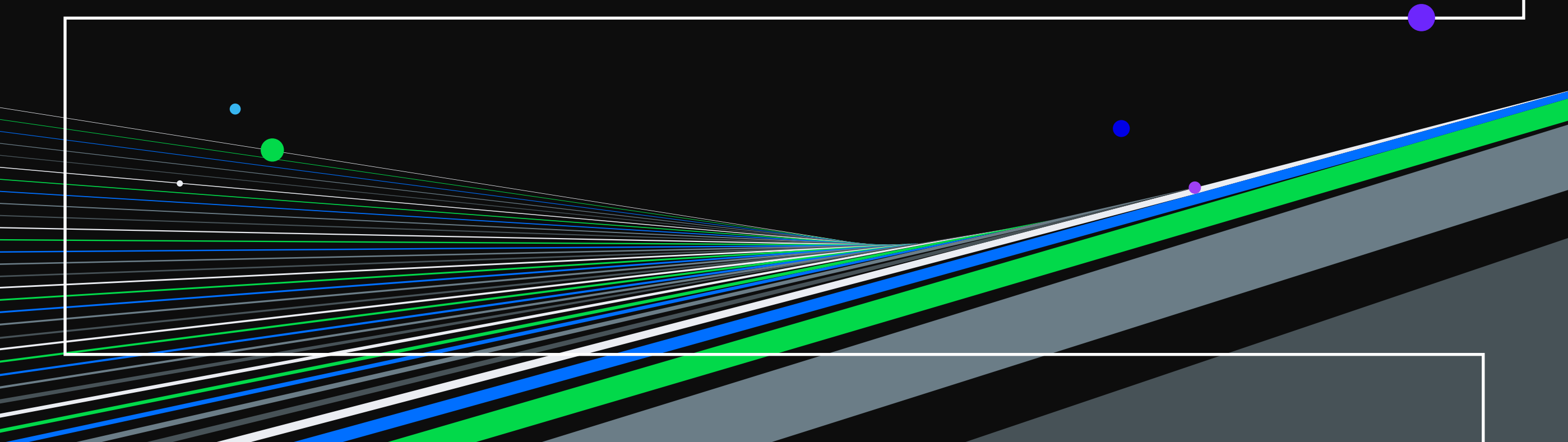


NAVER



INTEGRATED REPORT 2023



ABOUT THIS REPORT

OUTLINE

Titled “NAVER Integrated Report 2023”, this report is published to share the company’s annual financial and ESG performances with its various stakeholders including investors, with final approval being given by the Board of Directors of NAVER in June 2024.

REPORTING PERIOD

The reporting period of this report is as follows:

- Financial performance covers the company’s performance from January 1 to December 31, 2023.
- Business performance covers the company’s activities from January 1 to December 31, 2023.
- Management performance covers matters for which decisions were made by March 31, 2024.
- As for some performance, if the results need to be tracked continuously, we have used data for the past three years or more.
- The report provides some of key business and management performance indicators for the first half of 2024, serving as a point of reference for readers.

REPORTING SCOPE

The reporting scope of this report is as follows:

- Reporting on financial and business performance includes headquarters and all business sites in Korea and overseas.
- ESG and sustainability performance is based on the separate outcomes of NAVER Corporation, and the scope of environmental performance includes NAVER’s company buildings; 1784 and Green Factory,; GAK Chuncheon and GAK Sejong, the company’s internet data centers; Connect One, a training institute for NAVER employees; NAVER Square, a space for win-win growth with partners; and leased business sites.
- Some of the performances include those of NAVER’s subsidiaries, and in such instances, the report specifies the respective subsidiary involved.

REPORTING STANDARDS

This report’s reporting standards are as follows:

- ESG information has been prepared in accordance with GRI (Global Reporting Initiative) Standards 2021, SASB (Sustainability Accounting Standards Board) and TCFD (Task Force on Climate-related Financial Disclosure) recommended reporting standards.
- Financial information is based on the consolidated financial statements prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS).

THIRD PARTY ASSURANCE

This report has been assured by DNV, an independent assurance corporation, to ensure the credibility of all the information created, and the verification was completed in accordance with AA1000AS, an international verification standard.

In case there may be any discrepancies between the Korean version and English version of this report, due to reasons including but not limited to mistranslation, simple error or typo, the Korean version shall dictate.

INQUIRIES

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INTERACTIVE PDF

This report has been published as an interactive PDF, allowing readers to move quickly and easily to pages in the report, and includes shortcuts to related web pages and video clips.

HOW TO USE

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-  Related Webpage
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CEO LETTER



Greetings, I am Choi Soo-yeon,
CEO of NAVER Corporation.

2023 marked a year in which NAVER laid the foundation for a greater leap forward through continuous efforts and deliberations of all employees amidst global economic uncertainties and a rapidly evolving landscape. To strengthen the competitiveness of our businesses and explore new opportunities for growth as Korea's leading IT company, we have taken measures to strengthen our platform competence by leveraging technology focused on changing user consumption behaviors and our unique data capabilities. We have also paid particular attention to achieve cost efficiency and overall business growth as well as fostering the internal strength of all business divisions.

Regarding services, we have enhanced our capability to offer highly personalized content using generative AI technology. This advancement assists users in discovering content that aligns closely with their evolving consumption habits.

In the second half of 2023, we strived to secure high-quality content in various areas by launching new services for discovery-type content such as Home Feed, Search Feed, and Clip through integrated search and revamp of the NAVER application. In 2024, we will continue to enable users to consume highly personalized content across NAVER's various services, including Search, Shopping, Place, Pay and Content, and we expect these user experiences to be applied to advertising, contributing to generating greater revenue.

While spearheading new businesses and expanding its operations, NAVER also continues to enhance its ESG management system targeted at sustainable growth and win-win growth. We have further integrated our 7 ESG Management Strategies into our businesses by mitigating ESG related risks and expanding opportunities for sustainability focused services to create greater sustainable corporate value. Through this approach, we are able to promptly attend to stakeholder needs and potential ESG risks in our businesses. NAVER remains persistent in enhancing the company's sustainability by expanding ESG-based values through our technology and platform.

〰〰

NAVER promptly attends to stakeholder needs and potential ESG risks in our businesses, while expanding ESG-based values through our technology and platform, thereby consistently enhancing the company's sustainability.

〰〰

Over the past year, we showcased various activities and efforts for sustainability in NAVER's ecosystem: heightening AI safety based on the NAVER's AI Ethics Code, expanding social contribution through our services, conducting world-class information protection activities, improving NAVER's organizational culture through reorganization of employee review system and assessment on work culture, using renewable energy for our goal of achieving carbon neutrality, and maximizing shareholder value by its newly announced 3-year shareholder return policy. This report aims to communicate these efforts and accomplishments to our stakeholders.

Moving forward, NAVER will remain committed to evolving into a global tech platform that fosters innovation, turning challenges into our growth engines. Throughout our journey, we will actively communicate our achievements and extend heartfelt gratitude to all stakeholders who have supported us thus far. We ask for your continued involvement in shaping NAVER's future.

Choi Soo-yeon
President & CEO, NAVER Corporation

OVERVIEW

Based on Korea’s No. 1 internet search portal, NAVER, the company and its subsidiaries engage in advertising, commerce, and fintech businesses. As a company with the largest IDC in Korea, NAVER is expanding its IT infrastructure and B2B solutions such as cloud services. Additionally, NAVER is scaling up its business globally in Japan, North America, and Europe, offering innovative services and original contents that transcend borders and fields. It also continues to conduct research and development on future technologies such as artificial intelligence and robotics. NAVER drives change and innovation of technology platform, aiming to foster growth for its countless users and diverse global partners.

CORPORATE INFORMATION

Company Name

NAVER Corporation

Establishment

June 1999

CEO

Choi, Soo-yeon

Employees

4,417¹⁾

Head Office

NAVER 1784, 95 Jeongjail-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Korea

GLOBAL NETWORK

France

Germany

Thailand

Vietnam

Singapore

Canada

China

Korea

Japan

Taiwan

Hong Kong

Indonesia

U.S.

13 countries

EXTERNAL ESG EVALUATION

KCGS
(Korea Institute of Corporate Governance and Sustainability)

2021

A+

2022

A

2023

A+

MSCI
(Morgan Stanley Capital International)

2021

AAA

2022

AAA

2023

AA

Sustainalytics

2021

TOP 11 %

2022

TOP 12 %

2023

TOP 12 %

* As of December, 2023
¹⁾ Includes dispatched workers and thus the total differs from the number in the Business Report

LEADERSHIP

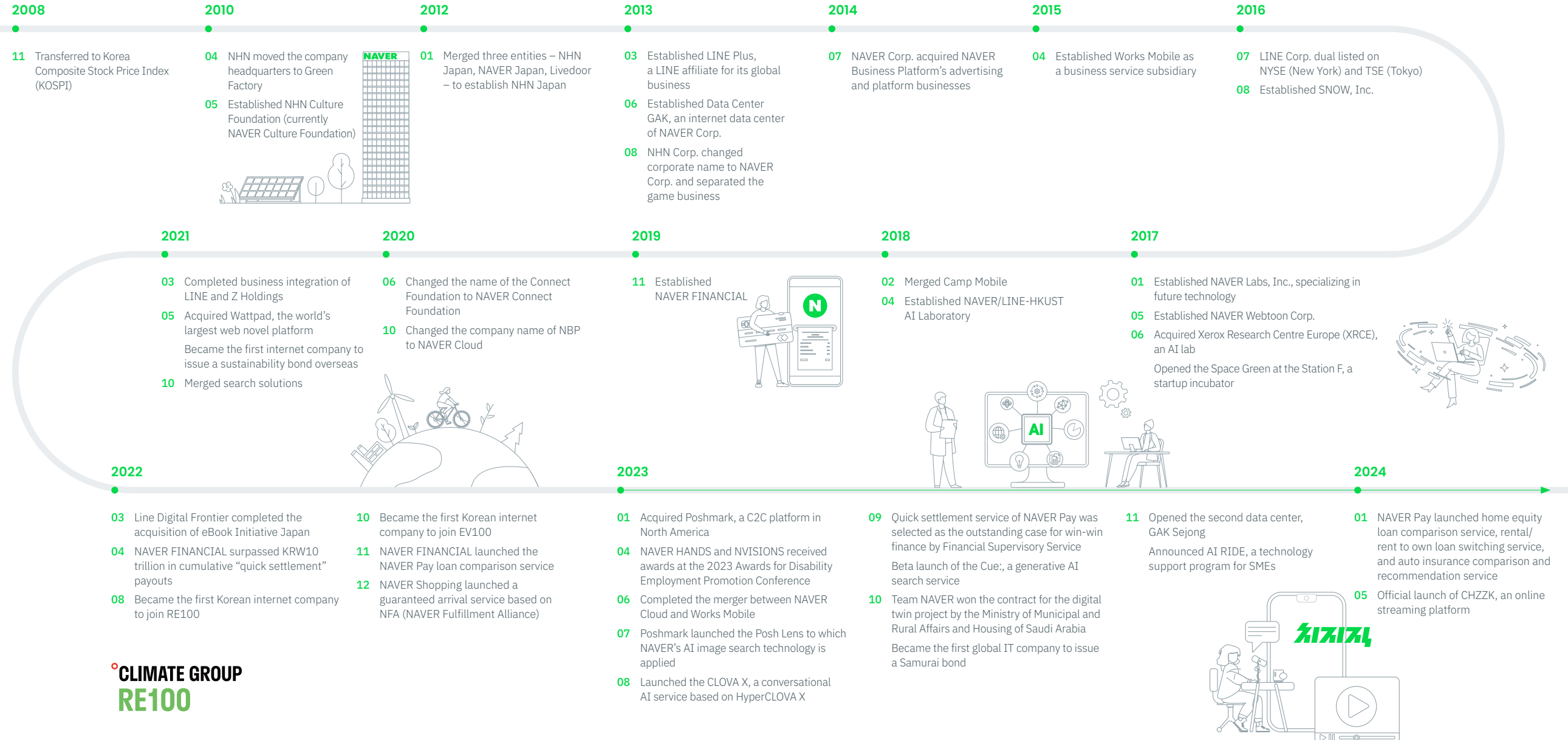
MANAGEMENT

	Choi Soo-yeon President & CEO - Born in 1981 - Graduated from Seoul National University College of Engineering, Harvard Law School, LL.M 2005 NHN (Currently NAVER) Public Relations and Marketing 2012 Yonsei University Graduate School of Law 2012 Lawyer, Yulchon LLC. 2019 Head of Global Business Support, NAVER Corp. - March 2022 Appointed as the President & CEO of NAVER
	Kim Nam-sun CFO - Born in 1978 - Graduated from Seoul National University College of Engineering, Harvard Law School JD 2007 Lawyer, Cravath, Swaine & Moore LLP (New York) 2012 Executive Director, Investment Banking, Morgan Stanley (Seoul, Hong Kong) 2017 Managing Director, Private Equity Investments, Macquarie Group (Seoul) 2020 Head of Corporate Development, Investment and M&A, NAVER Corp. - March 2022 Appointed as the Chief Financial Officer (CFO) of NAVER
	Kim Bom-jun COO - Born in 1975 - Graduated from KAIST, Master of Science in Computer Science 2002 Team Leader, TmaxSoft 2006 Center Head, NCSOFT 2013 Executive Director, SK Planet 2015 CTO, Woowa Brothers 2020 CEO, Woowa Brothers - January 2024 Appointed as the Chief Operating Officer (COO) of NAVER

BOARD OF DIRECTORS

Other Non-executive Director Byun Dae-gyu Chairman of the Board of Directors, NAVER Corporation - Ph.D. in Control and Measurement Engineering, Seoul National University - President & CEO, Humax - Outside Director, SK Telecom - Outside Director, POSCO - Vice President, The National Academy of Engineering of Korea (Current) President & CEO, Humax Holdings (Current) Chairman of the Board of Directors, Humax	Outside Directors Jung Do-jin Outside Director, NAVER Corporation - Ph.D. in Accounting, Kentucky University - Assistant Professor, West Texas A&M University - Team Leader of Accounting Administration Department, Financial Supervisory Service - Member of Evaluation Team for Management Performance of Public Corporation or Quasi-Governmental Institution, Ministry of Strategy and Finance - Member, Accounting Oversight Deliberation Committee, Financial Services Commission - Member of International Public Sector Accounting Standards Board (IPSASB) - Member of Listing Committee, Korea Exchange - Member of Deliberative Committee on National Accounting System, Ministry of Strategy and Finance (Current) Professor of Accounting, Chung-Ang University Business School (Current) Outside Director, Hanwha Aerospace Rho Hyeok-joon Outside Director, NAVER Corporation - Ph.D. in Law, Seoul National University - Northwestern Univ. School of Law, LL.M - Judge, Seoul Southern District Court - Assistant Professor, Dankook University, College of Law - Visiting Scholar, Harvard Law School (Current) Professor, Seoul National University School of Law
CEO & Inside Director Choi Soo-yeon President & CEO, NAVER Corporation - B.S. in Mass Communication/Earth Environmental System Engineering, Seoul National University - M.A. in Graduate School of Law, Yonsei University - Harvard Law School, LL.M. - PR and Marketing NHN - Attorney, Yulchon LLC - Head of Global Business Support, NAVER Corporation	Byun Jae-Sang Outside Director, NAVER Corporation - B.A. in Public Law, Seoul National University - CEO & Executive Vice President, Mirae Asset Securities - CEO & President, Mirae Asset Securities - President, Mirae Asset Life Insurance - President, Mirae Asset Daewoo - CEO & President, Mirae Asset Life Insurance (Current) Advisory, Mirae Asset Life Insurance Samuel Rhee Outside Director, NAVER Corporation - Royal Holloway, University of London - Stanford Graduate School of Business & NUS Business School - Morgan Stanley Group - CIO & CEO for Asia, Morgan Stanley Investment Management Co - Independent Director, Far East Orchard Ltd (Current) Co-Founder & Chairman, Endowus
Inside Director Chae Sun-joo Inside Director & Representative of External/ESG Policy, NAVER Corporation - B.A. in Business Administration, Incheon National University - Head of Public Relations, NAVER Corporation - Head of Talents Development Division, NAVER Corporation - Head/Director of Communication Group, NAVER Corporation - Chief Communication & Culture Officer, NAVER Corporation	

KEY MILESTONES





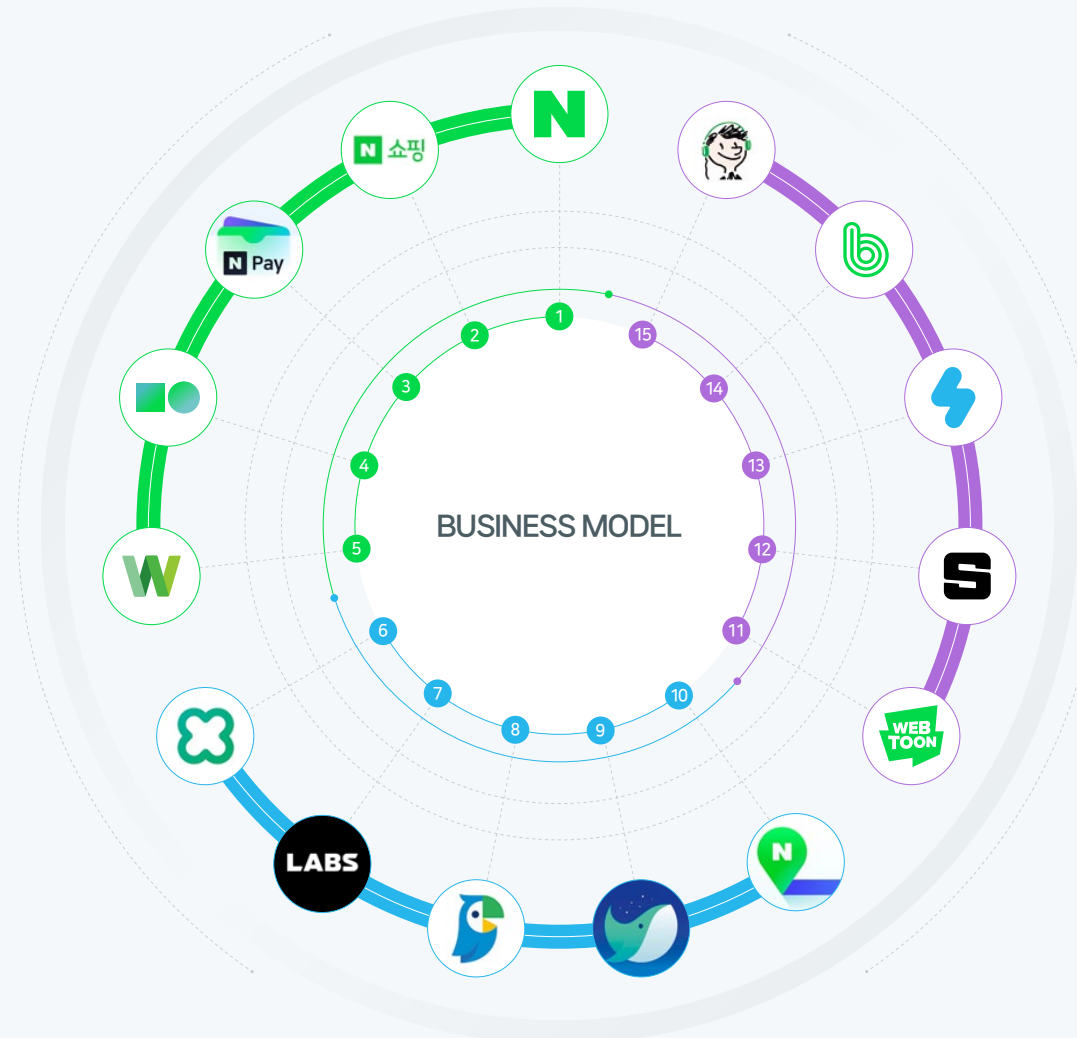
BUSINESS REPORT.

APPROACH TO BUSINESS
BUSINESS PERFORMANCE
CREATING NEW OPPORTUNITIES



BUSINESS MODEL

- 1 NAVER**
No. 1 Internet search portal in South Korea
Korea's top search platform that connects the thoughts and interests of 40 million users every day
- 2 NAVER Shopping**
Comprehensive shopping service embracing online and offline, SMEs and brands
A service that provides seamless and efficient shopping experience to sellers and users within NAVER's ecosystem and maximizes the satisfaction of users on the back of product DB management and advanced search powered by AI
- 3 NAVER Pay**
Fintech services that help make buying easier for users and increase revenue for businesses
Enabling convenient shopping, payment, and delivery experience with your NAVER account; providing a seamless payment experience even for digital content; and expanding to provide innovative financial services based on differentiated technology and data
- 4 NAVER Cloud**
Global Cloud Platform
Korea's representative public cloud that encompasses IaaS, PaaS, and SaaS
- 5 NAVER WORKS**
NAVER's diverse services for the workplace
A collaboration platform that integrates messaging, email, calendar, drive, address book, file sharing, and voice and video calls, centered around mobile environment
- 6 CLOVA**
New platform for the future
An integrated AI platform that leverages human senses, such as voice and image recognition, neural machine translation, and conversational engine
- 7 NAVER Labs**
In charge of new technologies of NAVER
Reliable lab opening a new chapter of new technologies, including AI, AR, robotics, and autonomous driving, in collaboration with global research specialists



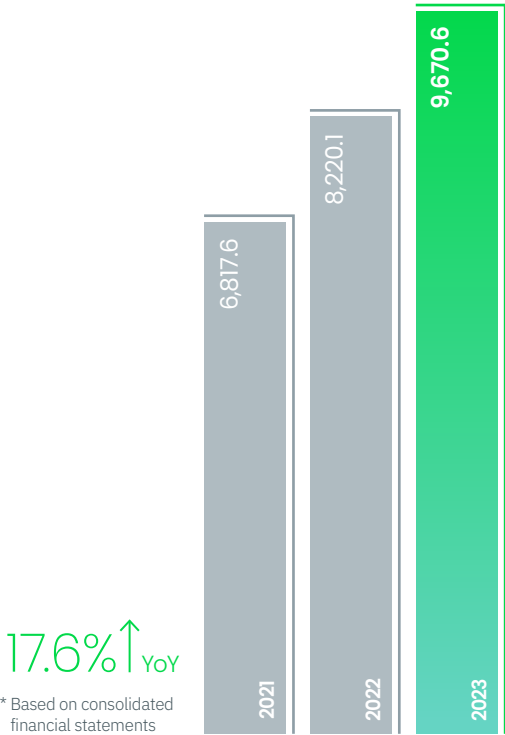
- 8 Papago**
Reliable translation platform
An automatic translation platform equipped with Neural Machine Translation (NMT) technology for better accuracy
- 9 WHALE**
Completely new web browser
Web browser that "can be easily used by anyone," featuring unique, convenient features, such as omni-tasking, quick search, and space
- 10 NAVER Maps**
A map service that connects desired destinations in one go
Public transportation, vehicle, bicycle and pedestrian paths, as well as GPS navigation; a map service that connects you to your desired destination at once
- 11 NAVER Webtoon**
Bringing new stories everyday
Ever-evolving storytelling technology platform, expanding its reach to publishing, movie, shows, game, and others in the content industry domestically and globally on the back of loyal fans and strong IPs
- 12 SERIES**
Content business platform
A premium content platform offering genre novels and comics that cater to diverse tastes
- 13 SNOW**
A camera-based AR platform that makes everyday life special
A fun camera-based AR platform; leading trends for teens
- 14 BAND**
Mobile community platform
A mobile community platform that supports various forms of group activities depending on user preferences, such as family, couples, friends, school, clubs, work, and study groups
- 15 Audio Clip**
Audio content platform
A content platform where various types of content, such as lectures, language learning materials, parenting guides, web novels, audio dramas, audio books, ASMR, live broadcasts by creators can be enjoyed in audio format

FINANCIAL HIGHLIGHTS

In 2023, NAVER continued to take on the challenge of strengthening the competitiveness of its existing businesses and exploring new growth opportunities amidst the economic downturn and a rapidly changing global competitive environment. We introduced various measures designed to increase search efficiency, content consumption, and time spent, while simultaneously focusing on outward growth and cost efficiency to improve profitability, thereby strengthening the core of all our business segments. On the back of the growth achieved by various business segments, our consolidated operating revenue in 2023 increased by 17.6% year-on-year to KRW 9,670.6 billion, while our operating profit grew by 14.1% year-on-year to KRW 1,488.8 billion. In 2024, we aim to achieve sustainable and organic growth of our existing businesses, while also proving that the competitive edge of new NAVER services utilizing AI technology, can succeed in both domestic and global markets.

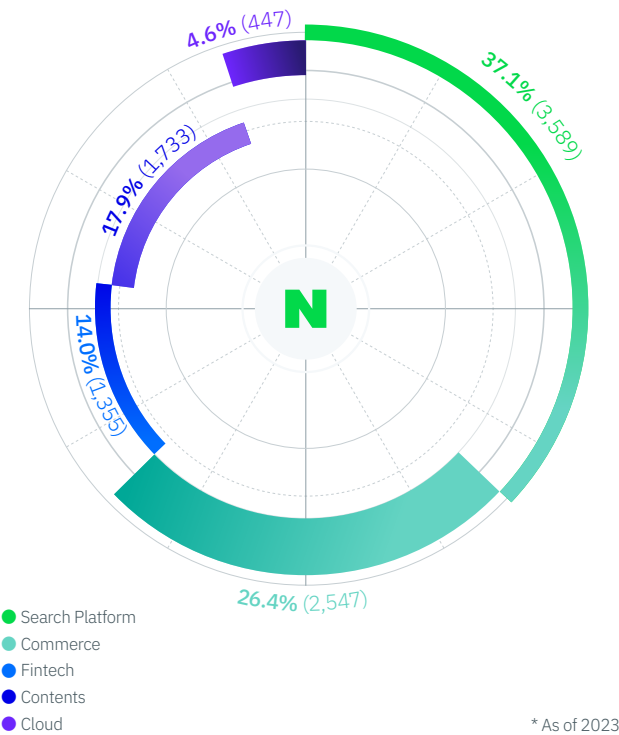
Operating Revenue

(Unit: KRW billion)



Operating Revenue Portion by Business

(Unit: KRW billion)



Key Financial Figures

	2021	2022	2023
Summarized Statements of Comprehensive Income			(Unit: KRW billion)
Operating Revenue	6,817.6	8,220.1	9,670.6
Operating Expenses	5,492.1	6,915.4	8,181.8
Operating Income	1,325.5	1,304.7	1,488.8
Net Income	16,477.6 ¹⁾	673.2	985.0
Summarized Statements of Financial Position			(Unit: KRW billion)
Total Assets	33,691.0	33,899.0	35,737.8
Total Liabilities	9,663.6	10,448.7	11,499.8
Total Equity	24,027.4	23,450.3	24,238.0
Profitability Ratios			(Unit: %)
Operating Profit Margin	19.4	15.9	15.4
Net Profit Margin	241.7 ¹⁾	8.2	10.2
ROE	106.7 ¹⁾	3.3	4.4

* Based on consolidated financial statements
¹⁾ Following the business integration of LINE and Z Holdings in the first quarter of 2021, related gains of KRW 15.0 trillion (the fair value of investment stocks jointly held by A Holdings and LINE) is reflected as non-cash accounting gains.

