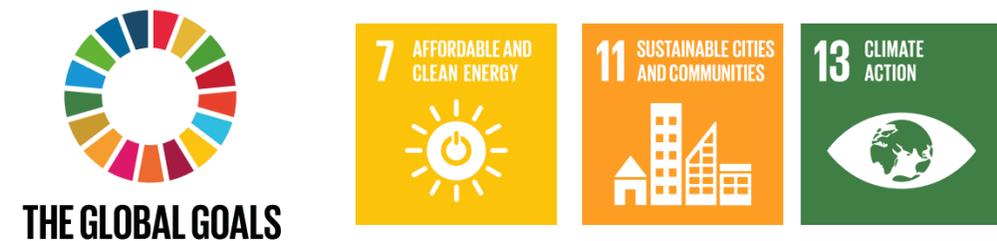
Health the Earth, enable access to clean energy for all

| ESG | Topic | STEP 1 | STEP 2 | STEP 3 |
|--|---|--|---|--|
| Environmental Take the lead to Heal the Earth | <ul style="list-style-type: none"> Respond to the climate crisis Improve our energy service | <ul style="list-style-type: none"> Provide internal training on environmental impact Analyze our existing energy service | <ul style="list-style-type: none"> Establish an environmental impact data collection system Establish an energy service advancement process | <ul style="list-style-type: none"> Mitigate and continuously manage our environmental impact Advance our energy service and deliver it to customers |
| Social Go hand-in-hand to Heal the Earth | <ul style="list-style-type: none"> Embed ESG into day-to-day operations Create a growth-driven corporate culture Advance our information security management Bolster stakeholder engagement | <ul style="list-style-type: none"> Provide internal ESG training Reinforce internal staff training and competency Collect internal data and define security levels Define the scope of stakeholders and lay the basis for stakeholder activities | <ul style="list-style-type: none"> Establish a working-level ESG taskforce team Hire and nurture new talent Stipulate management regulations according to security levels Engage in ESG activities for stakeholders | <ul style="list-style-type: none"> Manage ESG implementation Nurture leaders Continuously manage and advance in line with regulations Expand the scope of stakeholders and engage in continuous exchange |
| Governance Take responsibility to Heal the Earth | <ul style="list-style-type: none"> Establish a sustainability management system Manage management risks | <ul style="list-style-type: none"> Develop sustainability management strategy Define risks and create a management organization | <ul style="list-style-type: none"> Strengthen sustainability management capability Establish a risk management process | <ul style="list-style-type: none"> Advance and align the system with performance Respond to and continuously manage risks |

Gridwiz alone can't achieve all of the UN Sustainable Development Goals.

We won't hesitate, however, in our endeavors to deliver services that enable

energy transition, urban sustainability, and adaptation to climate change.



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Gridwiz shares its ESG data for the year 2022.

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Environment

Material Issue

- ✓ GHG emissions management and mitigation
- ✓ Energy consumption management and transition

Related Stakeholders

- ✓ Customers
- ✓ Grew
- ✓ Investors and shareholders
- ✓ Local communities

| Category | 2021 | 2022 |
|--|----------------|----------------|
| Total energy consumption (kWh) | 231,711 | 311,296 |
| Gridwiz Green Building | 131,912 | 206,211 |
| Gridwiz Blue Building | 59,605 | 91,200 |
| EV chargers | 11,586 | 13,885 |
| Platform Research Institute (2021) | 28,608 | - |
| Energy savings (kWh) | 361 | 846.9 |
| Renewable energy generation (Dec.2022) | - | 615.9 |
| Demand Response | 361 | 231 |
| Water consumption (metric ton) | 1,785 | 1,926 |
| - Gridwiz Green Building | 1,554 | 1,638 |
| - Gridwiz Blue Building | 231 | 288 |

| Category | 2021 | 2022 |
|---|---------------|---------------|
| GHG emissions (tCO₂eq.) | 251.25 | 218.32 |
| Scope 1 | - | 44.25 |
| Scope 2 | 125.62 | 174.07 |
| - Gridwiz Green Building | 77.91 | 123.83 |
| - Gridwiz Blue Building | 28.50 | 43.60 |
| - EV chargers | 5.54 | 6.64 |
| - Platform Research Institute (2021) | 13.68 | - |

[Reference] Emission factor approved by the government in 2021

- Total energy consumption data were calculated based on power bills and Power Planner data issued by Korea Electric Power Corporation.
- Renewable energy generation under the energy savings category refers to the power generated by the rooftop PV generator of our Blue Building.
- Demand Response under the energy savings category refers to the outcomes generated by joining the public DR (Demand Response) program.
- Scope 1 GHG emissions were calculated based on the milage data of our corporate vehicle fleet in 2022.
- Scope 2 GHG emissions were calculated for our electricity consumption based on the emission factor approved by the government for 2021 and for our heating power consumption based on fuel-specific national emission factors.
- We were not able to calculate our waste discharge for this year and will establish a relevant calculation system in the upcoming years.