Stock Information

	2021	2022	2023
Share Price Change			(Unit: KRW)
High	465,000	376,000	234,500
Low	285,500	158,500	178,300
Year-end	378,500	177,500	224,000
KOSPI Index (year-end)	2,977.65	2,236.40	2,655.28

* As of the end of 2023

NAVER BUSINESS & KEY DIFFERENTIATORS

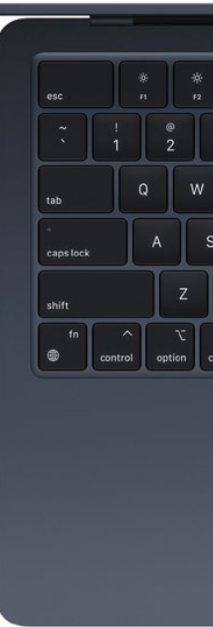
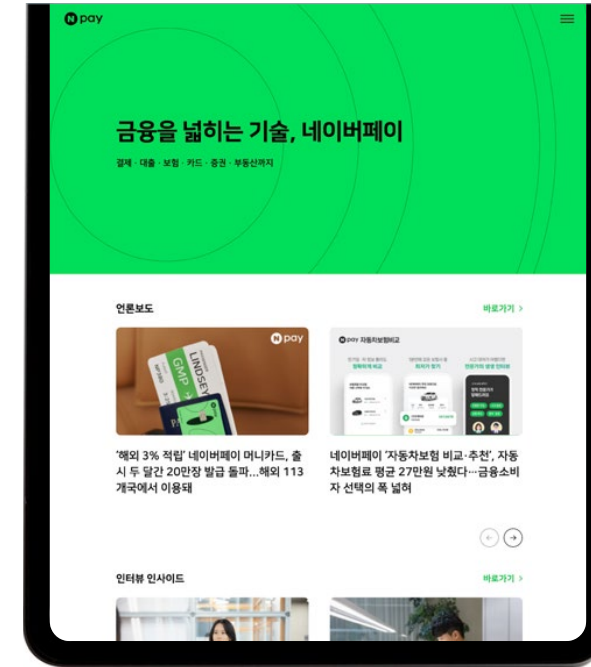
Connecting today with tomorrow, increasing our business value and making a difference for all

Connecting everyday life and expanding value with advanced technology and services.

NAVER is a leading IT technology company in Korea that is constantly challenging itself to achieve greater growth. We provide differentiated value to our stakeholders by embedding cutting-edge technology into everyday services to create a new connected experience for users, and we focus on strategically executing various measure aimed at increasing our platform's competitiveness by utilizing our technology and data capabilities in line with users' content consumption patterns and behaviors.

As a global company preparing to take an even greater leap forward, NAVER is taking the lead in creating an innovative ecosystem for future technologies by focusing on continuous R&D and investment in future technologies such as artificial intelligence, robotics, and mobility.

Our long-aspired-for roadmap and investments in the future have been materialized in the world's first robot-friendly building, 1784, and our world-class digital twin solution, ALIKE. We are also expanding our collaborations with tech startups, academia, and other IT companies to share the future that we are shaping with our technologies.



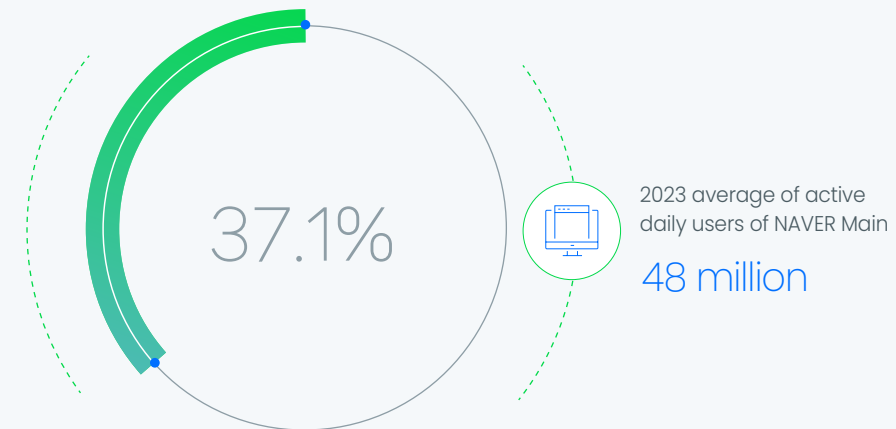
SEARCH PLATFORM

As Korea's leading web portal, "NAVER" connects people with diverse interests through continuous enhancement of its search quality. NAVER is the largest search & advertising platform in Korea that continues to grow through introduction of a product lineup that encompasses the diverse needs of users and advertisers.

KEY ACHIEVEMENTS OF SEARCH PLATFORM IN 2023

* As of December, 2023

Revenue % of Search Platform in 2023



Revenue & Year-on-year Growth of Search Platform
(Unit: KRW billion)

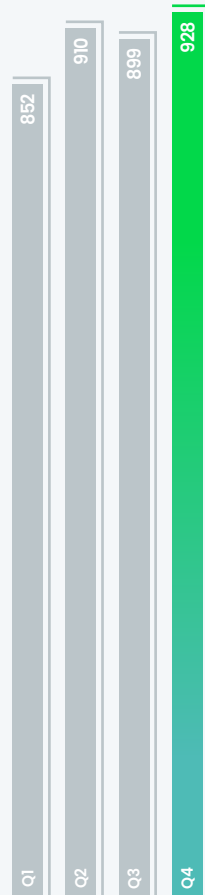
2022	3,568.0
2023	3,589.1

0.6% YoY ↑

SEARCH PLATFORM

QUARTERLY REVENUE IN 2023

(Unit: KRW billion)



MILESTONE

2023

- Jan.** • Launched Multimodal Search Service with Smart Lens
- Mar.** • Launched UGC Smart Block to improve user readability and convenience through multimedia information
- May** • Launched “Clip” – a short-form service
- Jul.** • Launched personalized shopping service Smart Block, including Tailored Blocks and Interest Recommendation Blocks
- Aug.** • Expanded delivery of personalized contents by renewing the AiRSearch system (NXGEN P1)
- Sep.** • Launched Search Feed, a feed-style content feature, in the integrated PC search
 - Opened the beta service for “Cue:” – a generative AI-based search service
- Oct.** • Revamped the integrated search UX/UI
- Nov.** • Revamped the NAVER app, including the launch of a Home Feed service powered by personalized recommendations
 - Introduced the PC unified search for Cue:, a generative AI-powered search service

2024

- Jan.** • Started pilot testing of CLOVA for AD, a generative AI-powered ad
- May** • Officially launched CHZZK, a streaming service

Search platform consists of NAVER’s core businesses of search and display advertising. NAVER, as the leading portal in Korea, provides an integrated platform that understands users through data, provides customized search results, and enhances user convenience through various services such as shopping, NAVER Maps, and NAVER Pay.

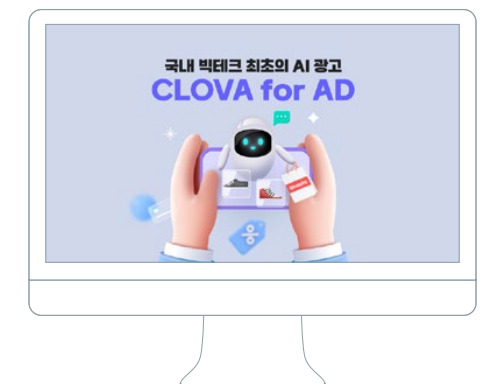
Our Search business addresses users’ information-seeking needs on NAVER, fostering growth for businesses. To enhance user trust in search and content services, NAVER is advancing its platform while continuously improving service and product quality, expanding categories, and utilizing AI technology, ensuring ongoing growth.

Display advertising is a business that provides products that expose advertisers’ desired commercial messages to users. We are making efforts to enhance the effectiveness of advertising by enhancing our display platform, releasing performance-based advertising products, and launching various new products such as video, premium, and feed products in response to changing advertiser demands.

Search platform is a business segment that generates revenue by providing differentiated experiences for users and optimal advertising solutions for advertisers based on NAVER’s core competencies such as data, generative AI, and technology. In 2023, Search Platform revenue grew by 0.6% year-on-year to KRW 3,589.1 billion.

In 2023, NAVER focused on launching new services and upgrading its services to widen the competitive gap with other platforms. We revamped the UI-UX of the NAVER app, including the expansion of Smart Block and the launch of Home Feed, and created a framework for showing optimized search results and contents to users. We also secured new types of contents through the launch of the short-form platform “Clip” and the streaming platform “CHZZK” service, evolving into an attractive platform for even more users. Based on these new initiatives, we are providing high-quality content in the form of feeds with personalized recommendations and laying the foundations for natural exposure of contextual ad contents.

In addition, NAVER is continuously working to further advance its platform by introducing advertising automation and optimization features to support advertisers in executing effective campaigns. Efforts are also being made to provide personalized advertising services through various experiments, including generative AI ads based on HyperCLOVA X and tests of CLOVA for AD.



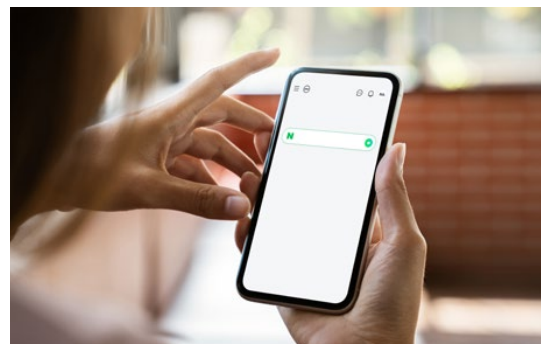
SEARCH PLATFORM



NAVER MAIN

Strengthening discovery and profitability through hyper-personalization

In 2023, NAVER reorganized its integrated search and NAVER app and launched Home Feed to provide UI/UX tailored to discoverable content, and introduced new services such as Clip and CHZZK to secure high-quality content in new areas. In addition, we partially applied Cue:, a new generative AI search service based on HyperCLOVA X, to the PC environment to provide users with a new search experience. In 2024, we plan to expand the service to provide high-quality content that enables personalized recommendations in a feed format, enabling seamless content browsing. The feed-type content experience is expected to extend users' dwell time in the NAVER ecosystem, increasing opportunities for natural exposure of advertising content and strengthening the platform's competitiveness through customized advertising.



NAVER SEARCH TECHNOLOGY

Search technology for an evolved search experience

NAVER is constantly upgrading its search technology by combining generative AI and data technologies to provide users with personalized search experiences. We are continuing to grow by improving the quality of our services and products, expanding our categories, and utilizing AI technology to enhance our search and content services, while enhancing our platform to increase the users' trust.

AiRSEARCH is NAVER's AI search brand which encompasses various AI recommendation technologies and searches in content, shopping, and local units such as AiRS, AiTEMS, and AiRSPACE. It provides sophisticated customized search results by identifying each individual user's intent and interests through technologies. They include Smart Block, which provides optimal search results that reflect the user's search intentions and tastes; Omni Search, a multimodal AI search that combines and understands different inputs, such as text and images, to provide results that closely match the user's intentions; and NAVER Knowledge Interactive, an interactive knowledge search service that enhances user interaction by incorporating advanced technologies such as interactive AI models and augmented reality.

In addition, NAVER's AI content search technologies – Knowledge Base, Knowledge Snippet, and Rich Snippet – use AI natural language processing technology, information retrieval technology, and document comprehension technology to provide advanced search services that allow users to quickly reach the information they want and extract only the information they need.



NAVER ADVERTISING

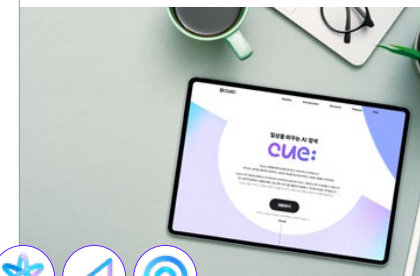
Targeting NAVER users as potential customers for my business

Advertising on NAVER can effectively deliver commercial messages from sellers to NAVER search users. For the advertisers, we provide optimized advertising platforms, including search ads that provide NAVER search users with information about sellers' sites and products, performance display advertising that provides high advertising efficiency through various targeting strategies, and generative AI-powered ads that learn brand information. As Korea's leading portal platform, we provide customized search results by deeply understanding users through data accumulated over a long period of time, and provide integrated platform services to enhance user convenience through various linked services such as NAVER Pay, Smart Store, and NAVER Map.

NAVER is utilizing its extensive, high-quality data and technological capabilities while continually upgrading the platform to meet evolving advertiser demands and building user trust. Recognizing the great potential value of generative AI-powered search, marketing, and shopping experiences for users and advertisers, NAVER recently launched a pilot test of CLOVA for AD, a generative AI ad powered by HyperCLOVA X, in order to bring new advertising services to market. We will continue to make efforts to improve search and content quality, by promoting a timely renewal of the service for greater user convenience and quality improvements such as ad UI, and striving to provide services that satisfy both users and advertisers.

NAVER KEY HIGHLIGHTS

- 1999**
Became the first web portal in Korea to develop a search engine
- 2000**
Launched the world's first integrated search service
- 2021**
Launched AiRSEARCH, a personalized search service powered by AI
- 2023**
Launched the Beta version of Cue:, NAVER's generative AI search service



COMMERCE

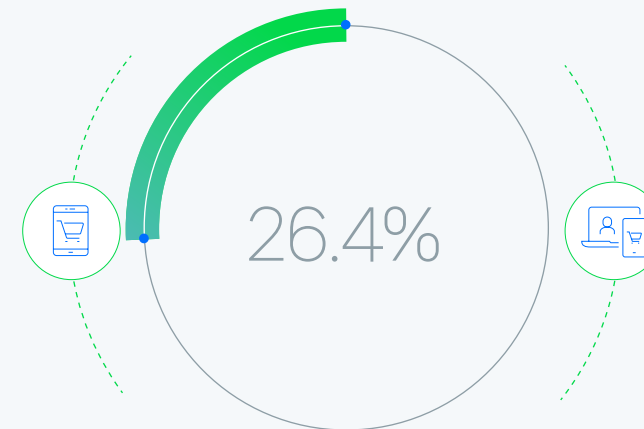
NAVER entered the e-commerce business by providing products and price comparison services for external shopping malls based on search, and has since expanded its business to include Smart Store, Brand Store, and C2C commerce, thereby creating a sustainable e-commerce ecosystem that encompasses users, SMEs, and brands.

KEY ACHIEVEMENTS OF COMMERCE IN 2023

* As of December, 2023

Revenue % of Commerce in 2023

No. of weekly visitors to
NAVER shopping in 2023
20 million



No. of Smart Store
live sellers
660,000

Revenue & Year-on-year Growth of Commerce (Unit: KRW billion)

2022	1,801.1
2023	2,546.6

41.4% YoY ↑

COMMERCE

QUARTERLY REVENUE IN 2023

(Unit: KRW billion)



MILESTONE

2023

- Jan.** • Acquired Poshmark, the largest fashion C2C company in North America
- Apr.** • Launched Posh Show, a live streaming commerce platform, in North America
- Jul.** • Launched Posh Lens, a smart lens powered by NAVER AI
- Aug.** • No. of merchants on Brand Store exceeded 2,000
- Oct.** • Launched Brand Solution Package and started monetization for Guaranteed Delivery

2024

- Apr.** • Introduced Sunday Delivery and Same-day Delivery services for Smart Store to enhance competitiveness in delivery

NAVER's commerce business consists of commerce advertising (shopping-related search and display ads), commission & sales, and membership revenue. Our service provides a seamless flow from search, shopping, and place to payment and reservation, thus enabling various domestic and international e-commerce platforms to conduct advertising, sales, and brand marketing within the NAVER ecosystem.

NAVER is striving to grow together with various sellers, including brands and SMEs, to provide users with a differentiated shopping experience. To this end, NAVER is enhancing its new vertical commerce services such as Brand Store, Shopping Live, and C2C platforms (KREAM, Poshmark, SODA), while also offering bookings for Smart Places and travel(airlines, hotels, tours). By providing a data-driven fulfillment platform and powering its partnerships, we are focused on meeting the diverse needs of users and sellers and strengthening the commerce ecosystem.

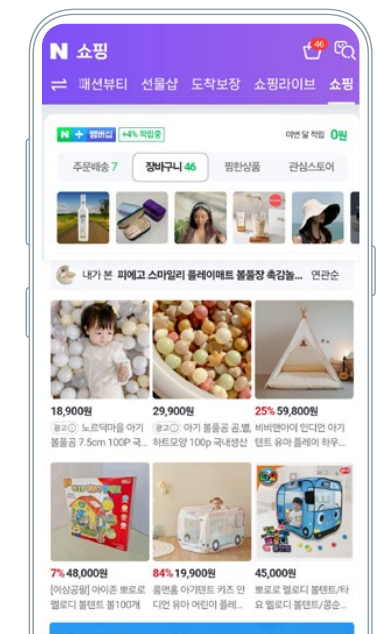
In 2023, NAVER's commerce business recorded revenue of KRW 2,546.6 billion, an increase of 41.4% from the previous year. This growth was driven by the continuous expansion of Smart Store for SMEs, Brand Store for brands, and the successful performance of Poshmark, acquired in early 2023, to enhance NAVER's global C2C competitiveness. In addition, the post-pandemic resumption of offline activities led to significant growth in travel and reservation services, alongside the notable rise of KREAM. Our membership and guaranteed delivery services also saw a steady increase in the number of users, further strengthening NAVER Shopping's competitiveness. We aim to continue supporting the growth of SMEs by providing convenient solutions, and to further develop into a brand marketing platform through strategic collaborations with brands and offering them the spaces and products that match their brand image.



NAVER SHOPPING

Comprehensive shopping environment encompassing SMEs and brands

NAVER Shopping hosts approximately 660,000 stores and offers around 1.5 billion products. Leveraging its globally competitive technology and extensive data, it provides a range of services, including search, recommendations, and price comparisons. NAVER is upgrading its D2C platform, Brand Store, with the technology and know-how that has helped 660,000 Smart Stores to flourish; and it will support the growth of brands through differentiated solutions, such as Guaranteed Delivery and Brand Solution Package, and expand its service to create a shopping ecosystem that encompasses both SMEs and brands.



COMMERCE



NAVER PLUS MEMBERSHIP

Subscription-based service to enhance user benefits

In 2020, NAVER introduced NAVER Plus Membership to maximize user benefits. NAVER Plus Membership is a subscription-based service that provides users with up to 5% reward points on their shopping and booking payments and various digital content benefits. After joining the membership, the per capita payment amount and activities of users have been increasing steadily, along with the lock-in effect achieved through these various benefits. The per capita GMV of NAVER Pay for members is about twice that of non-members, and we found them to be more active users of NAVER Shopping, NAVER Pay and other contents. In addition, the subscription solution launched to support various payment methods for users is significantly enhancing shopping convenience.



GUARANTEED DELIVERY SERVICE

Unique service enhancing delivery competitiveness with technology, data, and NFA

The NAVER Guaranteed Delivery Service is both a designated day delivery service introduced by NAVER in December 2022, and a more advanced version of the express delivery service that it has provided in collaboration with its NFA partners. The service meets the needs of both users and partners based on a logistics data platform that has been completed after more than a year of development, and provides logistics solutions for sellers, and express delivery and guaranteed delivery services for customers, through the infrastructure of its 3P partners. Based on the data provided by NAVER, sellers can directly manage inventory and sales, establish marketing strategies, and analyze data on delivery in particular, giving them greater autonomy throughout the sales process.

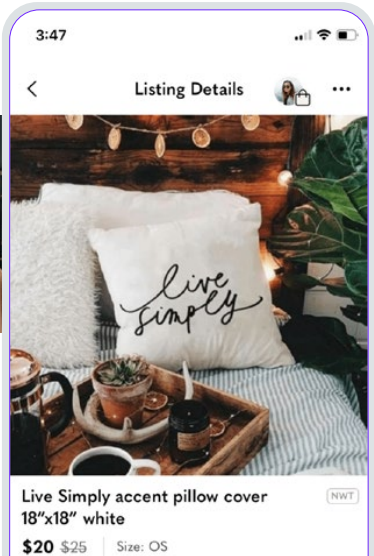
Guaranteed Delivery is a logistics data platform built by NAVER that centrally connects the logistics process by linking data from NAVER Shopping, fulfillment operators (logistics companies), delivery operators (couriers), and users, and shows users the exact delivery arrival date calculated from the linked data. NAVER guarantees the arrival date so that both buyers and sellers can trust the accuracy of the prediction, and NAVER pays the buyer a delay compensation for goods that arrive later than scheduled. With this freedom and the competitive advantage of accurate delivery dates, NAVER's Guaranteed Delivery Service is growing rapidly. Recently, we have introduced Sunday Delivery and Same-day Delivery to provide consumers with faster delivery services, and we plan to create new opportunities and strengthen our position as a D2C brand platform through technology-based experiments with more brands in the future.

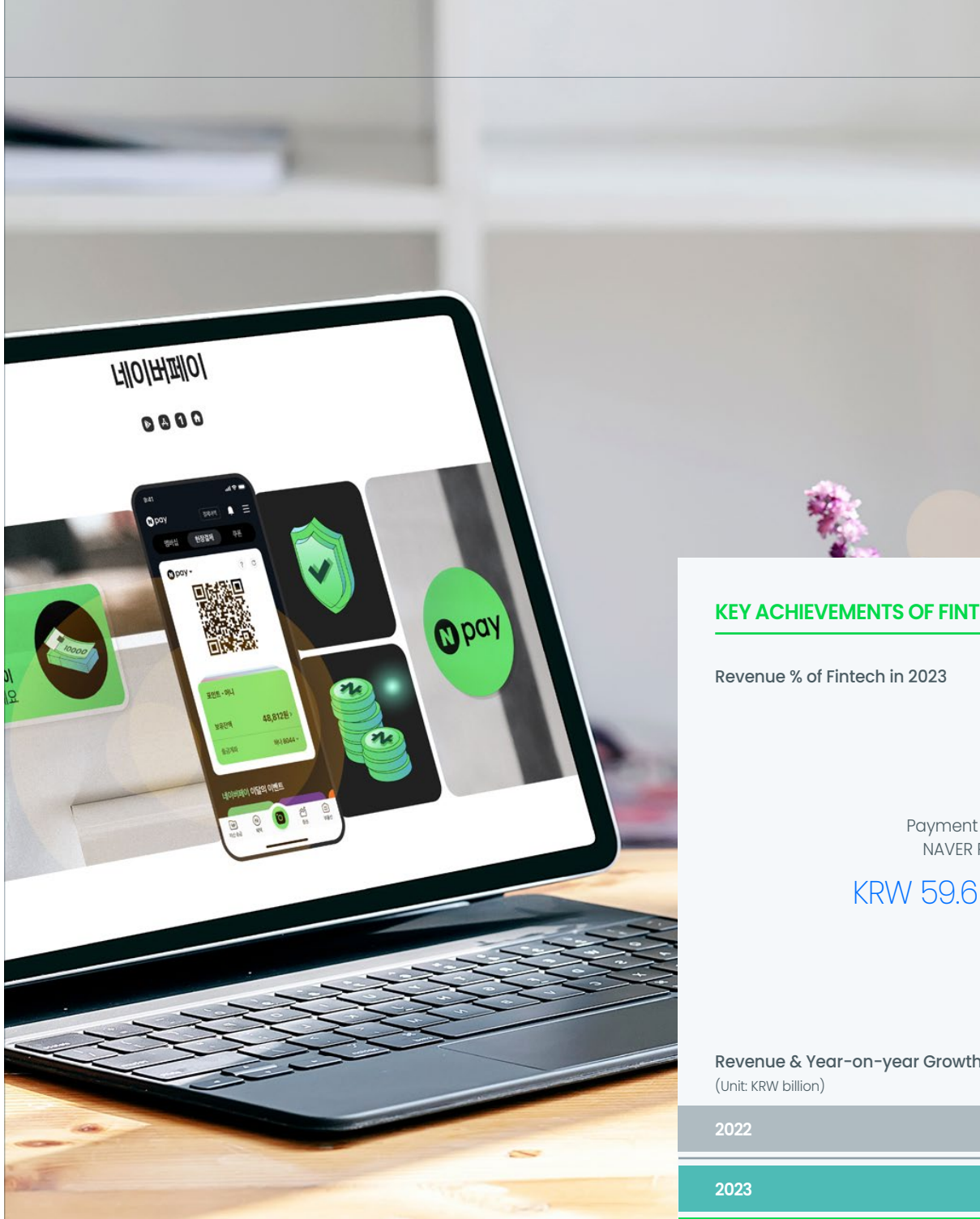


POSHMARK

Community-based C2C E-commerce platform, the largest in North America

In January 2023, NAVER acquired Poshmark, the largest C2C fashion platform in North America. Poshmark has developed a unique business model that combines community and social media features, widely used by millennials and Gen Z, creating synergies with NAVER and driving continuous growth. In April 2023, we launched Posh Show, a live streaming commerce platform, to expand our presence in North America, where live commerce is growing rapidly. In July, we introduced Posh Lens, which applies NAVER's AI smart lens technology to make it easier for users to find the products they want. These efforts have helped Poshmark to become the only C2C platform to increase its transaction volume, revenue, and market share in a challenging market environment; and it will continue to build on its position as the largest C2C platform in North America by adopting NAVER's search technology and enhancing its advertising model.





FINTECH

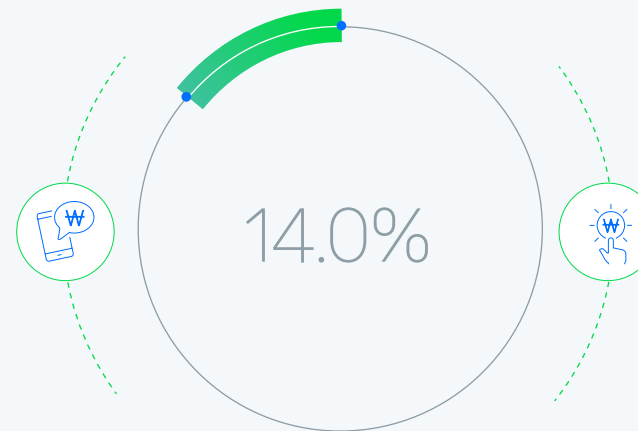
NAVER is transforming itself into a specialized financial platform based on its experience and competitiveness in leading the market for simple payment services. In the fintech market, where significant innovation and new growth are expected, NAVER will open new doors in digital finance driven by its advanced technology, high-quality data, and based on a philosophy of coexistence.

KEY ACHIEVEMENTS OF FINTECH IN 2023

* As of December, 2023

Revenue % of Fintech in 2023

Payment amount of
NAVER Pay in 2023
KRW 59.6 trillion



No. of NAVER Pay
members as of 2023
30 million +

Revenue & Year-on-year Growth of Fintech
(Unit: KRW billion)

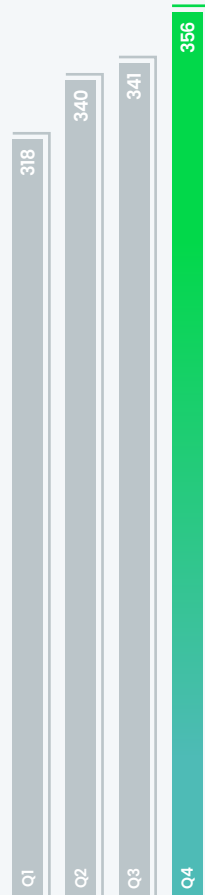
2022	1,186.6
2023	1,354.8

14.2% YoY ↑

FINTECH

QUARTERLY REVENUE IN 2023

(Unit: KRW billion)



MILESTONE

2023

- Mar.**
 - Launched NAVER's Real Estate Online Model House
 - Launched NAVER Pay X Samsung Pay, an on-site payment service based on MST technology
- Apr.**
 - Launched NAVER Pay insurance claim service
- May**
 - Launched NAVER Pay credit loan transfer service
- Jun.**
 - Revamped My asset, payment, financial instruments, securities, and real estate mobile services in NAVER Pay
- Sep.**
 - Launched cross border QR payment service in China and Japan (with UnionPay and Alipay Plus)
 - Launched the NAVER Pay Money Hank Bank Account and Debit Card ver. 2
- Nov.**
 - Launched NAVER Pay Money Card
 - Launched Shareholder Open Talk, an online community service for investors
- Dec.**
 - Expanded the cross border QR payment service to 65 countries worldwide (with UnionPay and Alipay Plus)

2024

- Jan.**
 - Launched NAVER Pay mortgage loan comparison service and rent transfer service
 - Launched NAVER Pay car insurance comparison service
 - Expanded the cross border QR payment service to Japanese merchants of PayPay
- Mar.**
 - Initiated the first commercialization of NAVER Pay FaceSign payment at Kyung Hee University's Seoul Campus

Fintech at NAVER is primarily composed of NAVER Pay and platform services. The payment business is rapidly growing driven by the growth of NAVER's commerce and the expansion of the 3rd party ecosystem. Meanwhile, the diversification of payment methods continues with the introduction of offline on-site payments, the launch of prepaid cards, and the initiation of cross-border payment services, thereby further expanding the point-based ecosystem.

NAVER Pay also provide quick settlement services, Smart Store seller loan, mortgage loan comparison service, and insurance comparison service to SMEs and users. NAVER Pay will continue to focus on financial services for SMEs, thin filers, and users within the NAVER ecosystem by leveraging NAVER's technology and data to explore related opportunities.

NAVER's fintech business posted revenues of KRW 1,354.8 billion in 2023, up 14.2% year-on-year. In the same year, TPV increased by 21.9% to KRW 59.6 trillion powered by continued expansion of the payment ecosystem, mainly attributable to an increase in 3rd party payments and the ongoing growth of offline payments and booking/orders.

NAVER is striving to become a comprehensive financial platform by launching a wider range of financial services in addition to its payment business. The business and retail loan comparison service launched at the end of 2022 is securing demand from users with its convenience and also by providing differentiated limit inquiry results, even when interest rates remain elevated. NAVER Pay also launched the Smart Store guarantee loan for SMEs which takes into account non-financial information, in-line with its coexistence philosophy. In addition, through the revamp of the NAVER Pay app, we aim to become a comprehensive financial platform that reaches beyond payment and asset management to encompass securities and real estate services.

21.9%

NAVER Pay TPV grew by 21.9% year-on-year to KRW 59.6 trillion in 2023, driven by the continued expansion of the payment ecosystem with increased external payments, expansion of on-site payments, and continuous growth in booking/orders.



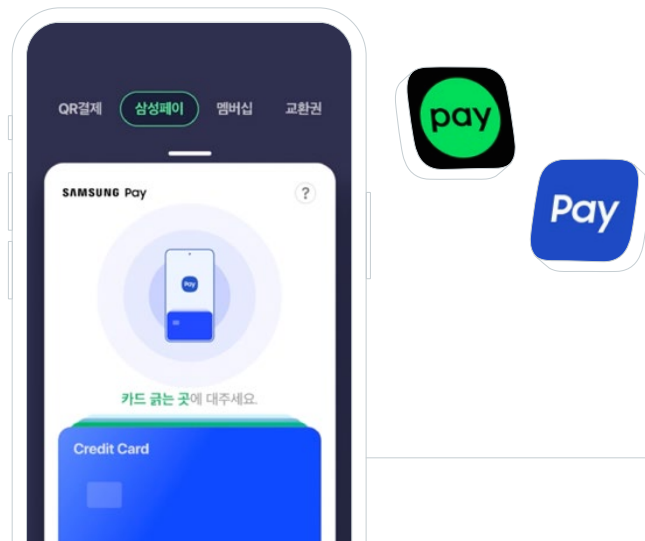
FINTECH



NAVER PAY

Technology that broadens finance - payments, loans, insurance, cards, securities, and real estate

NAVER Pay has been leading Korea's fintech market starting with simple payment to enrich the users' experience, which starts with search and leads to the discovery and purchase of products and services, completing a strong point-based ecosystem, while continuously introducing SME friendly services such as quick settlement, BNPL, and safety care on returns. Now, NAVER Pay is moving beyond simple payment to become a comprehensive financial platform. We are creating successful innovative financial services based on our vast data and technology capabilities, including online business loans using an alternative credit rating model, the launch of affiliated passbooks in collaboration with major domestic financial companies, and my-data services that can be linked to real assets such as real estate and cars.



NAVER PAY SIMPLE PAYMENT

Simple payment service that provides a seamless flow from search to shopping and payment

In 2023, we launched NAVER Pay X Samsung Pay, an on-site payment service powered by MST technology, thereby expanding the number of NAVER Pay on-site payment locations and user benefits significantly. In the year since its introduction, NAVER Pay on-site payments have been accepted at 1.43 million payment locations nationwide, while NAVER Pay X Samsung Pay payments have surged by 196% from one year ago, and NAVER Pay offline payments, including on-site payments, and NAVER Reservation and in-store payments, have grown rapidly overall.

In September 2023, we launched the cross border QR payment service in China and Japan with UnionPay and Alipay Plus, which increased to 65 countries in December 2023. In January 2024, the cross border QR payment service was expanded to PayPay's Japanese merchants. In November 2023, we launched the NAVER Pay Money Card, which allows users to enjoy the benefits and convenience of NAVER Pay anywhere in the world, and it was used in 113 countries within two months of its launch. Moving forward, we will continue to strengthen the offline and 3rd party payment ecosystem by improving the usability of NAVER Pay and diversifying the methods of payment.



QUICK SETTLEMENT SERVICE

Innovative financial services for coexisting partnerships with SMEs

Our Quick Settlement service, renowned as the fastest settlement service globally for businesses partnered with NAVER, has now been extended beyond Smart Stores to encompass external online mall operators. NAVER Pay Quick Settlement service not only provides the fastest settlement cycle in the domestic and international commerce industry, which used to take up to 60 days to settle payments, but has also influenced the creation of a win-win ecosystem by spreading the adoption of similar services in the online commerce industry since its launch. Starting from July 2023, the service has been enhanced to include external online mall operators, marking a first in the industry. Within just five months following this expansion, approximately KRW 360 billion has been disbursed to external online malls through the Quick Settlement service.

Since the launch of the service in December 2020, the cumulative payments made to Smart Stores and 3rd party merchants through the Quick Settlement service have reached approximately KRW 31 trillion as of January 2024. The Quick Settlement service, provided to merchants without a fee, is an SME friendly financial service that supports small merchants by enabling them to concentrate on their businesses, freeing them from the burden of financial circulation. Leveraging Naver Pay's data and technology, this service exemplifies NAVER's coexistence philosophy. Moving forward, continued service improvement and expansion of eligible beneficiaries are anticipated, realizing the value of coexistence.

NAVER KEY HIGHLIGHTS

No. of monthly users of NAVER Pay

17 million +



No. of monthly payments of NAVER Pay

100 million +



FINTECH



NAVER PAY MY ASSET

Asset management service powered by My Data

In 2021, NAVER FINANCIAL received approval from the financial authorities for its own credit information management business (My Data) to further expand and provide My Asset service enabling users to grasp the status of their assets in banks, securities, cards, and loans at a glance, and to easily manage credit and assets. We also introduced a mobile driver's license as a means of authenticating remittance services for the first time in the fintech industry in line with the mobile ID era. By opening the Smart Place financial support menu, we are creating and strengthening an environment where small business owners in the NAVER ecosystem can easily check the financial information they need for their business at once.



FINANCIAL PLATFORM SERVICES

Reliable financial product comparison service

NAVER FINANCIAL received registration approval from the Financial Supervisory Service as the first loan product sales agent and broker in accordance with the Act on the Protection of Financial Consumers, based on which we introduced NAVER Pay credit loan comparison service and loan security care service. In January 2024, we further expanded our loan product lineup with the launch of the “mortgage loan comparison service” and “rent transfer service”. In particular, the mortgage loan comparison service strengthened its competitiveness by partnering with the largest number of commercial banks in the industry at the time of launch and linking with real estate content, and the amount of transfer comparison inquiries exceeded KRW 3.9 trillion within six days of its launch. The car insurance comparison service, launched in January 2024, secured the largest number of partner companies in the industry at launch, and provides a quick and easy insurance comparison experience by linking with existing NAVER Pay services such as NAVER Pay My Car.

As a result of these product lineup expansions and connections with various NAVER services, loan comparison volume grew to KRW 1.6 trillion in the first quarter of 2024. We plan to continue to strengthen our platform business, including financial intermediation, by expanding our loan and insurance product lineup and partnerships, and by differentiating NAVER Pay.



NAVER KEY HIGHLIGHTS

Amount of transfer
inquires for mortgage
loan comparison service
(within 6 days of its launch)

KRW 3.9 trillion



Loan comparison
volume as of
the first quarter of 2024
(launched in January 2024)

KRW 1.6 trillion



CONTENTS

Contents is a business segment that provides an ecosystem where creators and users can freely create and consume. They are valuable assets of NAVER, where creators' innovations sprout based on NAVER's platform and technology. We aim to expand our business take a global leap forward so that the value of our content can flourish.

KEY ACHIEVEMENTS OF CONTENTS IN 2023

* As of December, 2023

Revenue % of Contents in 2023

Annual global Webtoon GMV in 2023¹⁾

KRW 1.8 trillion

¹⁾ Source: NAVER's Q4 2023 earnings release

17.9%

Monthly active users of SNOW

100 million +

Revenue & Year-on-year Growth of Contents (Unit: KRW billion)

2022

1,261.5

2023

1,733.0

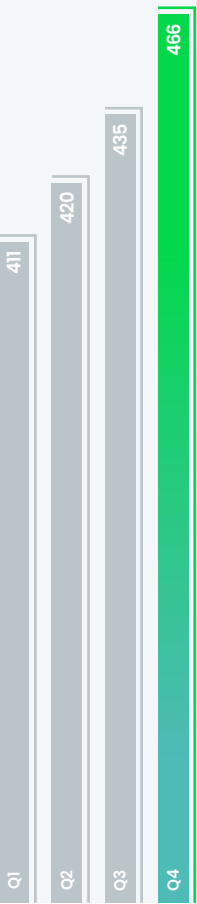
37.4% YoY



CONTENTS

QUARTERLY REVENUE IN 2023

(Unit: KRW billion)



MILESTONE

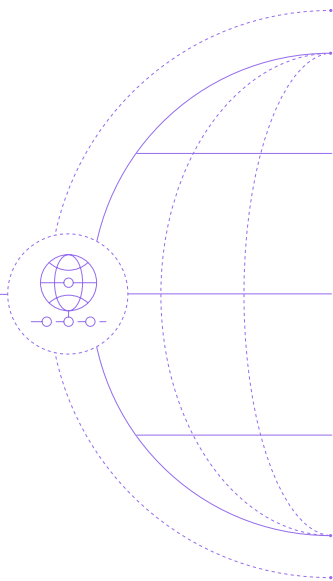
2023

- Apr.** • Celebrated the 10th anniversary of Partners Profit Share (PPS) program, marking significant growth as the industry's pioneering model for creator revenue diversification, increasing over 87x YoY
- Launched “WEBTOON With” – a creator ecosystem support program
- Sep.** • Launched “Creator Profile” to strengthen creator-reader interaction and expand features supporting creators
- Oct.** • Webtoon “Teenage Mercenary” achieved the highest annual GMV ever for a single work on Line Manga
- Dec.** • Line Manga and eBook Japan combined GMV exceeded JPY 100 billion for the first time in 11 months, setting a new record for GMV in Japan
- Q4** • Posted positive EBITDA on an annual basis

Various creative content services such as NAVER Webtoon, Web Novel, and SNOW are operated in the NAVER ecosystem. NAVER Webtoon is strengthening its global leadership based on its unrivaled position in Korea. The number of global users of these content services is increasing significantly every year driven by enhanced technology, and we are working to develop various revenue streams.

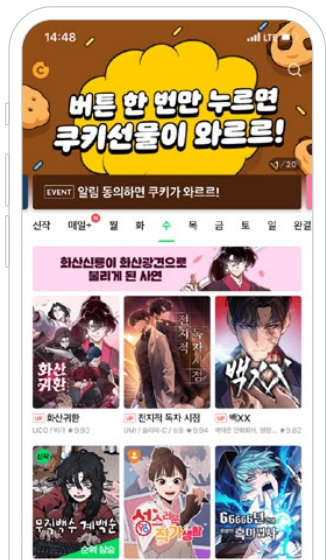
No. 1

Evolving beyond the world's leading storytelling technology platform to become a top-tier global entertainment company on the back of the continuous growth of global users and paid users



Our content revenue increased by 37.4% year-on-year, reaching KRW 1,733 billion. Driving this expansion is our global storytelling technology platform, Webtoon, which is dedicated to fortifying its international presence, with a particular focus on key markets such as Korea, Japan, and the United States. Efforts to enhance growth and profitability include the success of IP-based video adaptations driving original readers back to the platform and platform enhancements such as AI recommendation improvements, which have boosted user activity. This has led to continuous growth in global users and paid users. Furthermore, due to fundamental structural improvements made in 2023, we achieved positive EBITDA annually, with increased EBITDA and operating profit in the first quarter of 2024, demonstrating the sustainable growth potential of the Webtoon business. NAVER aims to surpass its current position as the world's leading storytelling technology platform and grow into a top-tier global entertainment company.

SNOW has generated new revenues from the global success of several AI products, including AI Profile and EPIK Yearbook, which launched in 2023, and continues to expand its lineup and grow its paid subscriber base. These monetization efforts and portfolio optimization are driving profitability.



CONTENTS



NAVER WEBTOON

Global No. 1 storytelling technology platform that grows with creators and communicates with users around the world

Creator Ecosystem

NAVER Webtoon, a global storytelling technology platform that has created an unprecedented creative ecosystem and shares the largest amount of revenue with creators around the world, is taking the lead in developing technologies to protect the creative ecosystem and is making various efforts to expand the ecosystem. In 2023, as part of our ongoing diversification of creator revenue, we launched CREATORS, a dedicated system for amateur creators for Challenge Comics and Best Challenge. With CREATORS, amateur creators can strengthen interaction with readers, with more convenient tools for creation, and protect their work from malicious comments. By providing creators with new means of monetization, we will further develop a virtuous cycle that will continue to produce valuable IPs.

Paid Contents

In 2021, NAVER acquired Wattpad, the largest web fiction platform globally, and Munpia, a prominent Korean web fiction platform. In 2022, we successfully finalized the acquisition of eBook Japan, Japan's leading ebook provider, reinforcing our position as the premier global storytelling platform. Our growth continues to be driven by expanding our original hits, including IP movie adaptations, and various platform enhancements, including AI recommendations. In 2023, we introduced enhanced discovery features and personalized experience by advancing our recommendation algorithm such as AI Curators, and our newly introduced community service, Creator Profile, was actively implemented by c. 1,800 creators interacting with 2.4 million monthly users by the end of 2023. The addition of reader's interaction from the comment section

has led to increased user activity and greater appreciation of the work of creators. We expect to increase user retention by strengthening these unique interactions.

Advertising

As the leading storytelling technology platform with highly loyal and differentiated users, we are continuously expanding our advertising lineup. Our extensive reach spans across all demographics with rich content tailored for audiences of all ages. Our unique advertising solutions effectively transform reader loyalty into brand loyalty, garnering positive feedback from both users and advertisers alike. We aim to benchmark the success formula in Korea and Japan to North America and other regions, continuously diversifying our revenue models.

IP Adaptation

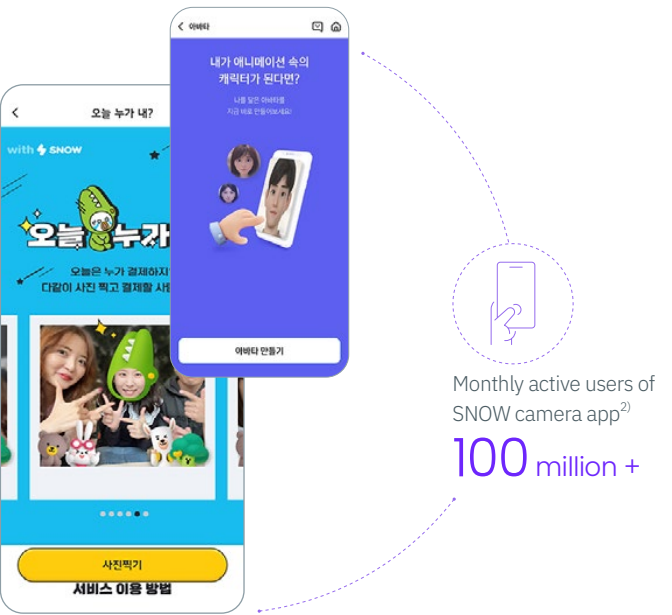
Numerous successful adaptations in various formats, such as videos and web novels, from Webtoon's diverse story portfolio have proven the value of Webtoon IP. Original webtoons like "Mask Girl" and "D.P.2" have topped the series charts on Netflix in multiple countries, including Korea. Following their Netflix releases, the GMV for these webtoons increased by 5x and 20x, respectively, demonstrating a significant influx of new readers to the original work. We will leverage our strong story IP and leading global platform to build a robust ecosystem in collaboration with major partners in the production and content markets. We plan to effectively expand into various IP businesses, including adaptations, merchandise, and games.



SNOW

Korea's No. 1 camera-based AR platform leading the global visual communication trend

SNOW's camera service is used by more than 100 million monthly users worldwide, and its most used apps include SNOW, B612, Foodie, Soda, and EPIK. SNOW connects with users around the world through its camera apps and generates revenue by providing various types of advertising services, subscriptions, and paid AI services.



NAVER KEY HIGHLIGHTS

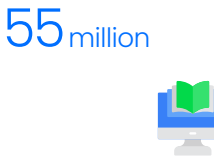
Annual Global Webtoon GMV in 2023¹⁾



No. of global creators²⁾



No. of global webtoons and web novel titles²⁾



¹⁾ Source: NAVER's Q4 2023 earnings release

²⁾ As of December, 2023

CLOUD

In the era of Industry 4.0, digital transformation through cloud serves as the basis for business success. NAVER offers innovative B2B services based on our advanced technology, vast amount of data, and extensive experiences of handling traffic.

KEY ACHIEVEMENTS OF CLOUD IN 2023

* As of December, 2023

Revenue % of Cloud in 2023

Number of Cloud Platform service categories and products

22 categories, and
225 products

4.6%

CLOVA Note downloads

5 million

Monthly active users of Papago

18.54 million

Revenue & Year-on-year Growth of Cloud (Unit: KRW billion)

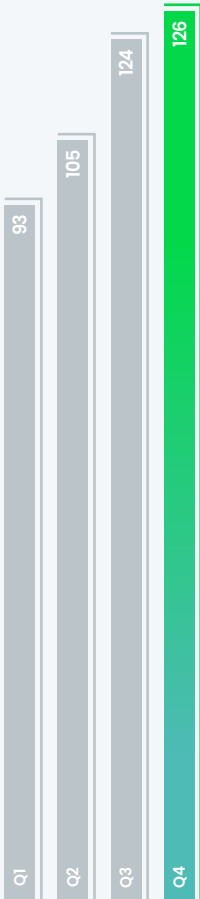
2022	402.9
2023	447.2

11.0% YoY ↑

CLOUD

QUARTERLY REVENUE IN 2023

(Unit: KRW billion)



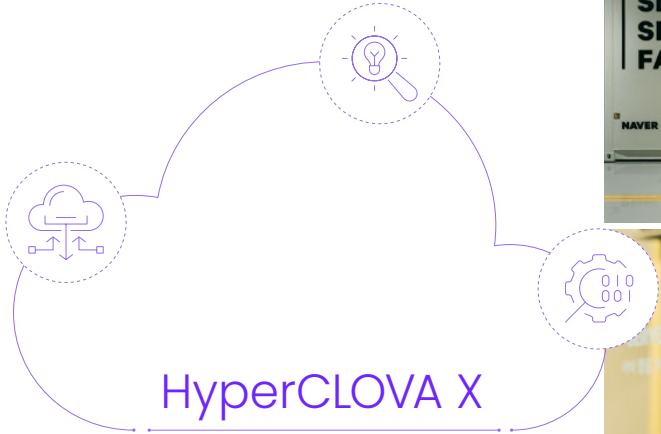
MILESTONE

2023

- Jan.** • Acquired APEC CBPR and NIPA Cloud Computing Service Quality Performance Certificate
- Feb.** • Acquired public DaaS cloud service security certification (CSAP)
- May** • Integration of NAVER Cloud, NAVER CLOVA, and Papago
- Jun.** • Merger between NAVER Cloud and Works Mobile
- Aug.** • Unveiled hyperscale AI “HyperCLOVA X”
- Nov.** • Constructed hyperscale data center “GAK Sejong”

Our cloud business includes various software and hardware sales from the NAVER Cloud Platform. From 2023, we have integrated our AI technology and B2B business organizations under NAVER Cloud Corp., which is the driving force behind B2B service convergence. This integration aims to create business collaboration and synergy between existing enterprise services like Works and CLOVA and NAVER’s diverse services such as LABS, NAVER Shopping, and Whale, for B2B clients.

In the B2B sector, NAVER has focused on showcasing its standardized technology products and attracting corporate clients by combining its top-tier AI research teams with its cloud business division. As a result, cloud revenue grew by 11.0% year-on-year, reaching KRW 447.2 billion. In the first half of 2023, we completed the integration of AI and individual B2B business units, such as Works Mobile, CLOVA CIC, Papago, and Whale, with NAVER Cloud playing a central role. This reorganization consolidates the technical capabilities of these previously dispersed units, optimizing and enhancing the integrated business structure across infrastructure, platform, and solution areas. Through this strengthened framework, we aim to explore new opportunities and expand our business.



Introduced “HyperCLOVA X,” a generative AI foundation model with conversational AI service “CLOVA X” and generative AI search service “Cue:” in the second half of 2023



CLOUD



NAVER CLOUD

Public cloud services based on proven competencies and technologies

The NAVER Cloud platform is a public cloud that encompasses IaaS, PaaS, and SaaS domains, offering 225 cloud services in 22 product categories as of December 2023. As a global cloud and infrastructure builder, we are also strengthening our data platform lineup, expanding our cloud AI technology commercialization references, and providing services to create hybrid cloud infrastructure such as Neurocloud.

NAVER Cloud has developed the capability to manage large-scale computing resources to operate NAVER's various services and to provide cloud business for external clients while building and using the necessary service platforms or technologies internally. Drawing from our expertise in online business and IT technology, NAVER Cloud offers tailored cloud services designed to facilitate swift cloud adoption.



These services cater not only to general enterprises but also to sectors managing sensitive data such as the public sector, financial, medical, and educational industries. Our solutions aid customers in enhancing visibility and efficiency across their service operations. NAVER Cloud, which has deployed the largest number of cloud products among domestic cloud providers, has world-class security technology, earning the CSA STAR (Security Trust Assurance and Risk) Gold rating, through large-scale investment in the security sector.

In 2023, NAVER focused on expanding its business in the Cloud Infrastructure and Platform Services (CIPS) market and SaaS market leveraging its generative AI foundation model. Emphasizing the foundation model, enhancing business and creative productivity, providing customized AI solutions using Neurocloud, and integrating NAVER's core services were central themes highlighted at the DAN Conference in August. The generative AI lineup unveiled at the conference continues to evolve with service upgrades and updates. In October, NAVER released the HyperCLOVA X model in API form through the enterprise-customizable AI development tool CLOVA Studio, enabling tuning for specific business needs. Subsequent achievements include the integration of LLM into various services such as HANCOM and POLARIS OFFICE. NAVER will leverage advanced foundational technologies and its unique dataset to provide tools and customized services necessary for enhancing productivity and efficiency for users, creators, and businesses. This approach aims to explore new revenue opportunities while continuing to innovate.



CLOVA

AI aggregate that supports companies' AI transformation to create new value

CLOVA is an integrated AI framework that consolidates advanced technologies such as voice and image recognition, artificial neural network translation, and interactive engines. NAVER Cloud not only continues to enhance its products such as dubbing solutions, AI call services, sentiment analysis and summarization of documents, OCR for digital transformation, and chatbot services, but also has introduced new cloud products: Face Sign for facial recognition aiding online and offline identity verification and AiTEMS for personalized shopping recommendations. NAVER Cloud's pioneering services also include CLOVA CareCall, to which a large-scale AI technology was applied for the first time in Korea, for care-giving and CLOVA HappyCall to conduct customer surveys and detect mis-selling.

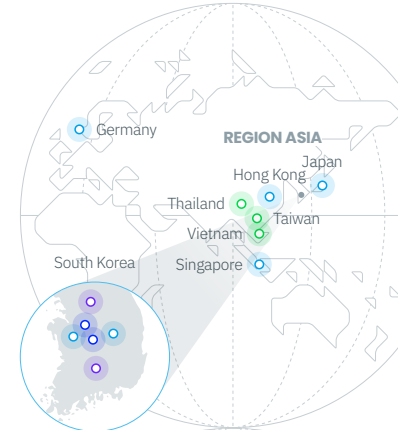
With the update of HyperCLOVA¹⁾, NAVER's first self-developed ultra-large-scale AI, to HyperCLOVA X in August 2023, NAVER Cloud is releasing various services employing the technology for both general users and corporate customers: CLOVA X, an interactive AI search service, Cue;, a generative AI search service, and CLOVA STUDIO, a hyperscale AI tool. NAVER Cloud's efforts to enhance the usability of HyperCLOVA X is also demonstrated in DASH. The model showcases an enhanced speed at a lower cost thanks to the external integration feature called "Skill." Additionally, CLOVA Note, a speech-to-text service (STT) powered by HyperCLOVA, hit 5 million downloads as of the end of 2023. Moreover, CLOVA Studio, a no-code platform for general users to explore and apply AI, is leading the way in AI-transformation.

¹⁾ The higher the number of parameters representing the size of an AI model, the more problems the AI can solve. Typically, a model with 10 to 100B (10 billion to 100 billion) parameters is referred to as super-giant or hyperscale. NAVER HyperCLOVA was developed on a scale of 204B (204 billion) parameters.

GLOBAL REGION

NAVER Cloud has established and is operating global regions in key overseas locations.

REGION EUROPE



REGION ASIA

Japan
Hong Kong
Taiwan
Thailand
Vietnam
Singapore

REGION AMERICA

American West
American East

- Providing cloud services
- To provide cloud services
- Providing financial cloud services
- Providing public cloud service

CLOUD

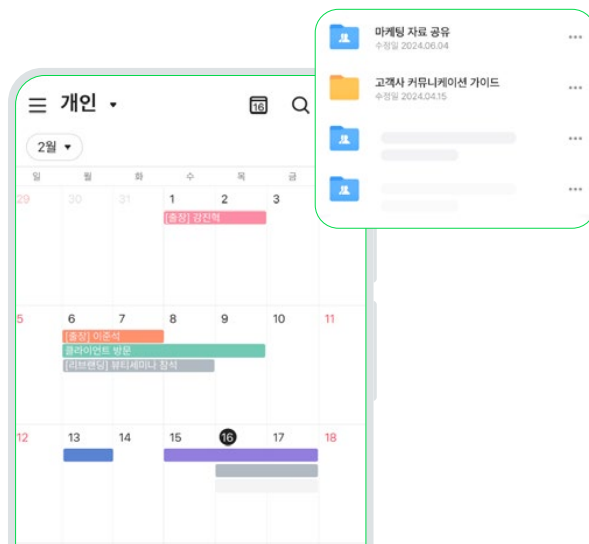


NAVER WORKS

Collaboration platform for global leading companies that transform the way we work

NAVER Works is a collaboration platform service that integrates features such as mail, calendar, drive, address book, file sharing, voice calls, and video conferencing in a mobile environment centered around a messenger service. NAVER Works adds convenience to work by providing integration services that can be utilized according to each company's work style and needs. Thanks to these differentiated features and convenience, more than 530,000 companies and 5.4 million users have adopted NAVER Works globally, as of December 2023. With an overwhelming share in the financial, securities, and insurance sectors in Japan, NAVER Works is expanding into industries such as construction, nursing, education, and manufacturing, and is broadening the scope of its services across Japan by collaborating with key local stakeholders.

NAVER Works, serving B2B companies, adheres rigorously to international standards and Japanese laws. We provide transparent disclosure of comprehensive security measures through our Privacy Center, ensuring clarity for customers and partners regarding our implementation efforts. In Korea, NAVER Cloud, along with NAVER Works for public institutions, has obtained the Cloud Service Security Certification (CSAP) for SaaS, making NAVER Works products safer and easier to use for public institutions as well as private companies.



NAVER WHALE

Easy-to-use browser that offers a whole new experience

NAVER Whale is a browser-based web service integration platform. It creates new experiences by providing easy and speedy navigation, as well as additional features such as synchronization to connect all devices and blocking fake sites. NAVER also provides various services based on Whale, including Whale Space and Whale On. Whale Space is an open platform that integrates educational services and consolidates learning data into a single account. It offers administrators easy and convenient account management capabilities, allowing collective application of learning tools and restriction of unnecessary apps within students' learning environments. This enhances efficiency in classroom teaching. Currently, Whale Space is being used by 17 offices of education nationwide. Whale Book is a future education platform device optimized for blended learning that combines face-to-face and online classes, providing a variety of classroom essentials and services based on fast and secure Whale OS. Whale On is an unlimited online video conferencing service that can be used directly in the browser without installing any applications. With this differentiated competitive advantage, Whale On have secured 1.37 million of monthly paid users.