Annex.

Material Issue

- ✔ Recruitment and retention

Related Stakeholders

- ✔ Customers
- ✔ Grew
- ✔ Investors and shareholders
- ✔ Local communities

Employment

| Employment Data | | | 2021 | 2022 |
|-----------------------------|------------------------|--------|------|------|
| Total Grew (No. of persons) | | | 98 | 110 |
| By employment type | Regular | Male | 68 | 70 |
| | | Female | 30 | 40 |
| | Temporary | Male | - | - |
| | | Female | - | - |
| By age group | 20 and over – under 30 | Male | 12 | 13 |
| | | Female | 8 | 12 |
| | 30 and over – under 40 | Male | 31 | 27 |
| | | Female | 16 | 24 |
| | 40 and over – under 50 | Male | 16 | 20 |
| | | Female | 4 | 1 |
| | 50 and over | Male | 9 | 10 |
| | | Female | 2 | 3 |

Recruitment and Turnover

| Recruitment and Turnover | | | 2021 | 2022 |
|---------------------------------|------------------------|--------|------|------|
| Total Grew (No. of persons) | | | 23 | 39 |
| Recruitment | 20 and over – under 30 | Male | 8 | 10 |
| | | Female | 2 | 10 |
| | 30 and over – under 40 | Male | 2 | 7 |
| | | Female | 4 | 8 |
| | 40 and over – under 50 | Male | 4 | 3 |
| | | Female | - | - |
| | 50 and over | Male | 2 | 1 |
| | | Female | 1 | - |
| Total turnover (No. of persons) | | | 30 | 27 |
| Turnover | 20 and over – under 30 | Male | 7 | 6 |
| | | Female | 2 | 3 |
| | 30 and over – under 40 | Male | 11 | 12 |
| | | Female | 5 | 3 |
| | 40 and over – under 50 | Male | 4 | 1 |
| | | Female | 1 | 1 |
| | 50 and over | Male | - | 1 |
| | | Female | - | - |

Annex.

Material Issue

- ✔ Investment and welfare for employees
- ✔ Human rights protection and promotion
- ✔ Digital responsibility and consumer protection

Related Stakeholders

- ✔ Customers
- ✔ Grew
- ✔ Investors and shareholders
- ✔ Local communities

Employees Who Took Maternity and Parental Leave

| Maternity and Parental Leave | | 2021 | 2022 |
|--|--------|------|------|
| Grew who took maternity leave (No. of persons) | | 4 | 1 |
| By gender | Male | 3 | 1 |
| | Female | 1 | - |
| Return to work after maternity leave (%) | | 100 | 100 |
| Grew who took parental leave (No. of persons) | | 1 | 1 |
| By gender | Male | - | - |
| | Female | 1 | 1 |
| Employees who returned to work after parental leave (%) | | 100 | 100 |
| Employees who worked 12 months or longer after returning to work (%) | | 100 | 100 |

Health and Safety Management

| Health and Safety | 2021 | 2022 |
|---|-------|-------|
| Occupational injury | | |
| Occupational injuries (No. of persons) | 0 | 0 |
| Occupational injury rate (%) | 0 | 0 |
| Safety training | | |
| Total safety training (No. of hours) | 1,176 | 1,320 |
| Employees who completed safety training (No. of persons) | 98 | 110 |
| Safety training hours completed per person (No. of hours) | 12 | 12 |
| Information security | | |
| User data leaks (No. of cases) | 0 | 0 |

Annex.