1.37 million

Number of paid users of
Whale On
(As of December 2023)



CAPABILITY DEVELOPMENT AND TECHNOLOGICAL INNOVATION

NAVER prepares for the future with technology as its driving force. We are researching AI, robotics, autonomous driving, digital twin, AR, among others so that various services originating from PC and mobile can be connected to the physical world without boundaries. We are creating a platform for the future that connects people, machines, space, and information with the most original and advanced technology.

ALIKE – MEGACITY-SCALE DIGITAL TWIN SOLUTION

NAVER Labs, NAVEr's R&D subsidiary responsible for future technologies, is working on a world-class solution for creating spatial digital twins. Digital twin is a technology that digitally replicates the real world, and NAVEr Labs' in-house developed digital twin solution is named ALIKE. It is a solution capable of digitally transferring vast three-dimensional spaces of megacity scales into computers through the integration of AI, robotics, cloud technology, and more.

NAVER Labs' level of digital twin technology has attracted the attention of many domestic and international partners for its uniqueness, megacity scale, and high accuracy and scalability of data. In particular, city-level digital twin data is NAVEr's core technology for the cities of the future, as it can be used as a smart city infrastructure to solve various urban problems, or lead to innovative mobility services that will connect every corner of the city.

In 2023, NAVEr was awarded a national digital twin platform construction project by the Saudi Arabian Ministry of Municipal and Affairs and Housing (MOMRAH) for five cities, including the capital Riyadh.



Under the project, for the next five years, NAVEr will build and operate a cloud-based 3D digital modeling digital twin platform for five cities in Saudi Arabia. This project is significant because it is NAVEr's first large-scale project in the Middle East, and it is the first time a Korean IT company has been entrusted with building a cloud-based digital twin platform, an essential infrastructure for creating smart cities. NAVEr has experience in expanding into Asia, North America, and Europe with its successful know-how in various service fields such as messenger, commerce, and content, and as this project marks a new global milestone of B2G-B2B IT technology export in the Middle East, we expect to accelerate our technology-based global expansion.

ALIKE-3D

Create 3D models of an entire city with aerial photography and AI technology. This 3D model can be used as a simulator to solve various urban problems as it presents core data for building a smart city.

ALIKE-RD

Generate city-wide road information with precision. Can automatically extract road signs and even lane information with AI technologies such as deep learning and computer vision. The completed road layout data is used for various mobility services and for research on the transportation system throughout the city.

ALIKE-HD

Create HD maps for self-driving cars. The combination of True Ortho extracted from ALIKE-3D and data acquired through MMS (Mobile Mapping System) greatly shortens the data post-processing process.

ALIKE-M

Create digital twins of large indoor and outdoor spaces. It utilizes self-made mapping robots and wearable mapping devices to effortlessly connect complex environments such as indoors/ outdoors, vertical/horizontal, flat ground, and stairs.

Application of Spatial Digital Twin

AR, Robot, Autonomous Driving, Smart Building, Smart City

Open Dataset

Research Institutes, Universities, Startups



CAPABILITY DEVELOPMENT AND TECHNOLOGICAL INNOVATION

NAVER'S GENERATIVE AI – HYPERCLOVA X

HyperCLOVA X is Naver's large-scale AI foundation model that, when combined with its own data, can immediately provide responses tailored to user needs. It enables the creation of various AI products from Naver's services to enterprise-level solutions, enhancing user experiences and creating business opportunities. It aims to increase productivity for both individuals and businesses.

Cue:

Cue: is Naver's generative AI search service. It can understand long queries with complex intent, formulate a search plan, and deliver three-dimensional search results using the latest and most reliable information. It also integrates seamlessly with various Naver services to enhance usability, facilitating convenient access to shopping, booking, and more, all centered around your search activities.

CLOVA for writing

CLOVA for writing is an AI tool for creation and production. It features a new version of the "Smart Editor" combined with HyperCLOVA X, which not only recommends topics, but also helps you select keywords to write a suitable draft or edit your writing to better express yourself. It also helps you be more productive with the 'Persona' feature, which creates content in your style based on the characteristics of your previous posts.

CLOVA Studio

CLOVA Studio enables enterprises to implement custom generative AI models and services tailored to their specific needs by combining their own data with the platform. It offers features like "Skill Trainer," which easily converts APIs into HyperCLOVA X plugin system skills, and 'Tuning', which allows learning from small amounts of data. These functionalities make it possible to optimize AI for various business applications. Additionally, CLOVA Studio provides access to a range of HyperCLOVA X models equipped with the necessary features, offering the most suitable options for different purposes. This effort aims to lower the barriers for enterprises in adopting generative AI technologies.

CONNECT X

CONNECT X is a productivity tool that enhances business efficiency by integrating enterprise data and applications with HyperCLOVA X. It will contribute to improving corporate productivity and employee competitiveness by linking with various functions such as corporate portals, messengers, and email.

Neurocloud for HyperCLOVA X

Neurocloud for HyperCLOVA X is a custom hybrid cloud service designed for secure use within a closed network integrated with an enterprise's intranet. Provided as a tailored service based on the Naver Cloud Platform, it ensures safe usage and efficient operation optimized for HyperCLOVA X. Naver is expanding its references by collaborating with clients across various industries, including manufacturing and finance.



GAK SEJONG – TECH CONVERGENCE ENGINE

To keep pace with the explosive growth of the digital age, Naver built GAK Sejong to become a global hub for future industries for Naver's new decade and the future of Korea. GAK Sejong is a state-of-the-art hyperscale data center spanning a 294,000 m² site, equivalent to 41 soccer fields. It incorporates cutting-edge technology and integrates Naver's expertise from its pioneering data center, GAK Chuncheon, established in 2013. Leveraging our advanced capabilities in AI, cloud computing, robotics, and autonomous driving, GAK Sejong sets new standards in technological infrastructure. GAK Sejong is capable of storing 65 exabytes of data, about 1 million times the entire data of the National Library of Korea, and is designed to supply up to 270 MW of electricity, 6.75 times the capacity of GAK Chuncheon.

GAK Sejong is overwhelmingly large in scale, and such technologies as AI, robotics, autonomous driving, and digital twins were applied to maximize its operation and management efficiency. The robot automation system developed by Naver Labs is implemented to track the flow of assets in real time and manage them as a single system through "SeRo," which manages servers, and through "GaRo," which transports heavy assets between the server room and the warehouse. Moreover, all of robots at GAK Sejong provide various services through ARC (AI-Robot-Cloud) and ARM-System (Adaptive Robot Management-System) built on the Naver cloud platform, which interconnect with the space and service infrastructure in real time.

Both GAK Chuncheon and GAK Sejong are designed as an environmentally-friendly data center utilizing technology that harness diverse natural energy sources. GAK Sejong received the LEED v4 Platinum certification, surpassing GAK Chuncheon's achievement of LEED v3 Platinum, with a record-setting score of 95 – the highest level for a data center under the international green building certification system, LEED. Moreover, a preparedness system has been put in place to maintain service continuity even in the event of disasters such as earthquakes, power outages, and fires. Naver expects GAK SEJONG to become an outpost of Naver's AI-cloud business that will expand into various industries in the future.

DATA CENTER GAK SEJONG

Hyperscale data center built on a site the size of 41 football fields

294,000 m²



Stable server operation with large power capacity supplied by a 154 kV substation

270 MV

Largest server capacity in Korea for a single company's data center (as of the completion of the sixth phase)

600,000 Units



Running high-performance servers at high density with self-built racks

Up to 20 kW

FUTURE TECHNOLOGY INVESTMENT AND COOPERATION ECOSYSTEM

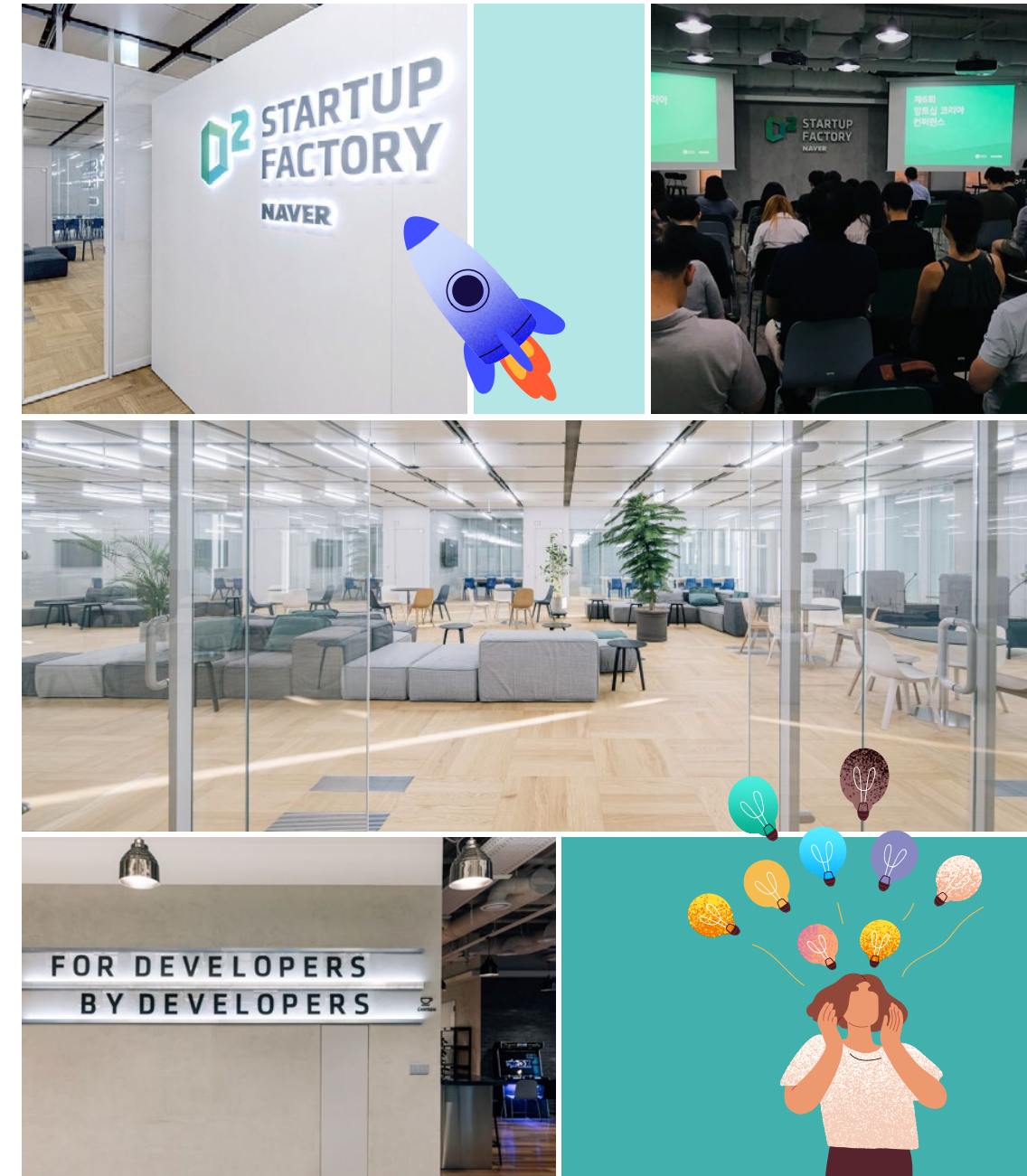
NAVER invests in technology for a better future. We support the potential of technology startups to lead to innovation, and we cooperate with the academic community to open a new chapter in future technologies. Moreover, we continue to grow together with our stakeholders by creating a venue to share the best technologies, experiences, and know-how in the cooperative ecosystem led by NAVER.

D2SF – STRATEGIC SYNERGY CREATION THROUGH STARTUP INVESTMENT

NAVER D2 Startup Factory (D2SF) is a startup accelerator launched by NAVER in May 2015. It seeks to expand the tech startup ecosystem by investing in promising early-stage startups to help them grow and pursue strategic synergies with NAVER. As of the end of 2023, NAVER D2SF has invested in 107 technology startups, connected 1,642 startups with NAVER's various technology and business organizations to explore points of contact for collaboration, and explored 206 collaboration agendas in the process. The types of collaboration can be divided into new business discovery, technology and service advancement, partnership expansion, and market sensing, and 3 teams have been acquired by NAVER and its affiliates. In addition to investment funds, NAVER supports startups with dedicated workspace, cloud infrastructure, public relations and marketing, follow-up investment, Office Hour¹⁾, and various opportunities for collaboration between them and NAVER's technology and business organizations. We have dedicated spaces for startups near Gangnam Station in Seoul and in 1784, where NAVER and startups can experiment, collaborate, and grow together. Since 2016, we have held a campus technology startup competition every semester to discover and invest in potential student startup teams.

In 2023, CrowdWorks, an AI data startup that has received investment from D2SF since its inception and has carried out various collaborative projects with NAVER, was listed on the KOSDAQ. This is a first for an AI data platform, and more than twice as fast as the average listing period for KOSDAQ companies (14.3 years). CrowdWorks has positioned itself as a leader in the AI data space based on D2SF, and laid a solid foundation for growth through NAVER's UX and usability feedback and NAVER Cloud credits. Since 2018, CrowdWorks and NAVER have worked together on some 130 collaborative projects, valued at more than KRW 5 billion. NAVER has collaborated with CrowdWorks on more than 50 services alone, including Papago, CLOVA Note, ZEPETO, and NAVER Shopping. CrowdWorks has recently joined HyperCLOVA X as an AI alliance partner to help build the generative AI ecosystem. With the valuable experience of helping a startup go public, D2SF will continue to be a strong growth partner for many more startups in the future.

¹⁾ A venue where NAVER D2SF members talk with those preparing to start a tech-related startup.



CAPABILITY DEVELOPMENT AND TECHNOLOGICAL INNOVATION

DEVELOPMENT COLLABORATION – COLLABORATING ACROSS IT COMPANIES TO BUILD AN AI ECOSYSTEM

NAVER signed an MOU with Samsung Electronics to collaborate on the development of AI semiconductor solutions and established a working task force. The two companies plan to further strengthen domestic AI technology competitiveness by developing new semiconductor solutions that will lead innovation in the future AI industry through mutual cooperation. The development of AI semiconductor solutions requires the converged capabilities of software, services, and hardware, including ultra-scale AI technology. Therefore, NAVER and Samsung Electronics, leading companies in their respective fields, have begun to develop new semiconductor solutions that can solve bottlenecks in AI systems and maximize power efficiency in consideration of real-world ultra-large-scale AI environments through mutual cooperation on their respective strengths.

NAVER has the software capabilities necessary to develop AI semiconductors, including the technical know-how to develop global-scale AI based on its own supercomputer infrastructure, to apply and operate NAVER services used by more than 48 million users per day, and to secure lightweight algorithms that can achieve 2-3 times faster performance than existing models even based on GPUs. Samsung Electronics, on the other hand, is a world-class semiconductor company with a wide range of technological competitiveness and experience, including development and manufacturing technologies, as well as a number of leading memory-based solutions for solving system bottlenecks, such as smart SSDs and HBM-PIM (Processing-in-Memory). The two companies will first begin technology verification and development of lightweight solutions, which are essential for the widespread application of ultra-large-scale AI models, and will continue to collaborate on the proliferation of next-generation memory solutions that support high-performance computing, such as HBM-PIM, CXL, and computational storage.

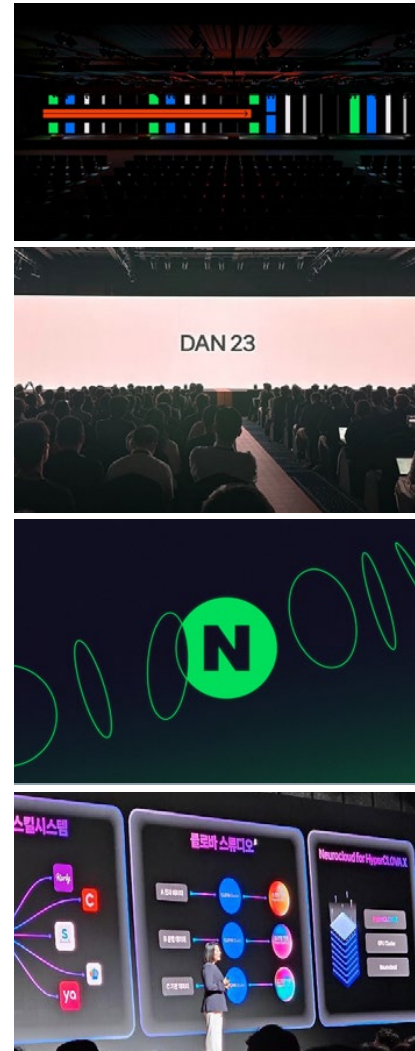
NAVER Cloud announced at the Intel Vision 2024 event held in Phoenix, U.S., that it has begun collaborating with Intel to build an Artificial Intelligence chip software ecosystem founded on “Gaudi” through joint research with Korean academia and startups. The two companies will provide IT infrastructure founded on Gaudi, Intel’s AI accelerator chip, for domestic startups and universities to conduct AI research, and will operate various software development and industry-academia research projects using Gaudi. As AI resources for domestic startups and schools have recently been on a decline due to the burden of purchasing AI chips, NAVER Cloud proposed this joint research approach to Intel in order to revitalize domestic AI research and strengthen the diversity of the AI chip ecosystem. As a result, the two companies have established the NAVER Cloud-Intel-Co-Lab (NICL), which includes 20 domestic university labs and startups, including KAIST, Seoul National University, and Postech. Intel will demonstrate the performance of Gaudi and build a Gaudi-based AI ecosystem including software and hardware, while NAVER Cloud will lead the research and expand the AI ecosystem centered on HyperCLOVA X.

DAN23 – CONFERENCE TO SHARE NAVER’S TECHNOLOGY DIRECTION AND BUSINESS STRATEGY CENTERED ON GENERATIVE AI

In August 2023, NAVER held DAN 23, a conference where partners of Team NAVER, including creators, sellers, and investors, were invited to share NAVER’s roadmap on technology and business strategy centered on generative AI. NAVER presented its advanced generative AI, HyperCLOVA X, and other services including CLOVA X, a conversational AI service, and Cue; our generative AI search. The event highlighted updates of NAVER’s core services such as search, commerce, and advertising, driven by generative AI advancements. NAVER LABS presented ongoing research on AI foundation models for robotics, NAVER’s AI ethics policy, and collaborations with startups that help foster the AI ecosystem. Insights into the progress and strategic direction of Team NAVER’s businesses, including NAVER Pay, NAVER Webtoon, and global C2C businesses, are introduced to underscore our robust infrastructure and rich data assets, facilitating continuous enhancements in user experience and AI technology ecosystem development.

At DAN 23, NAVER also unveiled new technology tools powered by generative AI for its partners, including sellers, creators, and advertisers, that can be incorporated into their everyday lives. In addition to empowering sellers with technology that enhances the efficiency of their business operations through generative AI, NAVER plans to swiftly integrate generative AI across its services for partners to leverage. This includes CLOVA for Writing, a writing tool that revolutionizes content creation experiences for creators, and CLOVA for AD, an advertising product powered by generative AI tailored for advertisers.

With decades of experience, user understanding, operational know-how, and technical capabilities, NAVER is ready for the next big wave: generative AI. We will continue to support our sellers, creators, and partners with generative AI-centric technologies and services to help them grow and thrive in diversity.



ESG REPORT.

APPROACH TO ESG
ESG TOPICS & TREND
ESG PERFORMANCE
ESG IMPACT



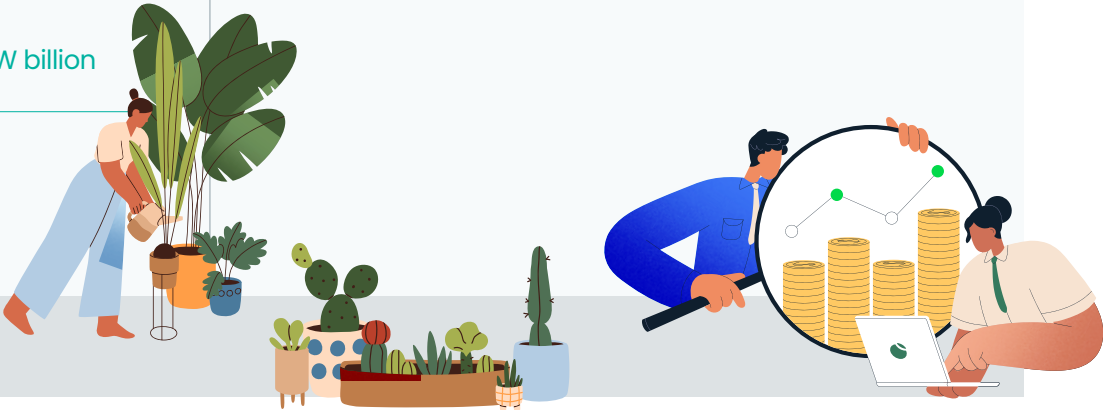
ESG HIGHLIGHTS

(Based on 2023 performance)

Environment

Social

Governance

Total GHG emissions reduced 16,809 tCO₂e	GHG reductions by using renewable energy 3,065 tCO₂e (Approximately 22% increase YoY)	Positive employee feedback on performance review system experience 94%	Number of illegal harmful content cases handled 7.4 million cases	Number of BOD meetings held 12 (11 regular meetings, 1 extraordinary meeting)	BOD attendance rate of outside directors 97.9%
Renewable energy consumption 6,678 MWh (Approximately 21% increase YoY)	Electric vehicle transition rate 18% (Approximately 5% increase YoY)	User Protection Task Evaluation by Korea Communications Commission Excellent grade	Win-Win Growth Index Evaluation by Korea Commission for Corporate Partnership Best Honorary Company for 7 consecutive years	Dividends paid Approximately 119.0 KRW billion (as of April 2024)	Percentage of women on BOD 29%
International Green Building Certification  All office buildings and data centers received LEED¹⁾ Platinum certification		Win-win growth funds for partners 16.1 KRW billion	Employee completion rate for information protection training 95.3%	Treasury stock retirement 1,640,491 shares retired	
GHG reductions through e-documents 1,472 tCO₂e (Equivalent to about 17,000 trees)		Number of people with disabilities employed by NAVER HANDS 54 persons	Fountain Fund – Public platform 56.9 KRW billion		
		Number of Privacy Enhancement Reward (PER) rewarded to users 82 cases (134% increase YoY)			

¹⁾ LEED: Leadership in Energy and Environmental Design, U.S. green building certification

²⁾ Company-wide security training besides statutory mandatory training (privacy training)

ESG IN PRACTICE

ESG Implementation System



ESG Committee	• Review and manage key ESG risks and opportunities • Perform top-level decision-making on company-wide ESG initiatives • Identify business items based on environmental and social sustainability and make related investment decisions • Establish climate change response strategy and direction • Manage ESG information disclosure and external communication • Execute social contribution programs, etc.
ESG-dedicated Department (Green Impact)	• Establish a company-wide ESG strategy and set the direction, and manage and review the performance of strategy implementation. • Manage implementation tasks and performance for ESG Working Group and related departments • Report the implementation status of ESG-related tasks and to the ESG Committee • Report ESG-related issues and stakeholder requirements to the BOD
ESG Working Group	• Mutual cooperation and performance monitoring to complete ESG-related tasks • Proactively identify other ESG-related issues (creating social value through sustainability management services, etc.)

ESG Committee Composition and Activities

Composition of the ESG Committee

2 Outside Directors	1 Inside Director
Byun Jae-Sang (Chairperson) Rho Hyeok-joon	Chae Sun-joo

ESG Committee Activities

Date	Major items of agenda	Classification	Participation rate
2023	Company-wide ESG Strategy Revision and Approval of 2023 Executive ESG KPIs	Approval	100%
	2023 ESG Management Guidance Plan for Subsidiaries	Report	100%
	2023 ESG Report Planning	Report	100%
	Donation for Türkiye and Syria Earthquake Recovery	Report	100%
	Donation for Gangneung Wildfire Recovery	Report	100%
2024	2023 ESG Report Publication	Approval	100%
	Contract with Korea Water Resources Corporation for Renewable Energy (small hydropower)	Approval	100%
	ESG Strategy Enhancement and Executive KPIs (draft) ¹⁾	Approval	100%
	Renewable Energy Market Trends and Direction for Securing it beyond 2024	Report	100%

¹⁾ Includes the results of the 2023 NAVER ESG materiality assessment and review of material issues and topics

Management of Executive’s ESG Performance

NAVER is enhancing its ESG management by setting sustainability-related factors that impact corporate growth as short-term and long-term goals for its executives. The ESG Committee within the BOD annually reviews significant ESG goals and initiatives, sets ESG KPIs for the executives, and monitors performance towards achieving the goals. In 2023, all detailed KPIs across various areas in the executive’s ESG KPIs were achieved.

					● Enhancement	● New
Position	Area	Goal for 2023 ¹⁾	Goal for 2024	Type of KPIs		
CEO	Business/ Governance	• Strengthening ESG alignment within the NAVER business • Strengthening ESG governance system at a leading level	• Enhancing AI safety and expanding AI-based social contributions • Strengthening ESG branding internally and externally	Quantitative/ Qualitative		
	Environment	• Phased implementation of 2040 Carbon Negative	• Exploring additional measures to expand the use of renewable energy • Conducting calculation and disclosure of GHG information of consolidated entities	Quantitative/ Qualitative		
	Social	• Corporate culture based on trust and autonomy	• Implementing activities to improve organizational culture and sharing NAVER’s values • Cultivating a culture of respecting diversity in the workplace • Expanding ESG management support in the supply chain • Strengthening personal information protection for global services	Quantitative/ Qualitative		
				Quantitative/ Qualitative		
				Quantitative/ Qualitative		
				Qualitative		

¹⁾ Evaluation of 2023 goals and initiatives to enhance ESG-based corporate value was included in the non-quantitative indicators of the calculation criteria for the target incentives corresponding to annual short-term performance (Target incentives account for approximately 30-35% of the CEO’s compensation system in 2023).

STAKEHOLDER ENGAGEMENT AND COMMUNICATION

The main stakeholders of NAVER's business activities are users, members, investors and shareholders, partners, local communities, and the government. NAVER continues to collect opinions from the key stakeholders and operates various communication channels to ensure mutual communication. In particular, it identifies risks and opportunities in its business operations based on the main interests of each stakeholder and reflects them in its actual management activities. It also discloses and communicates management performances to stakeholders through transparent information disclosure.

The economic value distributed to stakeholders on a consolidated basis in 2023 was approximately KRW 6,502.3 billion, with a year-on-year increase of about 19.6% compared to KRW 5,434.8 billion in 2022. NAVER will continue to actively communicate with its stakeholders, share economic values, and practice corporate social responsibility.

NAVER'S 6 KEY STAKEHOLDERS

	 Users	 Employees	 Investors & Shareholders	 Partners	 Local Communities	 Government
Engagement & Communication	- NAVER's official website, blog, café - NAVER Customer Center - Privacy Enhancement Reward (PER), Security blog - Green Internet portal - Dispute Arbitration Request System - Business Ethics Consulting Center	- The company's internal portal "CONNECT" - Grievance-handling channels (With U, kNock, NVO Channel, Human Rights Hotline) - NAVER Valuable Opinion (labor-management council) - Code Day to communicate corporate philosophy and values - Annual Employee Engagement Survey	- Annual general meeting (AGM) - Letter to shareholders - Analyst Day/Investor Day - NDR (Non-Deal Roadshow) - Earnings conference calls, 1:1 meetings, etc.	- Voice of Partners (VoP) - Partners Line (channel for suggesting mutual growth and cooperation) - Dispute mediation system - Business Ethics Consulting Center - Partners Day to communicate directly with partners	- NAVER Connect Foundation - NAVER Cultural Foundation - Happybean donation platform - Project Flower to support small businesses and creators - NAVER Customer Center - Business Ethics Consulting Center - Nationwide operation of NAVER Partner Square – Square Seoul (Yeoksam, Jongno, Hongdae), Square Busan, and Square Gwangju	- Industry-academia-research technological cooperation, programs to foster startups - Participation in SME support programs ran by each government agency - Public service support activities - Memberships and participation
Main Areas of Interest	- Protecting personal information and privacy - Strengthening cybersecurity systems - User communication and satisfaction - Service and content responsibility and management	- Improving organizational culture - Respecting human rights and diversity - Attracting and developing talents	- Integrated risk management - Transparent BOD operations - Enhancing shareholder value	- Supply Chain ESG and sustainability management - Exploring and providing eco-friendly services - Supporting mutual growth with partners	- Contributing to society and local communities - Enhancing data center energy efficiency - Managing water resources and waste in the workplace - Strengthening technology ethics and bridging the information gap	- Managing GHG and expanding renewable energy - Corporate ethics and anti-corruption management system - Strengthening compliance and fair trade

VALUE SHARING WITH OUR STAKEHOLDERS

Employees	Investors, Shareholders, and Creditors	Partners	Local Communities	Government
2,175.9 KRW billion Salaries and wages, severance pay, and employee benefits	190.0 KRW billion Dividends and interests	3,583.1 KRW billion Expenses for partners ¹⁾ (Fountain Fund – Business Platform)	56.9 KRW billion Social contribution expenses, Public Platform part of the Fountain Fund (donation)	496.4 KRW billion Corporate tax

¹⁾ Includes sales commission, payment commission, provisions for NAVER Pay, content commission, and cost of sales

INTERVIEWS WITH ESG EXPERTS

NAVER has gathered third party opinions on its ESG response status and strategic directions through interviews with five experts in various ESG areas. By incorporating insights from these ESG experts, it has enhanced its sustainable management direction.

Sustainability in general



Q. What do you think about NAVER's efforts and future direction for its 7 ESG Management Strategies and building a sustainable platform ecosystem?

A. NAVER systematically discloses how it integrates its 7 ESG Management Strategies to actual management activities through its Integrated Report. This shows that NAVER has gone beyond simply improving its ESG activities but is at the level of full internalization of ESG in its management. Considering this strategy and the nature of NAVER's business model, which coexists with a wide variety of stakeholders, I believe it is important to consider ESG impacts across the value chain and business model in future materiality assessments and task setting.



Lee Yang-ho
Sustainability Lab

Environment



Q. What are the most important environmental challenges that the IT industry, including companies like NAVER, should consider?

A. I believe that active management to achieve GHG emission reduction targets and transparent disclosure about them are important. Digital businesses based on IT-AI technology, such as NAVER, use more electricity than other industries. Along with efforts to reduce absolute emissions, active responses through carbon offsets should be considered, and accurate and transparent disclosure of these should be made to minimize the risk of greenwashing.



Kim Tae-han
CDP Korea Committee

Q. What areas should NAVER focus on in the future to internalize ESG elements within its business and amplify its social and environmental impact?

A. Expanding activities for avoided emissions (social emission reduction) would fundamentally contribute to building a sustainable business ecosystem. Providing users with environmental information, such as product eco-ratings, through user-centered services, and supporting climate tech startups that consider the digital ecosystem and environmental issues, would help reinforce the domestic climate tech industry. This positive impact would serve as a good example for other companies.



Jeong Sujong
Climate Technology Center, Seoul National University

Social



Q. What are your thoughts on the direction NAVER should take to ensure responsible AI development in social areas such as human rights?

A. The international community is concerned about tech giants, and new technologies in particular have many potential risks from a "just transition" perspective. NAVER therefore needs to enhance its ESG policies, including company principles and due diligence around technology and human rights issues. The company should continue to increase the pace and intensity of its ESG actions to demonstrate that NAVER's new technologies are inclusive and beneficial to people, not just replacing them; thus demonstrating that NAVER is a company that is making real commitment to a just transition.



Lee Eun-kyung
UN Global Compact Network Korea

Governance



Q. What do you think of NAVER's future direction and efforts to embed sustainability within its management?

A. I believe that NAVER communicates its commitment to sustainability management through various channels, such as CEO's commitment to ESG management, the public disclosure of executives' ESG KPIs and their achievement status. NAVER's commitment to sustainability management could be better communicated to stakeholders by showcasing the commitment as specific items, such as medium-term goals for each governance strategy and an enhanced BOD skill matrix.



Mun Seong
Law of Yulchon LLC

ESG STRATEGY

7 ESG MANAGEMENT STRATEGIES

NAVER established the 7 ESG Management Strategies in 2020 and has been working tirelessly to fulfill them ever since. In 2023, it elevated its Strategies and reviewed key themes and topics identified in the materiality assessment while setting departmental tasks to achieve its ESG objectives.





ESG TOPICS & TREND



DOUBLE MATERIALITY ASSESSMENT

TOPIC 1. PROTECTING PERSONAL INFORMATION AND PRIVACY

TOPIC 2. IMPROVING ORGANIZATIONAL CULTURE

TOPIC 3. MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

TOPIC 4. STRENGTHENING CYBERSECURITY

TOPIC 5. RESPECTING HUMAN RIGHTS AND DIVERSITY



DOUBLE MATERIALITY ASSESSMENT

NAVER conducts materiality assessment annually to identify and formulate strategies for material sustainability-related topics. Since 2022, NAVER has implemented “double materiality assessment,” considering both the financial impact of external environments on corporate activities and the social and environmental impact of corporate activities outside the company. In 2023, to enhance the linkage between NAVER’s 7 ESG Management Strategies and the results of the double materiality analysis, NAVER refined its approach from the previous year. NAVER clarified the definitions of sustainability topics to better reflect internal and external circumstances. Furthermore, in order to gather and incorporate stakeholder opinions on the topics, NAVER identified the impacts of ESG topics across NAVER’s entire value chain and conducted interviews and surveys with various stakeholder groups to assess the materiality of each sustainability topic.

Through the double materiality analysis, NAVER selected five key topics by considering their connectivity to and impact on NAVER’s 7 Strategies. In 2023, it identified “Protecting personal information and privacy” and “Improving organizational culture” as new material topics for their significant impact on social, environmental, and financial aspects. The selected material topics, reported to and approved by the BOD, are disclosed in the Integrated Report and TCFD report. Based on the materiality assessment results, NAVER revised its 7 Strategies and the executives’ ESG KPIs to encompass sustainability topics comprehensively. The enhanced double materiality analysis process has established itself as a core activity in NAVER’s sustainable management, reviewing NAVER’s ESG strategies and identifying the need to strengthen internal management and external communication regarding key topics.



2023 DOUBLE MATERIALITY ANALYSIS PROCESS



DOUBLE MATERIALITY ASSESSMENT

RESULTS OF 2023 DOUBLE MATERIALITY ANALYSIS

Rank	TOPIC	Upstream		Operation		Downstream		Impact Materiality	Financial Materiality	Double Materiality
		Outsourced partners	Partners ¹⁾	Subsidiaries ²⁾	Employees	Suppliers, Partners	Customers ³⁾ , Government, Local Communities			
1	Protecting personal information and privacy	●	●	●	●	●	●	■■■	■■■	■■■
2	Improving organizational culture			●	●		●	■■■	■■■	■■■
3	Managing GHG emissions and expanding renewable energy	●		●	●		●	■■■	■■■	■■■
4	Strengthening cybersecurity	●	●	●	●	●	●	■■■	■■■	■■■
5	Respecting human rights and diversity	●		●	●	●	●	■■■	■■■	■■■
6	Strengthening technology ethics and bridging the information gap			●	●		●	■■■	■■■	■■■
7	Supply chain ESG and sustainability management	●	●	●	●	●	●	■■■	■■■	■■■
8	Strengthening compliance and fair trade	●	●	●	●	●	●	■■■	■■■	■■■
9	Attracting and developing talents			●	●		●	■■■	■■■	■■■
10	Enhancing data center energy efficiency			●	●		●	■■■	■■■	■■■
11	Corporate ethics and anti-corruption management system	●	●	●	●	●	●	■■■	■■■	■■■
12	Transparent operation of the BOD			●	●			■■■	■■■	■■■
13	Service and content responsibility and management			●	●		●	■■■	■■■	■■■
14	Supporting mutual growth with partners	●	●	●	●	●	●	■■■	■■■	■■■
15	Integrated risk management		●	●	●			■■■	■■■	■■■
16	Managing water resources and waste in the workplace	●		●	●	●	●	■■■	■■■	■■■
17	Exploring and providing eco-friendly services	●	●	●	●	●	●	■■■	■■■	■■■
18	Contributing to society and local communities		●	●	●		●	■■■	■■■	■■■
19	User communication and satisfaction			●	●	●	●	■■■	■■■	■■■
20	Enhancing shareholder value			●	●		●	■■■	■■■	■■■

● Topic ● Mapping with 7 ESG strategies

2023 Material Topics

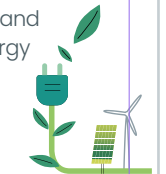
- Protecting personal information and privacy
 - Strengthening information protection and creating a safe Internet ecosystem



- Improving organizational culture
 - Ensuring employee growth and respecting human rights



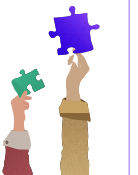
- Managing GHG emissions and expanding renewable energy
 - Accomplishing 2040 Carbon Negative and expanding eco-friendly activities



- Strengthening cybersecurity
 - Strengthening information protection and creating a safe Internet ecosystem



- Respecting human rights and diversity
 - Ensuring employee growth and respecting human rights



¹⁾ Financial companies, external companies, etc. providing services on NAVER platform

²⁾ NAVER Cloud, NAVER Webtoon, NAVER I&S

³⁾ Includes BtoB and BtoC

MATERIAL TOPICS HIGHLIGHTS

As ESG becomes a new investment criteria and measure of corporate sustainability, companies are asked to build and execute growth strategies that consider both financial and sustainable values, and to be transparent about their progress and results.

NAVER aims to accurately understand and quickly respond to such current trends and demands. As part of these efforts, it seeks to actively communicate with stakeholders by disclosing the ESG management framework, potential risks and opportunities, and a roadmap for the five material topics identified in the double materiality analysis.



Protecting personal information and privacy

43

Improving organizational culture

44

Managing GHG emissions and expanding renewable energy

45

Strengthening cybersecurity

46

Respecting human rights and diversity

47

TOPIC 1.

PROTECTING PERSONAL INFORMATION AND PRIVACY

GOVERNANCE

Decision-making Bodies for the Issue

- The decision-making body consists of:
 - Chief Privacy Officer (CPO): Manages and oversees the personal information protection risks at a company-wide level as the highest governance body – the BOD and executives
 - Risk Management Committee within the BOD: Reviews key issues on personal information protection and reflects them in making major decisions
 - Privacy Protection Committee: Manages company-wide privacy risks in various ways as a committee consisted of key executives and directly under the CEO
- Hold the NAVER Personal Information Protection Committee composed of key executives and domestic experts in the field of information protection on a quarterly basis to conduct professional research and external consultation

Decision-making and Control Procedures

- Established the NAVER Personal Information Protection Principles in accordance with NAVER's environment and culture to ensure stable service operation and protect users' personal information and privacy
- Discuss important risks and opportunities related to personal information protection and privacy with the CPO from time to time, and the CPO reports the results of work on key issues to the BOD from time to time through the Risk Management Working Group and reflects them in decision-making

Targets and Performance Management

- Set annual targets for privacy and privacy-related risk prevention and opportunities, report them to the executives and BOD, and establish them as executives' and relevant departments' KPIs to monitor the performance

STRATEGY

Identified Potential Risks and Opportunities

RISKS

- Loss of customer trust due to breach of personal information
- Increase of legal risks (criminal/non-criminal penalties and fines) due to inadequate personal information management
- Increase of costs due to policy and regulatory responses resulting from demands for disclosure of personal information and greater transparency

OPPORTUNITIES

- Increase in user reputation and awareness from the trust in privacy protection
- Global service expansion based on compliance with and enforcement of global privacy laws

Measures for Considering the Impact of Risks and Opportunities

- Conduct privacy impact assessment for all services to ensure compliance with privacy laws and internal regulations, assess user privacy sensitivity, and manage risks through nPIMS for continuous consultation and impact evaluation
- Conduct regular status checks for each service and sector, including services, mobile apps, location information, and unique identifiable information, to identify and improve areas of concern to ensure user trust and safety
- In the case of personal information inspection on trustees, each risk is classified as high, medium, or low based on 40 inspection items. In case of violation, penalty scores are imposed based on pre-established standards.
- Strive to maintain and improve the level of personal information protection by requesting continuous improvement based on evaluation results and taking sanctions such as contract termination if improvement is not implemented

Response to Risks

- Established the Personal Data Leakage Response Guide and respond effectively, with an aim for a swift response to prevent and minimize user harm in case of a personal data breach

RISK MANAGEMENT

Methods for Identifying Risks and Opportunities

- Check the personal information protection status of each service and sector, including NAVER services, mobile apps, location information, and unique identifiers (1-year cycle)
- Conduct monitoring of compliance with privacy laws and internal regulations
- Monitor the privacy sensitivity of users aside from the Personal Information Protection Act
- Operate the Personal Information Management System (nPIMS) for ongoing consultation

Risk Management Process

- Platform and AI services departments that handle personal information evaluate the privacy impact and check the status of personal information and privacy protection when launching new services in accordance with the Privacy by Design (PbD) principle from the planning and design stage.
- After deriving and implementing improvements for vulnerabilities recognized through monitoring and inspection, the personal information processing department separately conducts periodic checks¹⁾.

Integration of Enterprise Risk Management

- Operate a company-wide Risk Management Working Group; and incorporate personal data protection within the enterprise integrated risk management system, with the participation of the responsible personnel to manage and prevent risks regularly

¹⁾ Inspection of personal information protection status, unique identifying information, inspection of compliance with safety measures, etc.

ROADMAP

Short-term Goals (2024)

- **Strengthening personal data protection for the global expansion of NAVER services**
 - Organize and disclose global data privacy web page resources with a focus on NAVER's services
 - Expand global scope, focusing on compliance with overseas regulations to strengthen personal data protection
- **Raising privacy awareness**
 - Publish reports for personal data protection transparency and knowledge-sharing
 - Inspect partner privacy practices and provide reports on the results

Mid-to long-term Goals (2030)

- **Maximizing user control and transparency as a first mover in the global privacy space**
 - Continue to publish at least two reports per year for personal data protection transparency and knowledge-sharing
 - Strengthen users' control over their data through the guarantee of data portability
 - Guarantee users the highest level of access, correction, and withdrawal of consent for personal information collected and stored by NAVER among domestic and overseas services



TOPIC 2.

IMPROVING ORGANIZATIONAL CULTURE

GOVERNANCE

Decision-making Bodies for the Issue

- The CEO is in charge of the highest decision-making, and the decision-making body consists of :
 - Employee Growth Committee: Performs the role of designing and deliberating on the employee growth system, and is a committee directly under the CEO, consisting of the CEO, CFO, COO, as well as heads of various departments related to employee growth
 - Industrial Health and Safety Committee: Performs the duties of reviewing and approving occupational safety and health matters according to relevant laws and regulations, as well as planning and operating workplace safety and health programs. It is composed of an equal number of worker representatives and user representatives.
 - Labor-Management Council “NVO” (NAVER Valuable Opinion): Discusses topics such as working conditions, welfare benefits, and manpower status
- Stipulate delegations, duties, and job descriptions for oversight responsibilities for risks and opportunities related to organizational culture in the internal codes and regulations, etc.
- Provide necessary information and resources to the committees on an ongoing basis to facilitate smooth operation of each committee; and have established and is operating dedicated departments overseen by the committees

Decision-making and Control Procedures

- Review the activities and results of inspections related to the company’s organizational culture as well as safety and health, and the appropriateness and effectiveness of related measures at the topic-specific decision-making bodies
- Every year, conduct employee engagement survey, workplace safety and health risk assessment, and pre- and post-effectiveness evaluation of career growth programs, and report the results to the topic-specific governing bodies that reflect the findings on key decisions related to organizational culture

Targets and Performance Management

- The dedicated departments and working staff regularly report employee engagement survey results and the improvement results to the decision-making body. The executives and directors review whether activities related to organizational culture align properly with the strategies concerning organizational culture.

STRATEGY

Identified Potential Risks and Opportunities

RISKS

- Decline in public reputation and brand value due to controversial issues related to organizational culture
- Decrease of work productivity due to decreased trust and communication among employees
- Talent loss and challenges in recruitment due to decreased employee contentment with organizational culture
- Costs (fines, etc.) incurred and company reputation suffered due to accidents caused by inadequate safety management of the work environment

OPPORTUNITIES

- Increase of work efficiency through a healthy organizational culture and active communication among employees
- Increase of work productivity due to enhanced employee motivation and engagement as new and existing managers’ leadership skills improve

Measures for Considering the Impact of Risks and Opportunities

- Manage organizational culture-related items by indicators and track performance through annual surveys on employees, and reflect the results in management strategies and decisions related to human capital

Response to Risks

- Track performance and effectiveness by identifying and implementing improvement measures based on the results of the annual engagement survey
- Report performance and effectiveness results periodically to each decision-making body for review to improve organizational culture continuously

RISK MANAGEMENT

Methods for Identifying Risks and Opportunities

- Conduct annual employee engagement survey and reviews on managers (leader level) to identify the corporate culture related risks, and operate various communication channels to collect employee opinions (e.g., Labor-Management Council, exit interviews)

Risk Management Process

- Annually conduct an employee engagement survey and manage the identified items along with assessing their importance
- Established a pulse survey system for identified organizational culture risks
- Designate a dedicated department and person in charge to prepare a detailed strategy and practical response plan for organizational culture-related risks
- The decision-making body and the dedicated departments regularly review the responses to organizational culture-related risks (e.g., customized culture improvement support programs).
- Periodically report to each decision-making body on the performance results of improvement tasks and the evaluation of their effectiveness

Integration of Enterprise Risk Management

- Integrate risk-opportunity management processes with company-wide risk management processes at the BOD, ESG committee, and Risk Management Committee

ROADMAP

Short-term Goals (2024)

- **Creating a NAVER’s work culture and environment that foster the growth of the company and employees**
- **Laying the foundation for going into a global top-tier company**
 - Improve internal systems and infrastructure from a maternity and paternity protection perspective
 - Strengthen career development programs and leadership, which is the key to creating a healthy organizational culture
 - Complement organizational culture-related issues through diagnostic tools (such as the regular pulse survey) and employ the diagnoses’ results to develop company policies
 - Introduce the Connected Work in 2024-2025 in addition to supplementing and sharing the Culture Code, NAVER’s unique cultural code of conduct, with employees

Mid-to-long-term Goals (2030)

- **Solidifying the company’s position as a global leader**
 - Analyze data and accumulate cases on the improvement measures taken after annual culture and leadership assessments
 - Build an environment that caters to the conditions required for the growth of the company and employees identified at annual Connected Work reviews
 - Create a foundation for employees to grow with the company through their work



TOPIC 3.

MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

GOVERNANCE

Decision-making Bodies for the Issue

- The decision-making body consists of:
 - ESG Committee within the BOD: Conducts monitoring, manages and supervises issues and activities related to climate change-related risks and opportunities; and incorporates them into key decision-making
 - CEO: Spearheads the transition to a low-carbon economy and identifies eco-friendly business items within the company's business organizations to expand eco-friendly business opportunities
 - External/ESG Policy Representative: Oversees climate change response strategy and is a member of the ESG Committee
 - Dedicated department ("Green Partnership"): Under the External/ESG Policy division, establishes and implements detailed policies and tasks to achieve the 2040 Carbon Negative target, such as renewable energy conversion and support for finding eco-friendly services
- Compose the company's outside and inside directors with those with ESG expertise based on a combination of legal qualifications, work experience, skills and certifications, and areas of specialty

Decision-making and Control Procedures

- Develop and operate detailed guidelines and instructions according to the NAVER Environmental Management Policy
- The dedicated department regularly reports major issues and the results of tasks associated with key climate change related risks and opportunities to the External/ESG Policy Representative and the ESG Committee, and the Committee reflects them in decision-making on major climate change issues.
- The ESG Committee meets quarterly, during which environmental issues are regularly reported at least twice a year.

Targets and Performance Management

- Environment-focused improvement measures are reviewed in consultation with the ESG department ("Green Impact"), which serves as the secretary of the ESG Committee, to ensure alignment with NAVER's 7 ESG Management Strategies. In turn, the improvement measures are set as quantitative and qualitative targets, and the performance results are taken into account for the departmental and executive KPIs.

STRATEGY

Identified Potential Risks and Opportunities

RISKS

- Increase in adverse impact on business due to extreme weather events such as typhoons and floods
- Increase in adverse impact on business due to rising average temperatures and changing weather patterns
- Increase of costs for transitioning to renewable energy due to stricter carbon regulations
- Increase of burden for purchasing carbon credits due to rising GHG emissions
- Negative reputation issues related to low progress in achieving the 2040 Carbon Negative target when disclosing climate information
- Economic risks arising from unexpected changes in international energy prices

OPPORTUNITIES

- Increase in users and securing industrial competitiveness due to the expansion of eco-friendly services
- Reduction in energy consumption costs due to energy efficiency improvements
- Savings on electricity and carbon credit purchase costs due to the transition to renewable energy

Measures for Considering the Impact of Risks and Opportunities

- Through materiality assessment of physical and transition risks and opportunities, the likelihood and impact of these factors are identified. For physical risks, the SSP scenario is used, while the IEA and NGFS scenarios are used for transition risks and opportunities. The risk exposure and financial impact analysis of NAVER's business sites are conducted based on these scenarios, and the results are integrated into management strategies and decision-making.

Response to Risks

- For the risks and opportunities identified through the materiality assessment, a benefit analysis based on price scenarios as well as domestic policies and legal trends are considered to anticipate potential impacts on NAVER.
- For risk factors, strategies are applied to minimize financial losses, and for opportunities, to maximize financial benefits.

RISK MANAGEMENT

Methods for Identifying Risks and Opportunities

- Identified 50 risks and opportunities, considering global climate change trends and climate change responses in the same industry, based on the IPCC 6th Assessment Report and TCFD recommendations
- Selected a pool of 18 topics out of 50 based on NAVER's business relevance, business direction, and the geographical characteristics of major business sites
- Categorized physical and transition risk/opportunity factors into short-term and mid-to-long-term; and conducted materiality analysis on the factors based on the survey on internal stakeholders (executives and working staff)

Risk Management Process

- Relevant departments continuously manage operational environmental risks and opportunities associated with NAVER's office buildings and data centers.
- The environmental department staff under the Representative of External/ESG Policy reviews and identifies climate change risk factors across the company based on consultations with external experts to establish short-, mid-, and long-term response directions.
- In the event of a severe disaster caused by climate change, the Risk Management Committee within the BOD and the Risk Management department under the CEO manage business continuity.
- The Representative of External/ESG Policy secures and reviews long-term and mid-term investment resources for risk response.
- The ESG Committee within the BOD is responsible for the final decision-making on the direction of sustainability-related risk management and investments.

Integration of Enterprise Risk Management

- Integrate risk-opportunity management processes with company-wide risk management processes at the ESG Committee within the BOD

ROADMAP

Short-term Goals (2024)

- **Achieving 13 GWh of renewable energy consumption**
 - Install additional renewable energy facilities at NAVER's buildings, such as Green Factory, Connect One, etc.
 - Secure additional renewable energy purchase agreements
 - Monitor existing renewable energy PPAs

Mid-to long-term Goals (2030)

- **Achieving 60% renewable energy consumption and 100% conversion to EVs**
 - Strengthen institutional engagement to improve renewable energy acquisition and use
 - Strengthen institutional and supplier engagement for conversion to EVs



TOPIC 4.

STRENGTHENING CYBERSECURITY

GOVERNANCE

Decision-making Bodies for the Issue

- The decision-making body consists of:
 - CISO (Chief Information Security Officer): Manages and oversees the information security risks at a company-wide level as the highest governance body – the BOD and executives
 - Risk Management Committee within the BOD: Review key issues regarding information security and reflect them into key decision-making
- The BOD and its committees are the highest decision-making bodies of the company, composed of directors with extensive expertise and experience in various fields.

Decision-making and Control Procedures

- Established the Data Protection Policy as the top-level policy document to ensure the confidentiality, integrity, and availability of information assets; and develop and operate detailed guidelines and instructions accordingly
- The CISO reports the outcomes of key tasks related to cybersecurity and information protection to the BOD through the Risk Management Working Group as needed.
- The CISO also reports major information security activities and tasks to the BOD through the Risk Management Working Group as needed, ensuring these are considered in the decision-making process.

Targets and Performance Management

- Establish major information security tasks as objectives and KPIs every year, report these to executive management and the BOD, and conduct progress and performance reviews

STRATEGY

Identified Potential Risks and Opportunities

RISKS

- Decline in customer trust due to hacking, DDoS, cyber intrusion incidents, and leakage of company confidential information
- Decrease in service demand and competitiveness due to the failure in meeting users' requirements for service safety and stability
- Increase of costs for developing and maintaining information protection systems to counter increasingly sophisticated information intrusions

OPPORTUNITIES

- Secure industry competitiveness as a leading platform with high level of safety by mitigating risk factors
- Strengthen partnerships by spreading security technologies, thereby securing reliable partners

Measures for Considering the Impact of Risks and Opportunities

- Inspect impacts at all stages of service development through the Service Security Inspection Process (NB3Roker) from planning, designing, development, to launch
- Review internal information security status and improving security risks identified during external certification audits such as ISO/IEC 27000 and ISMS/ISMS-P, considering the risks' level of importance and urgency

Response to Risks

- Implement preventive activities from external sources such as hacking, DDoS, and cyber-infringement, real-time detection of attack attempts and quick response in the event of a breach; operate a breach response process for quick response (recovery) afterward; and strengthen response drills such as mock hacking

RISK MANAGEMENT

Methods for Identifying Risks and Opportunities

- Identify security vulnerabilities at all stages of service planning, design, development, and pre-launch through the service security check process
- Identify security risks through annual comprehensive security assessment and internal information protection status checks
- Identify security risks identified in external certification audits such as ISO/IEC 27000 certification, ISMS/ISMS-P, etc.
- Identify risks through constant information protection advisory activities

Risk Management Process

- To respond to various security threats, implement the “Let’s Shift Left” security strategy, which involves managing and overseeing security vulnerabilities from the service planning, design, and development stages to minimize their occurrence and promptly address any identified vulnerabilities
- Manage security vulnerabilities through an identification → analysis → assessment → handling → monitoring and review process based on information security risk management guidelines

Integration of Enterprise Risk Management

- Operate a company-wide Risk Management Working Group, which includes security risks within the integrated enterprise risk management; and periodically manage and prevent risks with the participation of responsible personnel

ROADMAP

Short-term Goals (2024)

- **Strengthening and sharing information security technology**
 - Enhance 2 security operation solution features
 - Publish a white paper on data protection security publicly
 - Automate site scanning phishing sites
 - Integrate safe browsing services to at least 2 services
- **Enhancing and raising awareness of information security**
 - Conduct an information security campaign for users once a year
 - Share at least 5 new phishing patterns
 - Provide at least 1 information security training for partners

Mid-to long-term Goals (2030)

- **Leading and pioneering the creation of an information security ecosystem**
 - Further advance in-house security operations solutions
 - Enhance technology for user protection, in addition to developing and operating safe browsing and user protection
 - Continue current activities to enhance user awareness of information protection regarding user-related security issues



TOPIC 5.

RESPECTING HUMAN RIGHTS AND DIVERSITY

GOVERNANCE

Decision-making Bodies for the Issue

- The decision-making body consists of:
 - ESG Committee within the BOD: Oversees the status and annual performance of human rights management in the workplace
 - Risk Management Committee within the BOD: Reviews human rights risks related to employees and services, and deliberate on significant human rights issues among employees.
 - Dedicated department (“Human Rights”): Oversees human rights management, conducts regular and ad-hoc assessments of human rights issues in collaboration with relevant departments, and develops and executes plans to prevent, mitigate, and resolve identified potential and actual negative impacts
- Provide necessary information and resources to the decision-making bodies on a regular basis to facilitate smooth operation of each committee; establish and operate dedicated departments under each committee’s jurisdiction to manage specific subjects; and conduct external training for committee members as needed

Decision-making and Control Procedures

- NAVER Human Rights Policy, approved by CEO via CEO’s Human Rights Management Statement, states NAVER’s 10 principles, human rights management governance, a human rights risk management system, and a grievance handling process (This policy applies to all employees across domestic and international branches)
- The dedicated department reports significant human rights issues to the ESG Committee and the Risk Management Committee within the BOD. These decision-making bodies review the measures to address and prevent reoccurrence of issues.