Composition of the Board

Material Issue

- Board of Directors and decision-making

Related Stakeholders

- Customers
- Grew
- Investors and shareholders
- Local communities

| Director | Name | Date of | Academic Background and Career | | Expertise |
|----------------------|-----------------|---------------|---|---|---|
| Inside Director | KuHwan Kim | Apr. 25, 1970 | Mar. 1988 BSc in computer engineering, Pusan National University Mar. 1994 MSc/PhD in computer engineering, Pusan National University Aug. 1998 Vice President, Wiznet Dec. 2005 Manager, Strategy Planning Team, ILJIN Electric Sep. 2009 CEO, Wiznet Technology (US) | Current) Head of the Korea Energy Innovation SME Association Current) Member of the Electricity Policy Council, Ministry of Trade, Industry and Energy Current) Member of the Energy/Industry Transition Subcommittee, Presidential Commission on Carbon Neutrality and Green Growth Current) CEO, Gridwiz | Business management |
| | JuneWoo Ryu | Sep. 25, 1978 | Feb. 2002 BSc in computer engineering, Pusan National University Feb. 2004 MSc in computer engineering, Pusan National University Feb. 2012 PhD in computer engineering, Pusan National University Aug. 2001 Researcher, Wiznet Research Institute | May 2009 Leader, Technology Support/Marketing/Smart Energy Team, Wiznet Mar. 2013 Vice President, Gridwiz Current) President, Gridwiz | Strategy |
| | Hyunwoong Kim | Dec. 18, 1979 | Mar. 1998 Department of Electrical Engineering, Incheon National University Mar. 2002 MSc in electrical engineering, Incheon National University 1999.04 Apr. 1999 Multimedia Research Center, Incheon National University Sep. 2001 Business planning, Strategy Planning Team, INET COP | Jul. 2005 Senior researcher, Wiznet Research Institute Mar. 2013 Head, Gridwiz Research Institute Current) Executive Managing Director, Gridwiz | Technology |
| | Youngchul Hwang | Jul. 29, 1969 | Feb. 1992 BA in economics, Yonsei University Apr. 2001 Manager, M&A Team, Daewoo Securities Jan. 2010 ILJIN Group 2004.05 University of Minnesota , MBA | Dec. 2018 ALPINION Medical Systems (ILJIN Group affiliate) Dec. 2019 ILJIN Holdings Current) CFO, Gridwiz | Investment and finance |
| Independent Director | Jungseok Ko | May 25, 1975 | Mar. 1994 Yonsei University Graduate School of Business Sep. 2005 MBA, Kellogg School of Management (Northwestern University) 2000 LG Dacom 2002 HP Korea Ju. 2007 Bain & Company | Nov. 2012 Team leader, Business Solution Center (BSC), SK gas Current) Executive in charge of renewable energy, SK gas Current) Executive in charge of new business strategy, SK D&D Current) Independent director, Gridwiz | Strategy |
| | Jungsub Lee | Jul. 13, 1963 | Feb. 1987 LLB, Seoul National University 1988 Passed the 31st Public Administration Examination Feb. 1989 MA in policy studies, Seoul National University Graduate School of Public Administration Feb. 2000 Maxwell School of Citizenship and Public Affairs, Syracuse University 2001 Public relations manager, Office for Government Policy Coordination | 2008 Legal affairs officer, Ministry of Environment 2017 Vice Minister, Environmental Policy Office, Ministry of Environment Current) Visiting professor, Soonchunhyang University Current) Independent director, SK E&S Current) Advisor, Regulatory Reform Group, Prime Minister's Office | Environment |
| | Hongsik Choi | Aug. 11, 1962 | Aug. 2014 PhD in business administration, Yonsei University Apr. 2008 Strategy planning director, Korea Stock Exchange Mar. 2012 Director/Vice President, KOSDAQ Market, Korea Stock Exchange Mar. 2016 Vice Chairman, KOLAO Holdings | Current) Standing advisor, Dentons Lee Current) Advisor, KONEX Association Current) Independent director, dynamic design Current) Independent director, CSA Cosmic | Accounting audit |
| Auditor | Jinsoo Kim | Jun. 2, 1966 | Mar. 1984 BA in economics, Korea University Mar. 1993 MA in economics, Korea University Aug. 2005 MA in public policy studies, George Mason University Schar School of Policy and Government Sep. 2010 PhD in economics, University of Seoul | Jan. 1990 Grade 3 bureau chief, National Intelligence Service Current) Adjunct professor, Graduate School of Policy Studies, Korea University Current) Graduate School of Public Administration, Hansung University | Oversight and management of overall business operations |

Annex.

Material Issue

✔ Memberships

Related Stakeholders

✔ Customers

✔ Grew

✔ Investors and shareholders

✔ Local communities

Associations

| Category | Membership |
|--|---|
| Energy service and climate change adaptation | Korea Demand Response Association |
| | Korea Power Exchange |
| | Korea Smart Grid Association |
| | Korea Electric Association |
| | Energy Future Forum |
| | RE100 Private Partnership |
| | Korea Electric Vehicle Association |
| | CALIFORNIA ENERGY STORAGE ALLIANCE |
| | OPEN CHARGE ALLIANCE |
| | VEHICLE-GRID INTEGRATION COUNCIL |
| Shared growth | Korea Energy Innovation SME Association |
| | Korea Startup Forum |
| | Research and Business Development Foundation, Pusan National University |

Awards

| Year | Award |
|------|--|
| 2016 | Received the Green Technology Award at the Korea Excellent Business Awards Received an award for contribution to the intelligent power grid industry Received the Commendation of the Minister of Trade, Industry and Energy at the Korea Energy Efficiency Awards Received the Commendation of the Minister of Trade, Industry and Energy at the Korea Technology Awards |
| 2017 | Received the Presidential Award for contribution to venture business activation |
| 2018 | Frost & Sullivan Asia-Pacific - Received the 2018 Asia-Pacific Demand-Side Management Growth Excellence Leadership Award by Frost & Sullivan Received the Green Technology Award at the Korea Excellent Business Awards Received the Energy Demand Management Commendation by Gangwon-do |
| 2019 | Named a technology innovation (InnoBiz) SME by the Ministry of SMEs and Startups Named a great employer by Gyeonggi-do Named a great employer by Seongnam-si |
| 2021 | Skyblue received the Excellent Green Energy Business Award |
| 2022 | Named a Global Cleantech 100 company Received the ESG Brand Award |
| 2023 | Joined the SET (Start Up Energy Transition) 100 List in the Clean Energy & Storage category |

Annex.

Glossary

| Page | Term | Definition | Source |
|------|------------------------|---|--|
| 6 | Demand response market | A system that compensates electricity consumers for reducing their energy consumption; contribute to shifting demands during peak hours to enable efficient energy use on the nationwide scale | Demand response market, glossary by the Presidential Commission on Carbon Neutrality and Green Growth |
| 6 | Energy transition | Transition the overall system spanning energy production, transmission and consumption to pursue climate change adaptation, environmental-friendliness, reliability, energy security and sustainability | Glossary by the Presidential Commission on Carbon Neutrality and Green Growth |
| 6 | Hosting capacity | Indicate the grid's hosting capacity for renewable energy in this report; capacity of renewable energy that can be connected to the power grid or the amount of renewable energy that can be accommodated by the power grid | Gridwiz |
| 6 | Distributed resources | Power generation facilities below a certain size that are installed near power-consuming areas to minimize the construction of transmission lines [electric lines that connect between power plants, between substations or between a power plant and a substation (except for those dedicated to the purpose of telecommunications)] and are stipulated by the order of the Minister of Trade, Industry and Energy | Distributed power, Detailed Operational Provisions on Grid Evaluation, Korea Power Exchange |
| 6 | Energy system | A technological and economic structure that makes it possible to meet energy needs; indicate a supply structure created to meet the energy demands of a specific area and to determine the source of supplied energy and the mode of supply | Energy Word Dictionary by the Korea Energy Agency |
| 6 | Power grid | Electric installations physically connected to supply electricity generated at power plant to power users (generators, transmission and transformation installations, distribution installations, and other ancillary installations) | Grid, Electricity Market Operational Rules by the Korea Power Exchange |
| 6 | Curtailement | Deliberate reduction in output of power generators made by transmission/transformation operators when excessive power is generated to ensure appropriate and reliable supply of electricity to power consumers | Output control, as defined by the partial amendments to the Electricity Business Act |
| 6 | Demand resources | Resources that have the potential to either decrease or increase power loads through customers participating in the demand response market | Electricity Market Operational Rules |
| 6 | Energy storage | A system that consists of a battery, a battery-related system, power conversion devices, and an energy management system and supports phase-based storage according to the defined purposes, from power generation/transmission/distribution to ordinary buildings, to store the produced electricity on the grid so it can be supplied when it is most needed to improve energy efficiency | Electricity storage devices in accordance with fire safety standards of electricity storage devices, Korean Law Information Center |
| 6 | Energy resources | Resources that can be used as energy including fossil fuels that generate thermal energy, light energy, and kinetic energy, nuclear fission, and such alternative energy as hydroelectric power, solar energy, wind energy, tidal energy, and geothermal energy | Energy Word Dictionary by the Korea Energy Agency |

Annex.