Targets and Performance Management

- After conducting human rights impact assessments and employee engagement survey, improvement measures identified at the corporate and organizational levels are reviewed and approved by the BOD. The BOD and the ESG Committee conduct quarterly reviews of quantitative and qualitative performance indicators set against objectives.

STRATEGY

Identified Potential Risks and Opportunities

RISKS

- Decrease in reputation and brand value due to human rights issues related to employees
- Increase of legal risks (fines, penalties) resulting from violations of laws related to human rights management practices

OPPORTUNITIES

- Increase in employee engagement and work efficiency due to enhanced employee satisfaction
- Increase in opportunities for creating diverse values within services through diversity-respecting corporate culture

Measures for Considering the Impact of Risks and Opportunities

- Manage and assess the importance of human rights issues identified through regular assessments on various topics such as organizational culture, human rights impact, and integrity; and incorporate the findings from these assessments into management strategies and decision-making

Response to Risks

- Conduct an annual ethics-based diagnostic survey (Integrity Survey) and employee engagement survey for all employees to evaluate overall potential and actual risks
- Report significant human rights issues identified through regular surveys and other channels to the ESG Committee and the Risk Management Committee within the BOD

RISK MANAGEMENT

Methods for Identifying Risks and Opportunities

- Conduct annual evaluations for all employees to periodically review human rights management issues
- Perform in-depth investigations (e.g., interviews and focus group discussions) as needed on risk factors identified in regular assessments
- Continuously monitor issues reported through internal and external grievance channels, as well as those directly or indirectly detected by the Human Rights department

Risk Management Process

- Conduct annual employee engagement survey and human rights impact assessment to manage and evaluate the significance of human rights issues identified
- Designate a dedicated department (“Human Rights”) and responsible personnel to develop detailed strategies and practical responses to human rights-related risks
- Review and report the status and response plans for human rights-related risks to the BOD, the ESG Committee and the Risk Management Committee
- Periodically report the implementation performance and effectiveness of improvement measures to each decision-making body

Integration of Enterprise Risk Management

- Integrate risk-opportunity management processes with company-wide risk management processes at the ESG Committee and the Risk Management Committee within the BOD

ROADMAP

Short-term Goals (2024)

- **Advancing and internalizing the human rights management policy**
 - Develop NAVER’s human rights management system and update the human rights management policy to meet the demands of various stakeholders
 - Provide at least one human rights-related training session for all employees
- **Identifying potential human rights risk groups among employees and conducting an in-depth human rights risk assessment**
 - Identify potential risk groups among employees who may be relatively more exposed to human rights risks
 - Conduct focus group interviews (FGIs) to assess potential and actual human rights risks among the identified groups

Mid-to long-term Goals (2030)

- **Raising employee awareness of human rights and internalizing human rights management based on gradual expansion and advancement of human rights education**
 - Provide human rights-related training sessions to employees at least twice in 2025
 - Provide human rights-related training sessions to employees at least three times in 2026 (including one offline session)





ESG PERFORMANCE



ENVIRONMENTAL
SOCIAL
GOVERNANCE





E ENVIRONMENTAL

NAVER is committed to protecting the environment to ensure sustainable daily lives for future generations. It is thus striving to reduce adverse environmental impact and to expand eco-friendly businesses.

ACCOMPLISHING 2040 CARBON NEGATIVE AND EXPANDING ECO-FRIENDLY ACTIVITIES



MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

APPROACH

Acting on climate change is a collective action for the survival and prosperity of humanity, as well as a corporate strategy for sustainable growth. NAVER is committed to reducing its adverse environmental impacts such as carbon footprint to ensure sustainable lives for future generations. In the long term, as a platform company, it aims to achieve sustainable growth by providing a variety of eco-friendly services and to contribute to the eco-friendly transition of society. Moving forward, NAVER will continue to reduce its greenhouse gas (GHG) emissions in connection with the value chain, discover new opportunities for responding to climate change with NAVER's technology, and take the lead in expanding the eco-friendly ecosystem through joint efforts with its partners.



2024 KPI

Strengthening climate change response

- Providing support for establishing a climate change disclosure system for major subsidiaries
- Conducting calculation and disclosure of GHG information of consolidated entities
- Improving the calculating system of supply chain emissions for the Scope 3 reduction plan



Pursuing EV100

- Converting 30% of business fleets to electric vehicles by 2025 to achieve EV100



Pursuing RE100

- Achieving the company-wide renewable energy usage target of 13GWh by 2024



Strengthening NAVER's environmental management system

- Establishing an eco-friendly procurement policy



Implementing internal carbon pricing

- Elevating voluntary internal carbon reduction strategies
- Promoting the use of devices fitted with low-carbon technologies

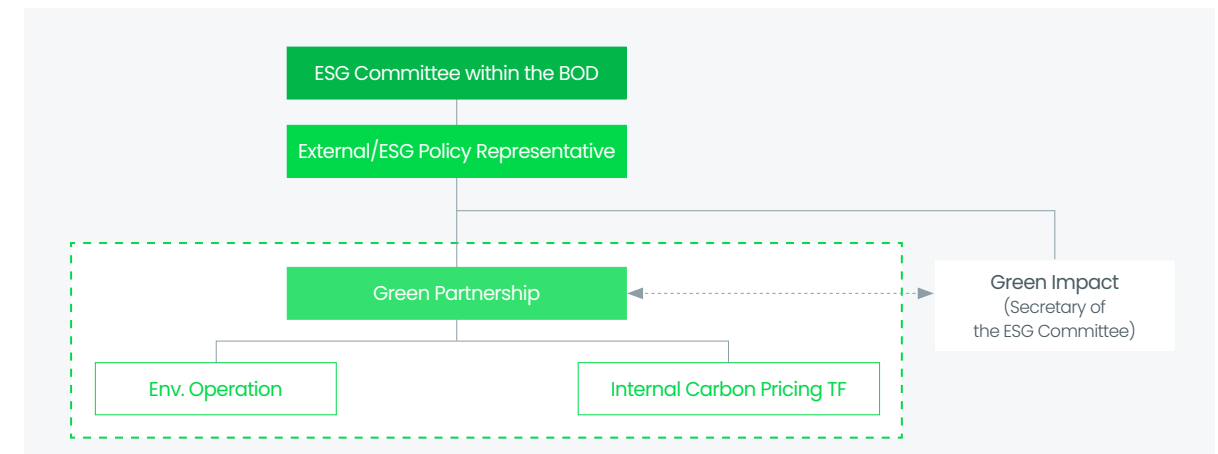


Carbon Reduction Efforts

Environmental Management System

- Green Partnership, a department dedicated to environmental management, implements 2040 Carbon Negative roadmap, establishes and certifies an environmental management system to strengthen internal management capabilities, and conducts environment related education for employees
 - Strengthening the internal environmental system: Continuous review and improvement of environmental management policies, and acquisition and renewal of the ISO 14001 certification for environmental management system
 - Reducing environmental impacts from the perspective of internal operations: Establishment of an environmental performance evaluation system in accordance with stakeholder requirements, promotion of renewable energy PPAs, and continuous identification of resource-saving activities in the workplace and supply chain, such as securing greenhouse gas reduction results
 - Systematic management of environmental risks: Establishment of environmental risk management guidelines for each business site that adopts the TCFD recommendations on disclosure
 - Strengthening internal capabilities: Establishment of the Env. Operation Working Group in March 2023, composed of environmental managers at each business site, to strengthen the capabilities of employees dedicated to operating the ISO 14001-based environmental management system
- Strengthen the environmental management systems of major subsidiaries; and calculate and disclose consolidated GHG emissions from 2024 in accordance with the domestic and international climate disclosure requirements

Management and Oversight



MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

2040 Carbon Negative

- Approximately 97% of NAVER's GHG emissions in 2023 came from electricity use by data centers and office buildings, and as our business continues to grow, greenhouse gas emissions are projected to increase in the coming years along with the proportion of emissions generated by the use of electricity¹⁾.
- Established the 2040 Carbon Negative strategy to reduce and offset net GHG emissions to zero or less in 2020, thereby maximizing the eco-friendly effects through business activities while minimizing adverse impact on the environment
- Set three detailed strategic directions to achieve the 2040 Carbon Negative target while expanding related activities

2040 Carbon Negative Implementation Strategy


¹⁾ Location-based method

²⁾ Future emission projection based on the assumption that current emission level continues

① Operational Excellence – Reducing Our Environmental Impact

Efforts to reduce the environmental impacts of office buildings and data centers

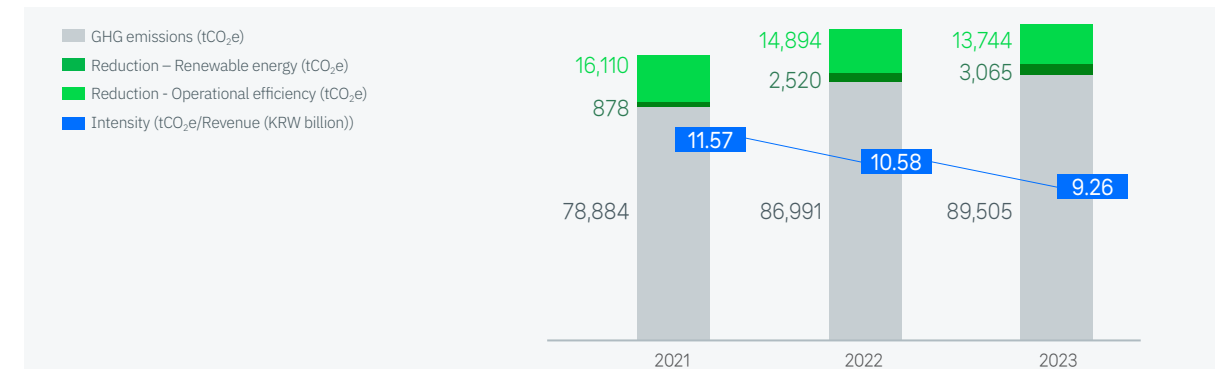
- All of NAVER's office buildings and data centers, from the planning stage to operations, were designed and built with the aim of reducing energy consumption and greenhouse gas emissions.

Key Achievements

- All of NAVER's office buildings and data centers¹⁾ received the LEED Platinum certification, the highest level of LEED (Leadership in Energy and Environmental Design), the international green building certification system.
- Reduced GHG emissions by a total of 16,809 tCO₂e in 2023, including 7,342 tCO₂e reduction from using natural outdoor air for cooling
- NAMU, an outdoor air-cooling system unique to NAVER data centers, has evolved into the 3rd generation hybrid cooling system, which has been applied to GAK Sejong, with enhanced energy efficiency through continuous generation development.
- Reduced GHG emissions by 3,065 tons, a year-on-year increase of approximately 22%, by expanding the use of renewable energy through direct PPA with the Korea Water Resources Corporation, third-party PPA with ENlighten Co., and the combined use of power generation facilities including solar power systems and geothermal energy systems installed in office buildings and data centers
- NAVER's GHG emissions in 2023 amounted to 89,505 tCO₂e, showing a slight increase of less than 3% year-on-year, but emission intensity continued to decline, with a decrease of 13% year-on-year.
- In 2024, GHG emissions are expected to increase significantly due to the full-scale operation of our new data center GAK Sejong, but we plan to focus on securing renewable energy and contributing to avoided emissions to overcome the increase.

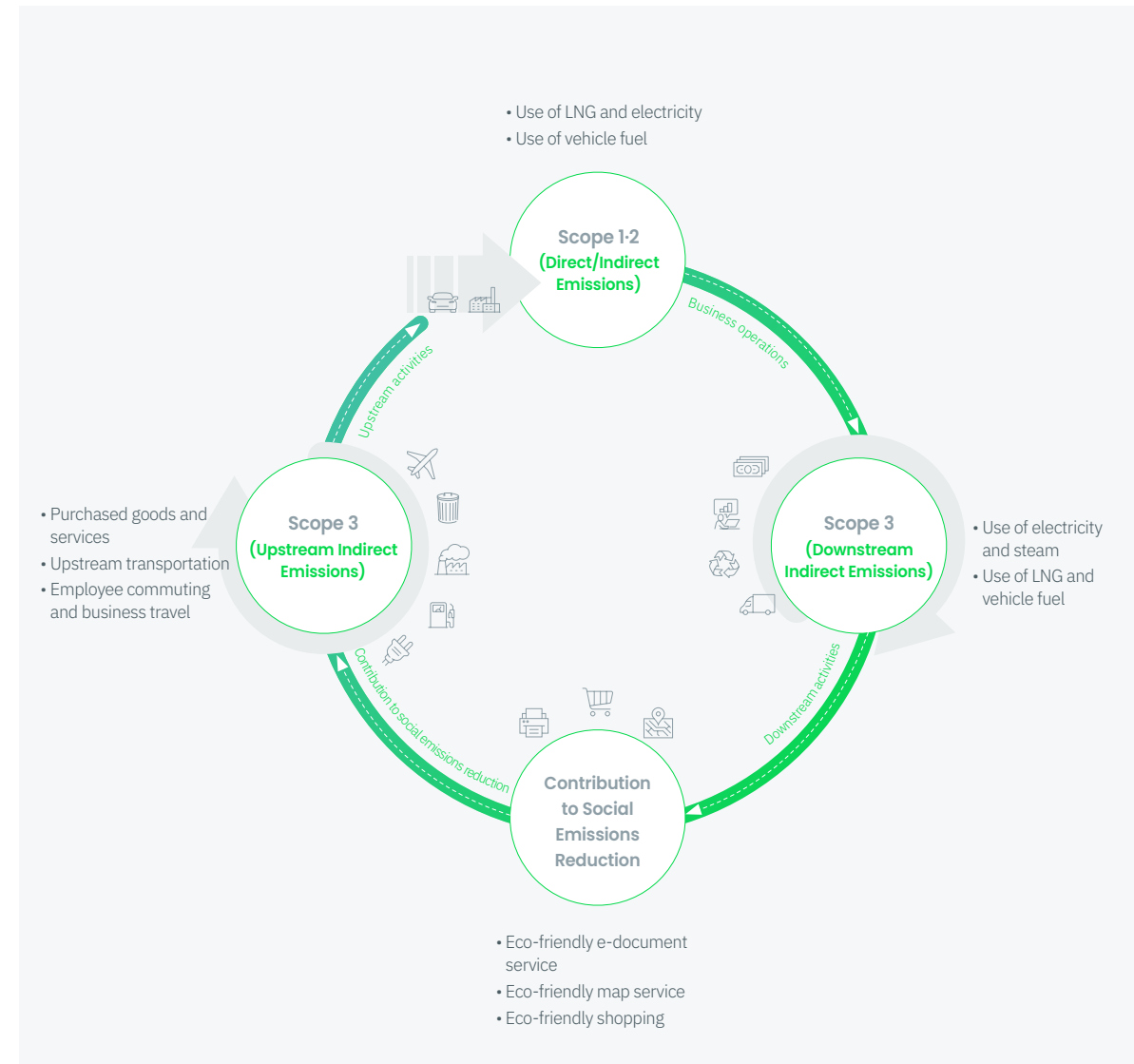
¹⁾ GAK Sejong, a data center built in 2023, also received the LEED Platinum certification.

Greenhouse Gas Emissions and Reductions



MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

Scope 1, 2, 3 and Social Emissions Reduction (Avoided Emissions)



Accelerating the transition to renewable energy

- Continue to make the transition to renewable energy through PPAs and solar power facilities installations to achieve the 2040 Carbon Negative target

Key Achievements

October 2022

- Entered into a third-party PPA with ENlighten, began using the solar renewable energy in December, and concluded an agreement to transfer the energy usage to the Green Factory (1st office building) in October 2023
- Resumed the use of renewable energy in January 2024, with 15% of the Green Factory's annual electricity usage coming from renewable energy sources

October 2023

- Signed a direct PPA with the Korea Water Resources Corporation to supply renewable energy from the Yongdam No. 2 Hydroelectric Power Plant to NAVER's 1784 (second office building); and from December 1st of the same year, renewable energy composed 60% of the building's annual electricity consumption
- 1784 is the first building in Korea to utilize various types of renewable energy such as hydropower, solar power, and geothermal power. NAVER will continue to cooperate with the Korea Water Resources Corporation under the "Joint Development Agreement to Implement RE100 and Increase ESG Value" starting with this PPA.

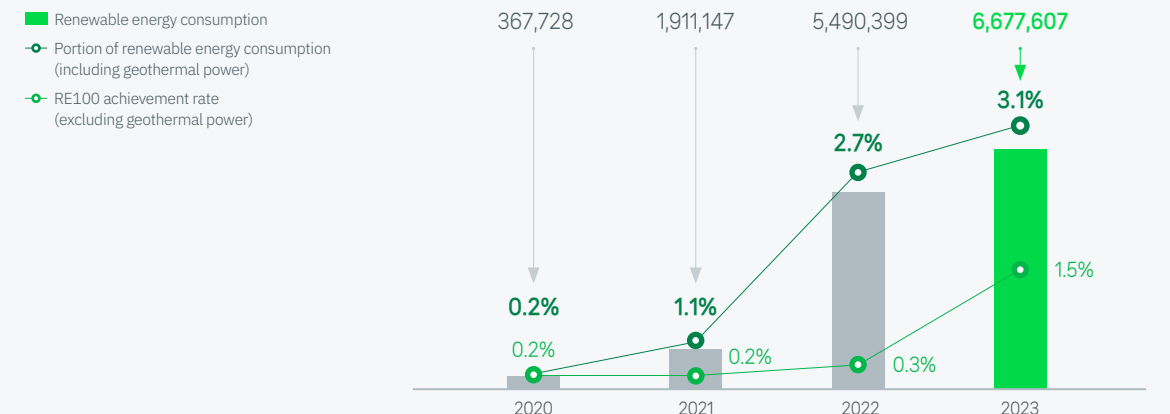
February 2024

- Installed additional solar power facilities at Connect One, which is expected to generate an additional GHG reduction effect of 30,000 kgCO₂e per year



Renewable Energy Usage Performance

(Unit: kWh)



MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

Continuing the conversion to EV and expanding charging infrastructure

- Have been making continuous efforts to convert to EVs and expand the charging infrastructure since 2021 in order to reduce Scope 1 GHG emissions as a company that supports both RE100 and EV100 initiatives

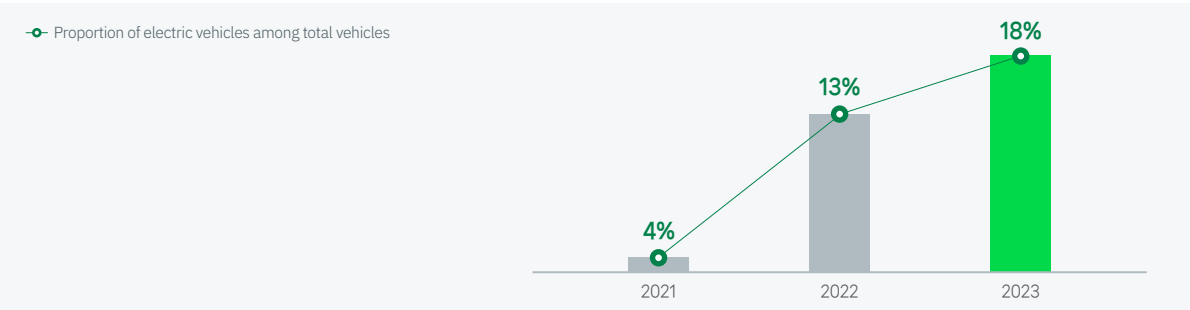
Key Achievements

- Achieved an EV conversion rate of 18% in 2023 and plan to convert to 100% EVs by 2030
- In case switching to electric vehicles proved difficult in the short term, NAVER considered switching to ‘environmentally-friendly cars’ first in accordance with the Act on Environment-friendly Automobiles and the related regulations
- All business sites directly operated by NAVER are equipped with an EV charging infrastructure, and 116 chargers, or 4.4% of the total number of parking lots, have been installed.
- The reduction of mobile combustion GHG emissions brought about the switch to electric vehicles has been calculated as 13.3tCO₂e.¹⁾



¹⁾ In the case of newly introduced vehicles, the amount is calculated based on the assumption that they are gasoline vehicles of a similar size.

Conversion Rate to EVs



Status of EV Charging Infrastructure

Business site	No. of EV charging stations (Unit)	Rate (%)
1784	62	4.89
Green Factory	22	2.83
Connect One	6	3.28
Data Center GAK Chuncheon	5	3.18
Data Center GAK Sejong	19	8.48
NAVER Square Gwangju	2	6.06

Enhancing employees’ environmental capabilities

- Environmental personnel at NAVER have completed the ISO 14001:2015 Lead Auditor Training course, which has enabled them to identify the core requirements of the ISO 14001 standard and apply them to our environmental management system. The implications raised by the training are discussed with members of Env. Operation to seek ways to improve the environmental management system.

Environmental Training for Relevant Employees

Date	Training purpose and content	Training hours	Training targets	No. of trainees
Jan.	Environmental management training for Env. Operation Working Group (NAVER Environmental Management System; ISO 14001 Internal Auditor Training) - NAVER environmental management initiatives - Introduction of the environmental management system and NEMS (NAVER Environmental Management System) - Sharing the results of the environmental management system operation	3	Departments in charge of office buildings and IDCs	36
	CDP Scope 3 training - Methods for calculating Scope 3 GHG emissions	8	Green Partnership, etc.	3
Apr.	External seminars and conferences - PV (photovoltaic) market insights 2023 (PVMI 2023) - PV policy and investment trends, global PV market trends and forecasts, urban and future PV - Agrivoltaics market trends, RE100-enabled PV industry, floating PV market trends and forecasts	7	Env. Operation	8
	CDP Climate Change reporting guidance training	8	Green Partnership, etc.	3
	Training on the CDP climate change assessment methodology	8	Green Partnership, etc.	3
Jun.	Env. Operation’s internal training materials (User’s guide for internalizing NEMS_ISO 14001:2015) - Purpose, organization, and structure of NEMS - NEMS environmental policy revision (Draft) - NEMS process usage sequence	2	Env. Operation	8

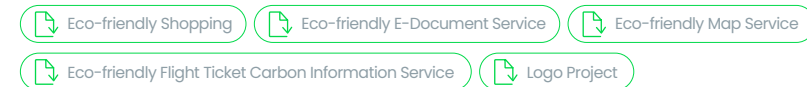
MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

② Future Green Product – Developing Green Products and Service Solutions

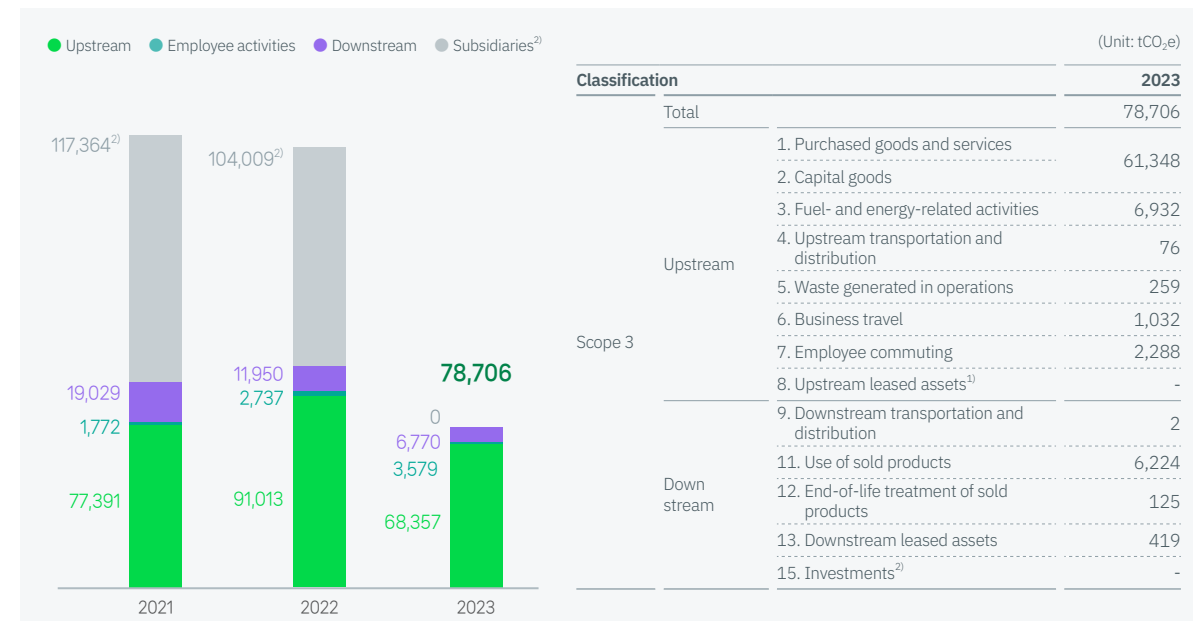
Active efforts to create eco-friendly business opportunities

- Strive to reduce Scope 1 and 2 GHG emissions generated by NAVER's business operations and systematically manage Scope 3 emissions generated by value chain and employee activities
- Seek ways to contribute to the eco-friendly transformation of society as a platform company and consider ways of contributing to the avoided emissions and providing them as services, aiming to calculate the quantitative reduction in carbon emissions
- Achieve the 2040 Carbon Negative and contribute to the transition to a low-carbon society by identifying and enhancing eco-friendly factors in various services provided by NAVER and calculating the amount of carbon reduction accordingly

Major Activities



Scope 3 Emissions



¹⁾ Emissions from warehouses, which were previously calculated under Category 8, are calculated under "1. Purchased goods and services" with a category change.

²⁾ Emissions of subsidiaries, previously calculated under Category 15, are calculated as Scope 1 & 2 emissions of consolidated entities, being excluded from Scope 3 emissions.

Expanding the scope of the internal carbon pricing

- Have been incorporating carbon pricing¹⁾ into major decision-making, such as renewable energy contracts and decarbonization investments, since 2021; and continue to make decarbonization investments such as renewable energy PPA, additional solar power systems installation at workplaces, and promotion of conversion to electric vehicles, etc.

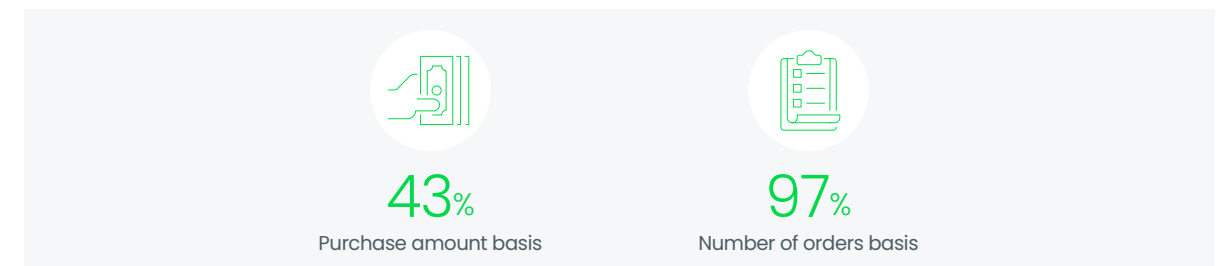
¹⁾ The carbon price applied is assumed to increase linearly each year based on the average price of emissions trading in the previous year.

Key Achievements

- In June 2023, the ICP TF was established to review introducing an internal carbon pricing system for business devices purchased by employees in order to reduce their Scope 3 GHG emissions. This is the result of the ICP TF's activities for one year, and we will consider expanding it in the future.
- The carbon emissions of the internal carbon pricing system for business devices are calculated using official data from the manufacturer's LCA (Carbon Footprint Report) and the Korea Energy Agency's Efficiency Management Equipment System. Thus, the price per ton of carbon is the average price of emissions trading in the previous year as a potential price.
- Through this application, manufacturers can induce improvements in product energy efficiency and a reduction of supply chain emissions by disclosing product environmental reports. For employees, it creates opportunities to explore low-carbon services and a greater awareness on climate change.



Green Purchasing²⁾ Rate in 2023



²⁾ Green purchasing criteria: whether the Sustainable Management Agreement was concluded

MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

CASE STORY

Publication of Product Environmental Reports



- Published the Clova Clock+ Product Environmental Report in 2022, which was followed by the publication of the Clova Clock 3 Product Environmental Report in 2023 with a focus on an analysis of the environmental impacts throughout the life cycle of Clova Clock 3, and distributed the report to client companies



- Aim to lay foundations for improving our products' eco-friendliness through environmental impact analysis



Clova Clock+ Product Environmental Report

③ Green Partnership - Expanding External Partnerships

Building partnerships to spread green values

- Began to actively participate in global environmental initiatives such as RE100, EV100, and CDP by joining them in 2022, in order to improve the related policies and systems
- Engage in partnerships with governments, public institutions, corporations, and private organizations to mitigate the effects of climate change, overcome the water crisis, reduce the use of plastics, and promote eco-friendly values such as the circular economy, etc. from 2023 onward

Key Achievements

April 2023

- With SK Chemicals**, NAVER assisted KNK, a toothbrush manufacturing company, in launching its eco-friendly toothbrush, the 6°C Eco Toothbrush, as the first collaborative venture under the Green Empowering Program, with an aim to help SMEs make the transition to eco-friendly materials.
- Aided design and mold production as well as full promotion through NAVER Shopping, including a special promotion on Earth Day, April 22



July 2023

- With Ministry of Oceans and Fisheries**, NAVER signed an "Agreement for Maritime and Fisheries ESG Cooperation," based on which we are collaborating on marine-related safety information and coastal passenger ship information, as well as promoting various cooperation for ESG development and shared growth. This includes strengthening accessibility to information in the coastal and fisheries fields.



January 2024

- With Presidential Commission on Carbon Neutrality and Green Growth, Ministry of Environment, and Seoul National University**, NAVER signed an "Agreement for Cooperation in Raising Public Awareness and Providing Information on Carbon Neutrality and Green Growth."
- Cooperated to facilitate the access to integrated information provided on the Carbon Neutrality Policy Portal through NAVER search and to improve the convenience of the Carbon Neutrality Point System



March 2024

- With Ministry of Environment, Korea Water Resources Corporation, CDP Korea, Samsung Electronics, SK Hynix, LG Electronics, and POSCO**, NAVER signed an "Agreement on Climate Crisis Response and Water Crisis Solution," to raise awareness on the water crisis caused by climate change among governments, public institutions, corporations and private organizations.
- Initiated a proactive response to the 'Water Positive' initiative, which aims to return more water to nature than is used, and will prepare cooperation plans for future steps through a working council



MANAGING GHG EMISSIONS AND EXPANDING RENEWABLE ENERGY

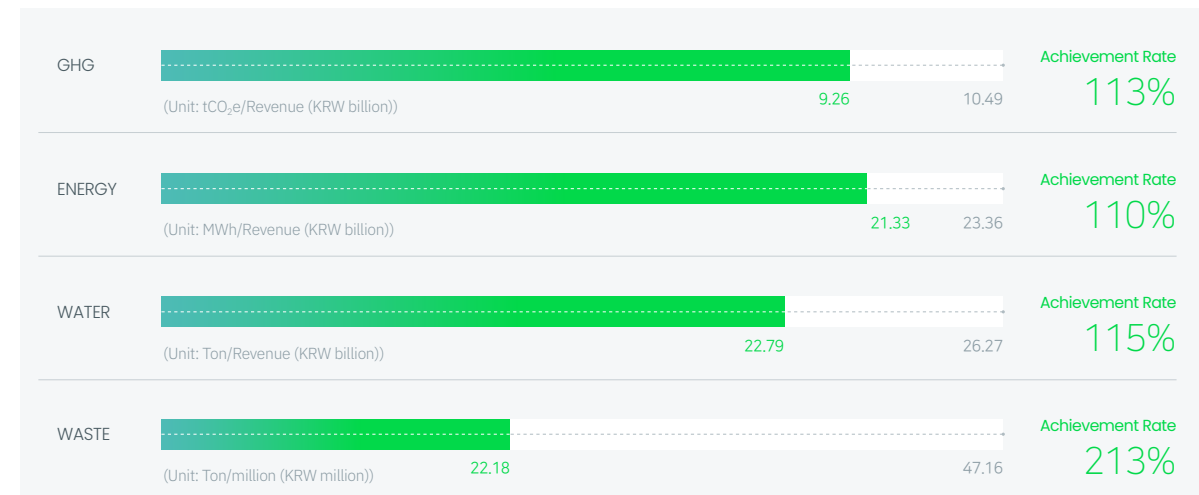
Engagement to create an environment favorable to the use of renewable energy

- Conducted engagement activities aligned with the goals of the Paris Agreement in 2023 and strengthened our partnerships with internal and external stakeholders in order to mitigate climate change risks and create new opportunities
- Promoted policy collaboration with legislators, governments, public institutions and civil society organizations to create a favorable environment for the use of renewable energy, and supported the improvement of policy issues for the use of renewable energy based on the examples and track record of third-party PPAs and direct PPAs signed by NAVER
- Helped other RE100 companies in overcoming the obstacles and meet their challenges by sharing corporate cases related to the procurement of renewable energy through the 8th Climate Action Round Table, and cooperated with the Ministry of Environment, Ministry of Trade, Industry and Energy, Korea Energy Agency, Korea Electric Power Corporation, Korea Power Exchange, and K-water, etc. to improve the policy and system



2023 Targets for Key Environmental Areas and Progress

● Emissions and consumption ● Emissions and consumption targets



CASE STORY

Joining the CREF Membership

- Joined the Corporate Renewable Energy Foundation (CREF) as a special member to participate in engagement activities.
- Currently serving as a Korean partner of the Global RE100 after securing channels for requesting improvements of renewable energy policies and systems; and acting as a user representative in the PPA System Improvement Task Force hosted by Ministry of Trade, Industry and Energy
- Participated in the annual Renewable Energy Matching Forum to secure network and supply chains in the renewable energy industry



Corporate Renewable Energy Foundation

Helping purchasing partners (suppliers) build their capacity to respond to climate change

- Provided programs that can be executed progressively, such as online ESG training, online ESG self-assessment, and ESG consulting, to purchasing partners that are struggling with ESG practices such as calculating their GHG emissions and managing energy information, thereby helping them strengthen capability to respond to climate change and contributing to spreading the ESG management culture

Key Achievements

- Provided education on the ESG values for purchasing partners (suppliers) through the 2023 NAVER Partner's Day, including various climate change education programs such as GHG inventory management and reduction measures, and helped NAVER's purchasing partners to manage and reduce their GHG emissions
- Held one-on-one meetings with all of NAVER's business equipment suppliers and manufacturers to explain the reasons for and impacts of calculating the LCA carbon footprint from the perspective of the full product life cycle, and conducted awareness-raising activities to help partners secure their capability to respond to climate change
- Continued to calculate and disclose Scope 3 GHG emissions and to measure the effectiveness of activities aimed at building partners' capabilities



ENHANCING DATA CENTER ENERGY EFFICIENCY

APPROACH

Data has become an important energy source that drives our society and economy in the digital age. In order to manage data safely and efficiently, NAVER is putting its utmost efforts to ensure that its data centers are built and operated in an eco-friendly manner. NAVER's data centers, GAK Chuncheon and GAK Sejong, are designed to mitigate adverse effects on the environment from the construction phase, while contributing to bring positive impacts on people's well-being and future industries throughout their operations. In particular, NAVER is continuously expanding its use of eco-friendly technologies, such as hybrid cooling system using natural wind, to operate the company's data centers to maximize energy efficiency and create sustainable value for eco-friendly data centers.

2024 KPI

Maximizing energy efficiency during business expansion

- Creating green value alongside the growth of AI- and cloud-based business



Managing data center annual Power Usage Effectiveness (PUE)¹⁾

- Maintaining 1.1 to 1.3

¹⁾ PUE: Power Usage Effectiveness, the ratio of total amount of energy consumption of a data center facility to the energy consumed by IT equipment, it is generally used as a measure of the efficiency of data centers. An ideal PUE is 1.0.



Data Center "GAK Sejong"

- A state-of-the-art data center established in 2023 that is leading the way in the era of generative AI and cloud technology, and is an epitome of the convergence of architecture, technology, operations, people, and robotics.
- A hyperscale data center that stores and utilizes vast amount of data, operates ultra-large-scale AI and future technologies more reliably; furthermore, it is expected to learn even more data through AI technology development, etc.
- Also a green data center that uses and manages energy efficiently while accommodating a variety of platforms and operating infrastructure safely

Key Achievements

HYBRID COOLING SYSTEM

Technology to cool hot server rooms with natural wind

- Cooling technology that resolves server heat is crucial to data centers since rising temperatures in server rooms is a major cause of service failures
- GAK Sejong utilizes "NAMU" (NAVER Air Membrane Unit), an air conditioning system developed in-house, to solve the issue of server-heat generation by natural breeze that dramatically reduces the energy use for cooling.
- NAMU, applied to GAK Sejong, is a third-generation air conditioning facility that reflects more than 10 years of experience and know-how accumulated from GAK Chuncheon, and is a hybrid system that can selectively use direct and indirect outside air depending on the climate environment.



ENERGY RECYCLING

Saving and reusing energy

- Operate as an eco-friendly internet data center (IDC) operations through various energy reuses
- Run "snow melting" system that utilizes warm air (waste heat) generated after cooling the servers in the server room to prevent snow from freezing on the roads inside the data center in winter



RENEWABLE ENERGY

Use of renewable energy

- Secure power from the solar power facilities installed on the IDC buildings as well as utilizing geothermal energy, a renewable energy source, for heating and cooling
- Saved 13,000 MWh of electricity and reduced annual carbon emissions by 6,000 tons by collecting and reusing rainwater as well as the condensate water from server cooling, etc.



ENHANCING DATA CENTER ENERGY EFFICIENCY

Data Center “GAK Chuncheon”

- Established as NAVER’s first data center, GAK Chuncheon is the largest non-metropolitan data center in Korea, with a floor area of 46,850m² (the size of seven football fields) and a capacity of accommodating approximately 100,000 servers.
- The world’s first data center to receive the Platinum certification, the highest level of its kind, in LEED New Construction (NC) 2009, an international green building certification system
- Recognized with Climate WEEK 2016 Ministerial Commendation, Energy Champion Award in 2017, Grand Leaders Award from the Climate Change Center in 2018, and Social Value Creation Award from the Korea Energy Agency

Key Achievements



- Developed and applied AMU (Air Misting Unit) and NAMU, an eco-friendly technology that uses cold air to lower the temperature of the server room, and consistently maintained a PUE that is the closest to 1 among data centers in Korea
- Collect waste heat generated in the server room in the waste heat recovery unit within the server building to operate a snow melting system through special pipes installed under the road to prevent slipping of large cargo vehicles transporting servers in winter
- Store rainwater in a rainwater tank and reuse for landscaping and firefighting, and install solar power generation facilities, resulting in annual power savings of 200 MWh
- Reduced GHG emissions by 10,768 tCO₂e in 2023 by generating electricity from solar energy and utilizing natural air conditioning and cooling



NAVER’s Office Building “1784”

- Completed in 2021, “1784” is a green office building, with LEED Platinum certification, that recycled 98% of the construction waste during construction and sourced approximately 38% of building materials from recycled and local sources

Key Achievements



- Incorporated a variety of energy-saving technologies, including a radiant cooling system, water heat storage system, and high-efficiency lighting system, to reduce projected annual energy costs by 38.1 percent compared to the “ASHRAE standard building model”¹⁾
- Achieved an annual energy use reduction of 12.7% compared to the ASHRAE standard building model by applying an efficient radiant cooling system
- Installed a solar power generation system on the roof of 1784 that generates 186 MWh of renewable energy per year, and a geothermal system 240-meter underground to reduce heating and cooling energy use and maximize the use of renewable energy
- Plan to further maximize the use of renewable energy through self-generation facilities such as solar power and geothermal power, and to expand the transition to renewable energy through Power Purchase Agreements (PPAs) for other energy usage

¹⁾ ASHRAE standard building model (Baseline model): A virtual model that applies general energy-related system and equipment specs based on the ASHRAE 90.1 standard to a building that is identical to the 1784 project. In other words, a virtual model that projects energy use speculating that the 1784 project was completed without considering reduction of energy consumption.

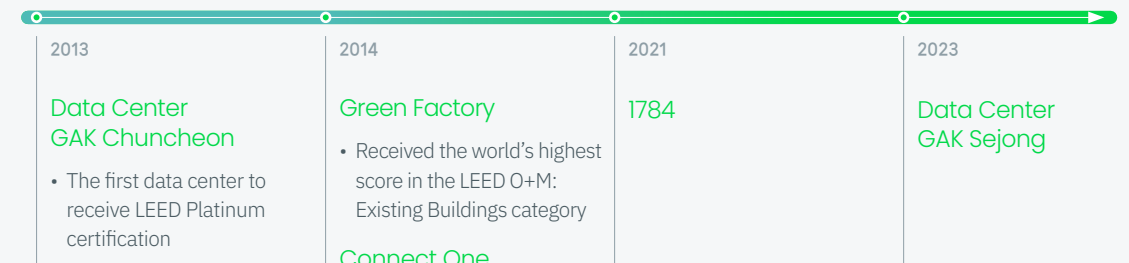
Milestones for Eco-friendly Certifications for NAVER’s Business Sites



LEED
(Eco-friendly Building Certification)
Received the Platinum certification



ISO 14001
(Environmental Management System)
Obtained certification at all business sites



MANAGING WATER RESOURCES AND WASTE IN THE WORKPLACE

APPROACH

Sustainable management requires efficient resource management and active resource circulation in business operation. Particularly, when using natural capital including water, companies must fulfill their economic, environmental, and social responsibilities, which may include legal compliance, efficient resource use, cooperation with local communities, and transparent reporting. NAVER is committed to responsible resource management, focusing on increasing the recycling and reuse of resources. It is making every effort to minimize the environmental impact of the waste that inevitably exists.

2024 KPI

Advancing the resource circulation management system

- Expanding water resources and waste management related information disclosure
- Disclosing water intensity information for the past 3 years



Water Sensitivity of the Catchment Area

- Identified water-resource risk areas associated with NAVER's business sites and managed the company's impact on community water resource sensitivity based on the sensitivity analyses from WRI (World Resources Institute) and WWF (World Wildlife Fund)

Key Achievements

- The water sensitivity level of NAVER's all business sites was analyzed as "Low": NAVER's business sites are located in Seongnam-si, Gyeonggi-do (Green Factory, 1784), Sejong Special Self-Governing City (Data Center GAK SEJONG), and Chuncheon-si, Gangwon-do (Data Center GAK CHUNCHEON, Connect One)
- Introduced various water recycling systems such as water-saving sanitary appliances and gray water treatment systems to conserve water resources
- NAVER 1784 reuses rainwater and graywater by applying a graywater treatment system to the podium and lower floors. Through 1784's water-saving sanitary devices, NAVER reduced annual water usage by 38% compared to the LEED baseline.
- 31% of water consumed at Connect One was provided by reusing rainwater collected from the rooftop and was used for plant watering and using graywater in restrooms



* Results of the global water resource sensitivity analysis presented by WRI and WWF

	Water resource sensitivity level				
	Low	Low-Medium	Medium- High	High	Extremely High
[WRI] Water Risk Atlas	0-1	1-2	2-3	3-4	4-5
NAVER business sites (Seongnam, Sejong, Chuncheon)		√			
	Very Low Risk	Low Risk	Medium Risk	High Risk	Very High Risk
[WWF] Water Risk Filter	1.0-1.8	1.8-2.6	2.6-3.4	3.4-4.2	4.2-5.0
NAVER business sites (Seongnam, Sejong, Chuncheon)			√		



MANAGING WATER RESOURCES AND WASTE IN THE WORKPLACE

Waste Management

- Set eco-friendly practices in the workplace as key waste reduction strategies as the main waste from NAVER was derived from municipal waste generated in office spaces

Key Achievements

- Replaced disposable cups and PET bottles offered at the company cafés with reusable cups to reduce the amount of municipal waste at 1784; and also collaborated with Trashbusters, a startup specializing in reusable container rentals, to collect and clean used cups for reuse
- Introduced AI trash bins that automatically sort PET bottles, cans, and milk cartons in collaboration with an environmental technology startup named SuperBin and collected about 229,000 pieces of waste
- Recycled some of the recyclable waste as construction materials, t-shirts, bags, etc. and the accumulated profits from collecting the recyclables were donated to environmental organizations through NAVER's non-profit foundation, Happybean.



Biodiversity Management

- Never operate on sites where land development is not permitted by law and consider the sustainability of NAVER's business locations to minimize adverse environmental impact deriving from the company's business operation
- GAK Chuncheon, a significant hub in NAVER's business value chain, has safeguarded wildlife, preserved trees, and protected mature trees on site; its environmental impact was validated through comprehensive pre- and post-construction environmental impact assessments.
- In 2023, conducted a survey regarding endangered species in NAVER's business sites based on the Regional Distribution of Endangered Wildlife on the Biodiversity of the Korean Peninsula provided by the National Institute of Biological Resources; and as a result, identified a total of 24 endangered wildlife species living in Chuncheon City, Seongnam City, Sejong City, and Gwangju City
- Will continue to pursue activities focused on biodiversity conservation specific to various ecological environment; and will expand the scope of conservation efforts to nearby areas of business operation and explore ways to reduce adverse ecological impact

Survey on Endangered Species in the Area Where NAVER's Business Sites are Located

Region (City)	Name of Business Locations in the Region	Number of Endangered Species	Name of Endangered Species (level)	Ecology and Nature Grade 1 ¹⁾ and Separate Management Area ²⁾
Chuncheon	GAK Chuncheon, Connect One	- Level 1: 2 - Level 2: 13 - Observed species: 1	Plecotus auratus (2), Strix uralensis (2), Black woodpecker (2), Owl (2), Mergus squamatus (1), Mauremys reevesii (2), Eremias argus (2), Kaloula borealis (2), Pungitius sinensis (2), Gobiobotia brevibarba (2), Copris tripartitus (2), Argynnis nerippe (2), Gwangneung Yogang Flower (1), Paeonia obovata Maxim. (2), Polygonatum stenophyllum Maxim. (Species under observation), Isoetes coreana (2)	N/A
Seongnam	1784, Green Factory	- Level 1: 0 - Level 2: 1 - Observed species: 0	Kaloula borealis (2)	N/A
Sejong	GAK Sejong	- Level 1: 1 - Level 2: 3 - Observed species: 0	Otter (1), Charadrius placidus (2), Pelophylax chosonicus (2), Kaloula borealis (2)	N/A
Gwangju	Partner Square Gwangju	- Level 1: 3 - Level 2: 4 - Observed species: 0	Reddish-black myotis (1), Otter (1), Charadrius placidus (2), Gasterosteus aculeatus (1), Cigaritis takanonis (2), Ceratopteris thalictroides (2), Cyrtosia septentrionalis (2)	N/A

¹⁾ In the Article 34 of the Natural Environment Conservation Act, Grade 1 is defined as areas that are the main habitats of endangered plants and animals; ecosystems that are particularly excellent or have beautiful scenery; ecosystems located at the geographical distribution limits of species, representative major vegetation communities, etc.

²⁾ In the Article 34 of the Natural Environment Conservation Act, Separate Management Area is defined as forest protection zones; natural parks; areas designated as natural monuments; special wildlife protection zones and wildlife protection zones; fishery resource protection zones; wetland protection areas; "Baekdudaegan" protection areas; ecological and landscape conservation areas; and city/provincial ecological and landscape conservation areas.

IDENTIFYING AND PROVIDING ECO-FRIENDLY SERVICES

APPROACH

Within NAVER Shopping's value chain, more than 500,000 platform partners (sellers) and over 20 million consumers stay connected. Through technology and innovation, NAVER supports the production and consumption of eco-friendly products in the digital space it has created. Additionally, to promote conscious consumption for the environment, NAVER is expanding sustainability-oriented e-commerce ecosystem by providing a platform for eco-friendly commerce that connects green brands and green consumers.



2024 KPI

Enhancing user understanding of eco-friendliness

- Strengthening user accessibility to information related to climate change
- Strengthening user accessibility to information related to biodiversity



Reducing carbon emissions through eco-friendly services

- Achieving a reduction of 1,472 tons of carbon through the E-document service



Supporting ESG product promotions by small brands and SMEs within NAVER Shopping



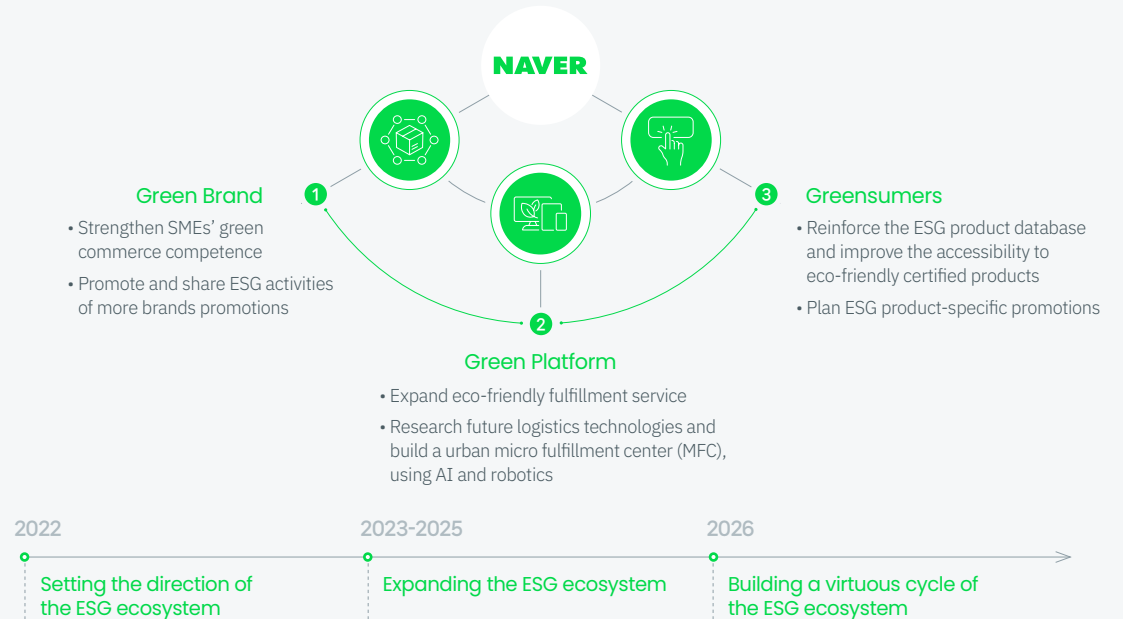
Expanding Eco-friendly E-Commerce Ecosystem

NAVER Green Commerce Strategy

- In 2022, established a green commerce strategy for the environment consisting of three pillars – Green Platform, Green Brand, Green Consumer – and implemented various activities for each pillar
- “Green Platform” refers to NAVER’s objective to introduce and expand eco-friendly logistics services
- “Green Brand” aims at promoting eco-friendly products and ESG-centered activities of small and medium-sized enterprises (SMEs) and strengthening their related capabilities.
- “Green Consumer” supports consumers to browse and shop for eco-friendly and ESG-related products.

The Strategic Direction of Green Commerce

An ecosystem with a virtuous cycle where green brands that produce and sell eco-friendly products and wise green consumers who choose eco-friendly products are connected within a green platform offered by NAVER



IDENTIFYING AND PROVIDING ECO-FRIENDLY SERVICES

A Green Commerce Platform to Connect Brands and Users

Increasing Consumer Access to Green Products

- Provide eco-friendly certification information on the Smart Store Center and product detail pages for consumers to better understand environmental aspect of products and for sellers to leverage eco-friendly certification information as a sales edge
- Offer various certification information about products, such as eco-label, low-carbon, and vegan since 2022; and the range of information further expanded in 2023 adding 10 more international certifications ranging from V-Label (vegan), Carbon Trust (carbon footprint), MSC (sustainable seafood) to FSC (sustainable forestry)
- Hold Green Shopping Week in June since 2022; and have designated the fourth Friday of every month as an Eco-friendly Shopping Day and run the “Green Friday” campaign

Key Achievements



Green Shopping Week

- Held the Green Shopping Week 2023 from June 5 to 11 to celebrate Environment Day; and 16 brands in the beauty, life, living, and fashion sectors, including Belif, toun28, GlassLock, and L'Occitane, introduced new lines of eco-friendly products in collaboration with Line Friends characters to promote sales
- Generated positive results for participating green brands and green consumers, including a 2-fold increase in average daily transaction value and number of new customers compared to usual levels, and a 40-fold increase in Smart Store traffic



Green Friday

- Have been running the Green Friday campaign since June to introduce eco-friendly products from more than 200 SMEs in the food, living, fashion, and beauty sectors, as a way to strengthen SMEs' ESG capabilities and support their growth, in addition to the promotion of ESG activities and products of such brands as Johnson & Johnson, P&G, and Kwangdong Pharmaceutical



Status of Eco-friendly Information Certification

Year	ESG-related certification	Classification	Certification agency	No. of products registered with certification information
2023	Vegan certification	Overseas certification	PETA	172
			V Label	116
			Vegan Society	454
			EVE VEGAN	209
	Seafood certification	Overseas certification	MSC (Sustainable fisheries)	72
	Eco-friendliness certification	Overseas certification	USDA	266
			ECOCERT	131
			FSC (Sustainable forestry)	244
			Carbon Trust	77
	Fair trade certification	Overseas certification	FAIRTRADE	51

Supporting Consumer Brands' ESG Efforts and Enhancing SMEs' ESG Capabilities

- Launched the Green Friday Campaign in 2022 to promote eco-friendly products and ESG activities with the participation of brands such as P&G and various SMEs (214 companies) in the food, living, fashion, and beauty sectors
- Have operated the NAVER Local Marketplace Grocery Delivery service since January 2019, a service that allows customers to order fresh ingredients, side dishes, and snacks from local traditional markets online and have them delivered within two hours or on the same day
- Together with various organizations, supported eco-friendly bags made of 100% biodegradable resin for shops participating in the NAVER Local Marketplace Grocery Delivery service to promote eco-friendly packaging
- Distributed 1.44 million eco-friendly packaging materials (1.28 million bags and 160,000 ice packs) to a total of 111 local markets from 2020 to 2023, enhancing the eco-friendly marketing effectiveness of local marketplace as a short-distance shopping hub that not only gains consumer trust but also contributes to reducing carbon emissions

IDENTIFYING AND PROVIDING ECO-FRIENDLY SERVICES

Green Empowering Program

- Signed an MOU with SK Chemicals in October 2022, to establish a cooperation model to strengthen ESG capabilities of SMEs and launched the Green Empowering Program to support SMEs' transition to eco-friendly materials
- NAVER Smart Store sellers were invited to apply to participate in the program, and more than 500 SMEs showed high interest; with KNK, a toothbrush manufacturer, selected as the first participant, the program's first product, 6°C Eco Toothbrush, was launched in 2023 through NAVER Shopping

Key Achievements



- The 6°C Eco Toothbrush is the first recycled toothbrush in Korea that uses recycled materials certified by the Global Recycled Standard (GRS) for both the bristles and the brush head, reducing the use of petroleum-based plastics by 32%, and has been tested for hazardous ingredients by SGS (Société Générale de Surveillance), an authorized certification organization, to ensure product safety.
- The packaging of the toothbrush is made of eco-friendly paper certified by the Forest Stewardship Council (FSC) and vegetable ink, making it an eco-friendly product that considers the environment from the product to the package.
- Through active promotions such as ESG special exhibitions and introduction to the shopping section of grocery stores, the product received over 100 positive reviews within three weeks of launch.
- The 6°C Eco Toothbrush was highly recognized for its ESG value and quality, and was sold separately as a gift or souvenir within the NAVER 1784 brand store.
- The second product, Bissal, a vegan yogurt made from yeast and rice with eco-friendly PET containers, was launched in July 2023, and the third product, ECO beauty products with eco-friendly containers were launched by vegan beauty brand Monage in September.
- While the Green Powering program ended in 2023, NAVER Shopping will continue to support the three products with promotional events.