Glossary

| Page | Term | Definition | Source |
|------|-------------------------------|--|--|
| 11 | CO ₂ eq. | CO2 equivalents that are calculated by multiplying the mass of greenhouse gases by their GWP (Global Warming Potential) developed to quantify the contribution of different greenhouse gases to global warming (CO ₂ eq. = GWP x emissions generated by respective greenhouse gases) | 2006 IPCC Guidelines for National Greenhouse Gas Inventories |
| 11 | Scope 1 | A category of carbon emissions defined to identify a company's carbon emissions; refers to GHG emissions that occur from sources that are owned or controlled by an organization through the direct combustion of fuels through fixed or mobile combustion facilities | Carbon Emissions Management Guidelines for SMEs by the Ministry of SMEs and Startups |
| 11 | Scope 2 | A category of carbon emissions defined to identify a company's carbon emissions; refers to GHG emissions that occur as a result of an organization's operations from sources owned or controlled by another organization in indirect ways in association with the use of electricity or steam required for the organization | Carbon Emissions Management Guidelines for SMEs by the Ministry of SMEs and Startups |
| 14 | K-RE100 | A Korean version of the RE100 program independently operated in the country as a voluntary campaign to shift to renewable energy to meet all power needs of companies by 2050 | Glossary by the Presidential Commission on Carbon Neutrality and Green Growth |
| 14 | REC | Renewable energy certificates that prove a power generator used renewable energy installations to produce and supply electricity; 1 REC is issued per 1MW of electricity generated by using renewable energy installations, and weights are applied in accordance with detailed criteria concerning the place of generator installation and generation capacity among others | Renewable Energy Portfolio Standard and Renewable Fuel Standard Management and Operational Guidelines |
| 14 | Photovoltaic self-consumption | Photovoltaic power generators that are installed to independently provide electricity to houses or buildings; also called residential PV or rooftop PV | Photovoltaic Power Generator Installation Guidebook by the Korea Electrical Contractors Association |
| 15 | K-EV 100 | A voluntary campaign for companies to publicly announce their commitment to shifting their owned/leased vehicles to zero-emission vehicles and to take phased-in action to meet this commitment by 2030 | Korea Automobile Environmental Association |
| 15 | Charging infrastructure | Refer to chargers used to charge EVs as well as auxiliary charging installations created to use mobile chargers | EV Distribution and Charging Infrastructure Development Business Charging Infrastructure Installation Operational Guidelines 2020 by the Ministry of Environment |
| 27 | SDGs | Sustainable Development Goals that comprise 17 goals and 169 targets categorized into the 5Ps of People, Planet, Prosperity, Peace and Partnerships to drive humanity's concerted efforts to achieve the vision of sustainable development | Sustainable Development Portal by the Prime Minister's Secretariat under the Office for Government Policy Coordination |
| 29 | Public DR | Demand response resources that cover as participating customers power users whose contract power is 200kW or below, residential power users, and individual households occupying a collective building out of the power contracts signed with sellers or community energy service operators | Electricity Market Operational Rules, Public Demand Response Resources |

About This Report

Gridwiz publishes our first report to outline how we impacted the environment and society at large as a result of our service operations.

As a clean energy solution provider and as a company prioritizing a great organizational culture and a transparent management system, we aim to regularly communicate the challenges that we encounter and the impact that we make.

Reporting Principles

This report was prepared partly with reference to the GRI Standards and the SASB (Sustainability Accounting Standards Board) standards that are the international sustainability management reporting frameworks.

While this report may not completely comply with ESG disclosure and assessment criteria in terms of formality, this is the result of our best efforts to tackle challenges – from the aspects of business conduct, corporate culture and management system – as well as their outcomes. We also ensured that we collect and transparently share relevant data.

Reporting Period

The financial, business, and management performance contained in this report spans the period from January to December of 2022. For non-financial performance, data over the recent two years have been gathered to enable readers to understand their time-series trends.

Reporting Boundary

This report includes the financial and business performance of Gridwiz and some of our subsidiary. For non-financial performance, this report only concerns Gridwiz.

Gridwiz