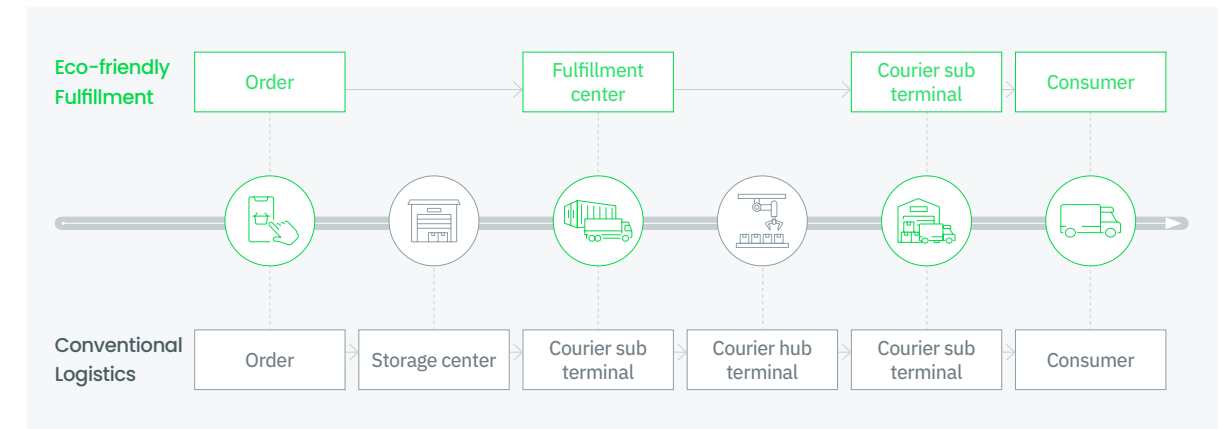
6°C Eco Toothbrush



Bissal

Efforts to Promote Green Logistics Platforms

- Have been partnering with 4PL logistics companies such as CJ Logistics, Fassto and Poomgo, since 2021, to provide eco-friendly fulfillment services
- Reduced the total delivery time as well as the amount of carbon emissions by eliminating the pick-up at the warehouse stage
- Introduced the Guaranteed Delivery Service in November 2022, which predicts the arrival date based on the buyer's address and compensates the buyer with NAVER Pay points if the product does not arrive by the guaranteed date
- Encourage not only brand companies but also smaller-sized Smart Store sellers to use fulfillment logistics services to join onboard to build a competitive edge as well as to reduce carbon emissions
- Signed a business agreement with SK Energy to build an eco-friendly logistics center in the mid- to long-term period, with an aim to build an urban micro fulfillment center in the city center that combines NAVER's AI and robotics technology with future logistics technology using the cloud



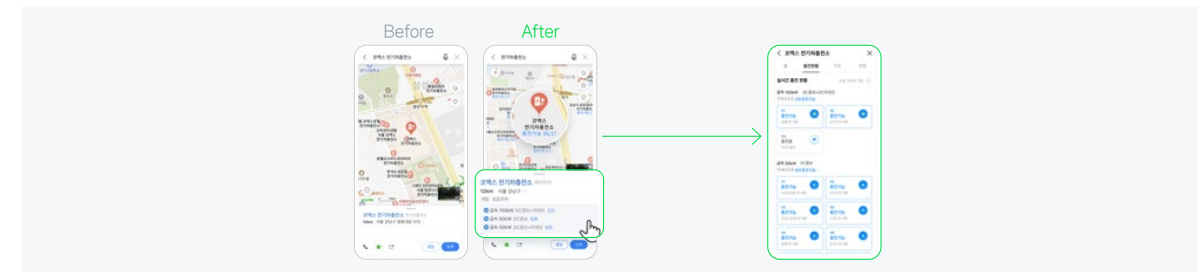
IDENTIFYING AND PROVIDING ECO-FRIENDLY SERVICES

Exploring Business Opportunities of ESG Services

- Actively seek ways to enhance eco-friendliness across all NAVER services and is seeking new business opportunities that can create environmental value
- Contribute to resource savings and carbon emission reductions through E-document service that replaces paper; and strive to provide climate change information on its search platform, and to raise awareness by offering information on EV charging stations through the NAVER Map service and by providing carbon information via flight ticket service

NAVER Map Service

- Provide users with detailed information of electric vehicle charging stations, such as real-time availability, opening status, parking fees, and operating hours
- Make continuous improvements to enhance convenience for everyone: In 2024, a “stairs avoidance” function was added to the existing “walking route” function, allowing users to find routes that avoid stairs in reaching their destinations



NAVER Flight Ticket Carbon Information Service

- Help users choose flights with a lower environmental impact by adding a feature in the flight search to find the carbon footprint of selected flights relative to the average level and filter flights with lower carbon emissions
- Since its launch, an average of 3,000 users per month have used the “lower CO₂ emission” filter to select lower-impact tickets.
- Plan to provide carbon emissions information per passenger, allowing users to see how much carbon they have saved when traveling for business or pleasure

NAVER E-Document Service

- Developed a method to calculate the carbon reduction amount caused by switching to e-documents from papers in 2022 as an accredited e-document intermediary certified by the Ministry of Science and ICT, with an aim to provide trustworthy and eco-friendly e-document services; and conducted third-party verification on the calculation method
- E-documents, which are proven to be secure, stable, and eco-friendly, are adopted by various fields such as public institutions, financial institutions, and private companies, providing e-document experiences to more users.

- By replacing paper bills and notices with mobile e-bills, e-document service contributes to reducing social costs and carbon emissions associated with mail production and delivery while granting convenience to the users.
- In 2023, approximately 140 million paper documents were replaced, which was equivalent to saving approximately 17,000 trees and reducing carbon emissions by 1,472 tons.

Environmental Contribution of E-Document Service

Carbon reductions		1,472 tCO ₂ e
	Paper savings	699 tons ¹⁾
Resource savings		2,790 tons ²⁾
	Tree resource savings from paper reduction	16,776 trees ³⁾
	Water use savings from paper reduction	62,446,195 L ⁴⁾

¹⁾ Based on a single sheet of printed paper weighing 5 grams

²⁾ Paper Calculator Life Cycle Assessment Methodology, Paperwork (4.4 U.S. short tons per 1 Metric ton)

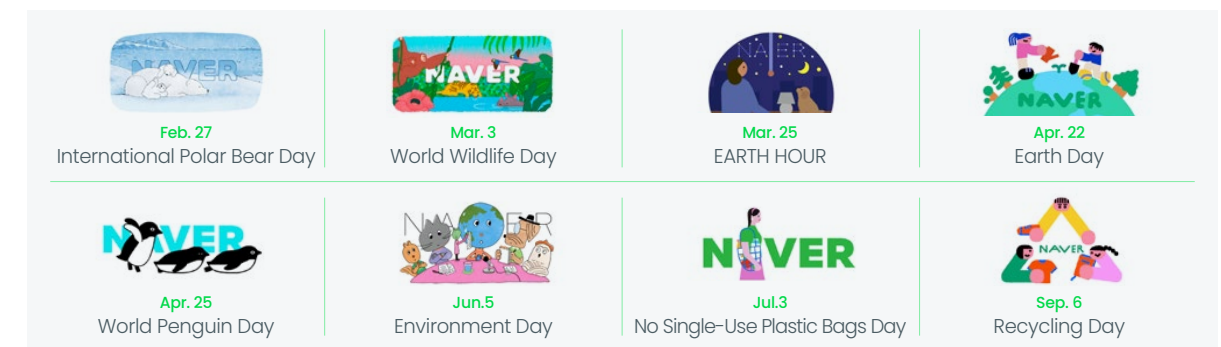
³⁾ Based on a tree 20 cm (6-8 inches) in diameter and 12 meters (20 feet) tall

⁴⁾ Paper Calculator Life Cycle Assessment Methodology, Paperwork (23,600 gallons per 1 Metric ton)

NAVER Logo Project

- Unveiled special logos for 8 different environmental anniversaries in 2023
- The logos provided direct links to detailed information of each anniversary as well as NAVER’s relevant eco-friendly activities in its e-commerce and Happybean (donation) platforms, to encourage users to participate in protecting the environment and mitigating climate change

2023 Special Logos for Environmental Anniversaries



IDENTIFYING AND PROVIDING ECO-FRIENDLY SERVICES

CASE STORY

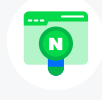
Cooperation to Raise Awareness of Carbon Neutrality and Green Growth



- Signed a MOU with the Presidential Commission on Carbon Neutrality and Green Growth, Ministry of Environment, and Seoul National University to cooperate in raising public awareness and providing information on carbon neutrality and green growth



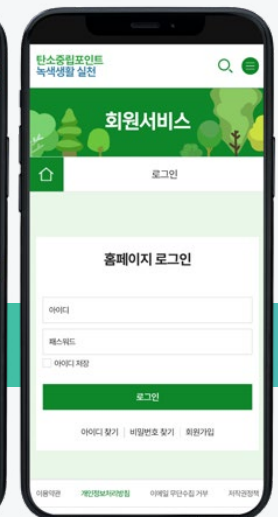
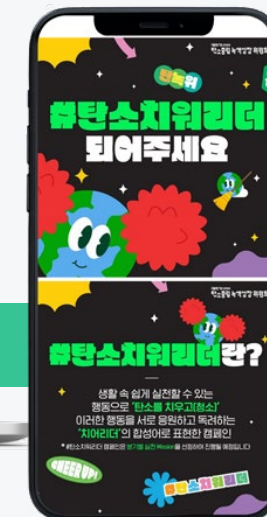
- Cooperated to publicize the National Framework Plan for Carbon Neutrality and Green Growth Basic Plan of Korea through public banners on the main page of NAVER portal for PCs, and informed NAVER users of the carbon neutrality action campaign “Carbon Cheerleaders” to join national efforts to protect the environment and mitigate climate change



- Made information on the Ministry of Environment’s Carbon Neutrality Policy Portal easily accessible through the NAVER search engine to provide users with accurate information on climate change and carbon neutrality



- Will increase user access to both climate change-related information and the discourse on carbon neutrality in various ways, including cooperating to improve user convenience by allowing users to receive “carbon neutrality points” as NAVER Pay points





S

SOCIAL

NAVER strives to create and amplify social value through its technology and platforms. It provides the soil where sustainable growth can sprout and connect our users, SMEs, creators, and employees in the NAVER ecosystem to a larger world through NAVER's services.

EXPANDING TEAM NAVER'S TECHNOLOGY-DRIVEN ESG IMPACT

STRENGTHENING INFORMATION PROTECTION AND CREATING A SAFE INTERNET ECOSYSTEM

ENSURING EMPLOYEE GROWTH AND RESPECTING HUMAN RIGHTS

ACHIEVING MUTUAL GROWTH WITH THE PARTNERS AND CONTRIBUTING TO LOCAL COMMUNITIES



STRENGTHENING TECHNOLOGY ETHICS AND BRIDGING THE INFORMATION GAP

APPROACH

NAVER is developing advanced technologies such as AI, cloud computing, robotics, autonomous driving, and Digital Twin, thereby connecting the world to make our lives more convenient. In particular, amidst the significant wave of change brought by the rise of generative AI, NAVER strives to make AI a beneficial tool in our everyday life, while also pursuing strategies to enhance digital accessibility, ensuring that all users can effectively utilize NAVER's products and services. Furthermore, NAVER is committed to strengthening IT technology ethics and bridging the information divide, ensuring that its next-generation AI technology benefits everyone.



2024 KPI

Establishing and publicly announcing the Team NAVER AI Safety Framework

- Disclosing detailed standards and case studies of AI safety



Disclosing AI safety research results

- Publishing over 10 research papers on advancing AI safety
- Conducting more than 8 educational sessions to bridge the AI information gap in provincial areas



Discovering and spreading AI-driven services for social contribution

- Reaching approximately 50,000 users (across 120 cities, counties, and districts) for social contribution services targeting welfare blind spots



Developing and implementing solutions to ensure accessibility for websites and mobile applications



AI Ethics and Safety Management System

AI Responsibility and Management

- In January 2024, established the “NAVER Future AI Center”, the first organization in Korea’s IT industry dedicated to AI safety research, under the CEO’s direct supervision

Organizational Roles

- Oversee AI safety research and NAVER’s AI ethics policy

Key Responsibilities

- Manage the safety of NAVER’s AI technologies and services, including HyperCLOVA X
- Advance research on AI safety technology (including signing an MOU with the University of Tübingen, Germany for “R&D on Safe and Reliable AI,” conducting joint AI research with the University of Toronto, Canada, etc.)
- Build safety-based datasets and release the source codes

AI Ethics Principles

- Unveiled NAVER’s AI Ethics Principles, anchored by our commitment to making AI technology an everyday tool that anyone can use easily and conveniently

NAVER AI Ethics Principles



NAVER AI Ethics Principles

- Reflected the Principles in the new generative AI services currently under development, unveiled NAVER’s generative AI “CLOVA X” and released the “Guide for Using CLOVA X for People”

Key Contents of the Guide for Using CLOVA X for People

- Present the technical characteristics of AI services and a guide to NAVER’s AI Ethics Principles for utilizing CLOVA X
- Identify, prevent, and mitigate issues that may occur when using CLOVA X services
- Present methods of using the CLOVA X service, including how to interact with the users based on AI ethics



Guide for Using CLOVA X for People

STRENGTHENING TECHNOLOGY ETHICS AND BRIDGING THE INFORMATION GAP

AI Safety Implementation Framework

- Established and publicly announced the NAVER AI Safety Framework (ASF) in June 2024

Team NAVER AI Safety Framework (ASF)

Description

- A framework designed to enable NAVER employees to adhere to NAVER's AI Ethics Principles and practice AI safety in the development and deployment of AI systems in industrial settings
- Establish management-related decision-making structures and collaboration frameworks with external stakeholders for AI safety
- Manage AI safety to address two major concerns surrounding generative AI, in consideration of social and technical contexts, such as diversity

Key Contents

AI Risk Assessment Scale (Loss of Control)

- Examine whether risks may arise as AI systems advance, followed by risk identification, assessment and management

Hyperscale AI

Frontier AI

Future AI

Hyperscale AI system

Highest performing AI system that currently exists or will be developed in the near future

AI system of the future

	Frontier AI	Future AI
Assessment cycle	3 months	Make decisions considering the capabilities of future AI systems
Separate evaluation time based on system capabilities*	Every time the system capabilities increase 6-fold	Make decisions considering the capabilities of future AI systems

* Measuring based on the amount of computing used for AI system training

AI Risk Assessment Matrix (Abuse Risk)

- Identify, assess, and manage risks throughout the entire lifecycle of the AI system based on its intended use and the degree of necessary safety measures.

		Necessity of safety measures	
		Low	High
Target area	General	Low risk AI system Deploy the AI system and manage AI system risks through post-deployment safety monitoring.	AI system with risks Do not deploy the AI system until additional safety measures are implemented to mitigate AI system risks.
	Special	AI system with risks Mitigate AI system risks by providing the AI system to users with special qualifications.	High risk AI system Do not deploy the AI system

Attended the AI Seoul Summit in May 2024, promoting the spread of “responsible development and use of AI” through public announcements

AI Seoul Summit

- Co-hosted by Korea and the UK in Seoul in May 2024 as a follow-up to the inaugural AI Safety Summit held in Bletchley Park, UK in November 2023
- Global tech companies and NAVER attended the Summit to discuss ways to promote innovation, inclusion, and win-win AI development for AI safety
- 14 domestic and overseas AI companies, including NAVER, signed the Seoul AI Business Pledge, a voluntary commitment that overviews the direction that companies will pursue, including AI responsibilities, development, and benefits



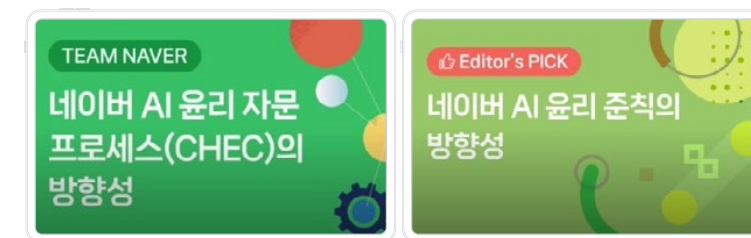
AI Ethics and Safety Improvement

- Have established and operate the NAVER Consultation on Ethical Considerations in Human-Centered AI (CHEC)

Consultation on Human-Centered AI's Ethical Considerations (CHEC)

Goals and Meaning	- AI service risk management process based on the NAVER AI Ethics Code - Address concerns related to AI services from a company-wide perspective and through cooperation with external experts - Add an industrial perspective to NAVER AI services as well as a human-centered value and a social perspective to give them the value of “AI for the people” - Internalize NAVER's AI Ethics Principles to promote corporate culture complying with the Principles by specifying realistic case-based improvement	

- Conducted in-house training for employees to promote compliance with the AI Ethics Principles and embed it in NAVER's corporate culture



STRENGTHENING TECHNOLOGY ETHICS AND BRIDGING THE INFORMATION GAP

Improving AI Information Gap

Knowledge Sharing on AI

- Collaborated with the SNU AI Policy Initiative (SAPI) on AI ethics since 2018 and published the results of the research through the NAVER-SAPI AI Report

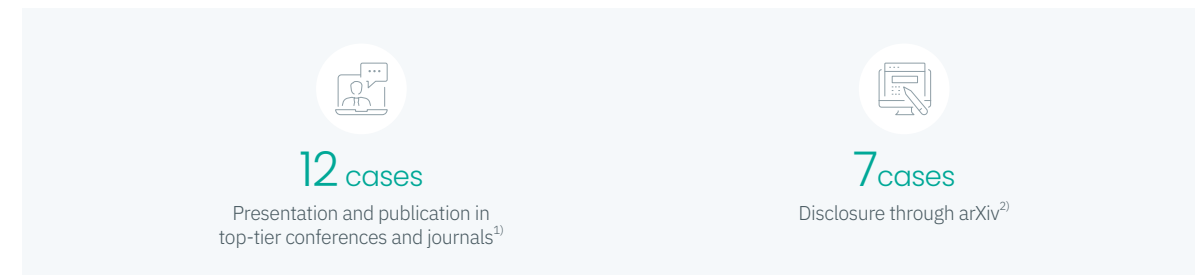
Activities for NAVER-SAPI collaborative knowledge sharing

NAVER-SAPI AI Report	2021: AI for the People, Overview of NAVER's AI Ethics Principles 2022: AI Ethics Case Study – Knowledge Interactive, CLOVA CareCall
Joint seminar (2023)	Hosted a seminar on “Trustworthy Mega AI: Collaboration between Platforms and Startups”

[NAVER-SAPI AI Report](#)

- Published the results of research on the safety and reliability of AI language models, as well as source code data, to create an AI ethics ecosystem

Sharing of Research (Jan. 1 2023 – Mar. 31 2024)



¹⁾ Source code data disclosure (Safety Research in 2023-2024)

- Dataset & Benchmark (10): SQuARe, KoBBQ, KorNAT, and others.
- Evaluation (3): Prometheus, and others.
- Alignment (1): ALMoST
- LLM-security (5): ProPILE, TRAP, SWEET, and others.
- Learning & Inference (1): Critic-Guided Decoding

[Full publication list of NAVER Cloud](#)

²⁾ A paper sharing site operated by Cornell University in the U.S.

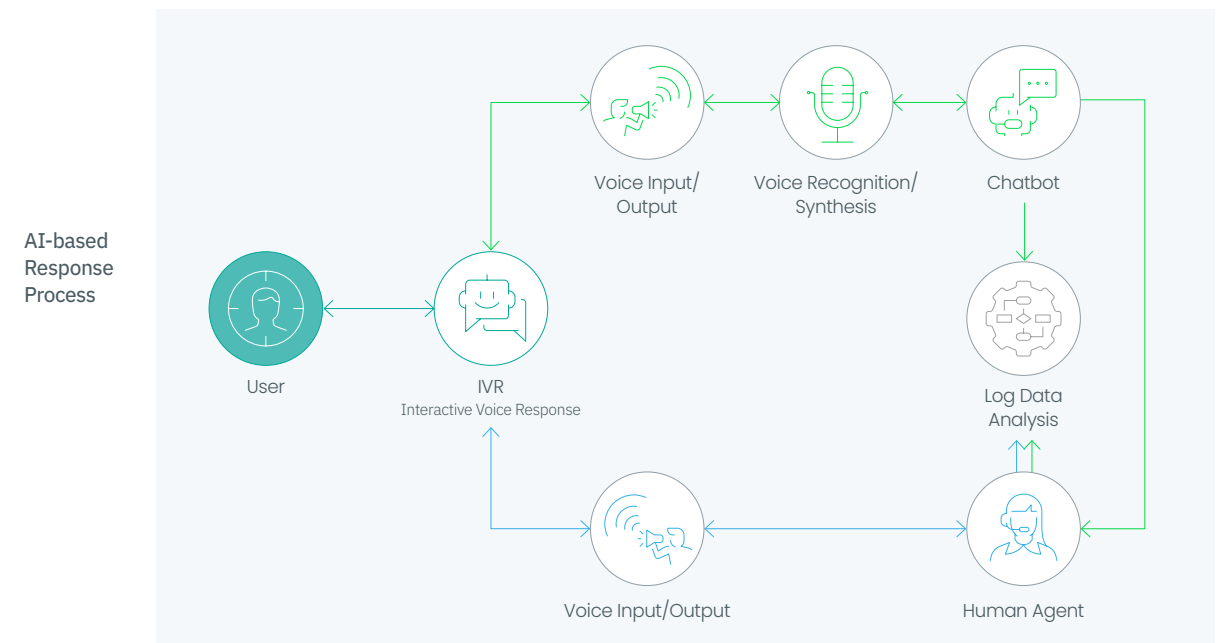
AI Contact Service

- Bridge the gap by providing a range of AI services that can be used as human-centered technology and everyday tools

CLOVA AiCall

Overview	A service involving the construction and operation of customer centers based on AI capabilities
Features	- Can be used by small businesses that have difficulty building a customer center and general corporate customer centers - Can be utilized in various business fields such as customer centers, reservations, customer satisfaction surveys, insurance, investment products, etc.

- Voice from a phone call is converted into real-time text by a speech recognition engine
- The natural language processing engine uses the converted text to understand the user's intent and derive the optimal answer.
- This is then synthesized into a natural voice by a speech synthesis engine and delivered to the user.



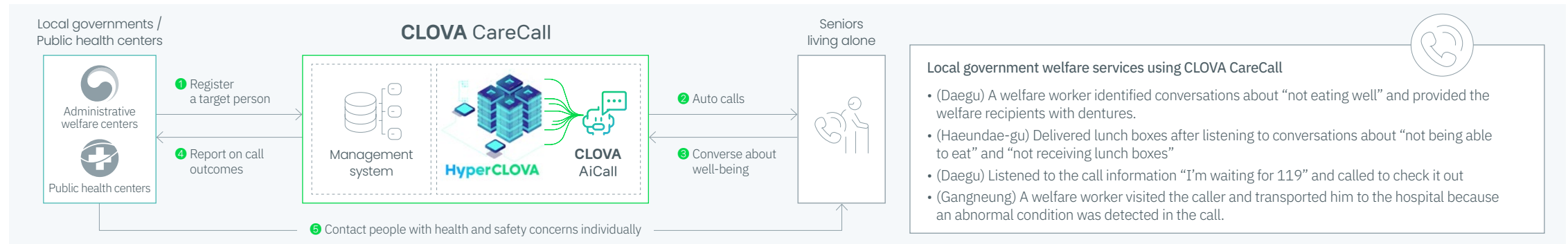
STRENGTHENING TECHNOLOGY ETHICS AND BRIDGING THE INFORMATION GAP

CLOVA CareCall

Overview

- A telephone caregiving service in which an AI specialized in Korean engages in conversations with care recipients on everyday topics to check their health status
- Go beyond preventing lonely deaths among elderly people living alone and middle-aged and older adults by providing emotional care to alleviate depression, thereby managing daily health and identifying areas of social welfare that are not being met

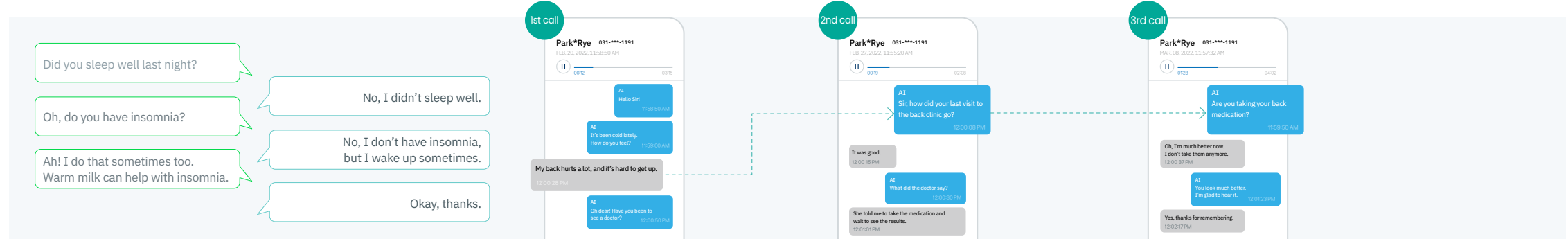
① Partnering with local governments to help identify care recipient health conditions and emergencies



Features

② Add purposes to free conversations to accomplish specific tasks such as disaster announcements and damage checks

③ Provide empathy and emotional care, while remembering previous conversation topics, based on the world’s largest Korean language model



Major Awards

- Jul. 2023: Haeundae-gu won the National Manifesto Competition
- Dec. 2022: Dalseong-gun, Daegu won the County Administration Innovation Grand Prize
- Aug. 2022: Busan City was selected as a Best Innovation Case
- Jun. 2022: Won the Grand Prize at the Human Technology Awards 2022

Key Achievements (As of March 2024)

About **100¹⁾**
No. of organizations
adopting the service

About **17,000**
No. of people
using the service

About **300,000**
Cumulative no. of calls

88%²⁾
Service satisfaction

¹⁾ 80 Administrative & Welfare Centers nationwide, including dementia relief centers in the Seoul and Gyeonggi regions, etc.

²⁾ Average rate of satisfaction based on the surveys of 8 organizations for single elderly and middle-aged people living alone

STRENGTHENING TECHNOLOGY ETHICS AND BRIDGING THE INFORMATION GAP

Digital Accessibility

Accessibility Enhancement Strategy

- Improve digital accessibility and usability so that all users can equally access and utilize the information provided by NAVER's websites and mobile applications, regardless of their specific environment or physical disabilities
- Share accessibility and usability technologies and case studies widely, and apply NAVER's AI technology to services so that it can be used for the benefit of all members of society

4 Principles of Information Accessibility

Easy-to-recognize	Easy-to-use	Easy-to-understand	Robustness
All content must be recognizable by users.	All components of user interface must be easy to use and navigate.	Content must be constructed in a way that enables understanding, irrespective of disability.	Web content must be developed robust enough to be accessed even with future technologies.

Improving Service Accessibility

- Korea's first source code accessibility automated diagnostic solution (AEGiS: Accessibility and Easy diaGnostic Solution)

AEGiS	• Developed a static code pre-accessibility automated diagnostic solution • Identify and resolve accessibility issues from the earliest stages of code development • Share results and achieve improvements through post-accessibility diagnosis using LINK accessibility solutions
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- Korea's first integrated accessibility and usability enterprise accessibility solution (LINK)

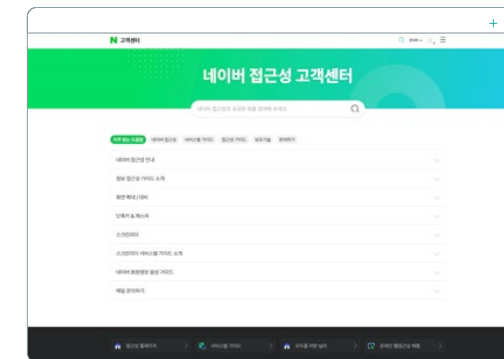
LINK	• Integrated monitoring of company-wide web services and mobile services, automatic and manual diagnosis of accessibility • Processing is conducted from diagnosis to improvement, with the diagnostic results matrix prioritized to enhance convenience. • Continuous accessibility monitoring dashboard for company-wide services
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- Provide guidance on compliance with accessibility standards and solutions

Guideline on Compliance Standards	• Web: KWCA (Korean Web Content Accessibility Guidelines) 2.1-2.2 • Mobile: Mobile Accessibility Guidelines 2.0 standards
Guidance on Solutions	• Provide compliance levels for accessibility items in services through automated and manual diagnosis according to the standards • Provide detailed diagnostic results and issue resolution guides based on the diagnoses

Enhancing Users' Access

- NAVER Accessibility Help Center: Provide channels to address the needs of diverse users and respond to users' inquiries
- NAVER Accessibility Website: Provide guides, software downloads, and video guides for diverse users



NAVER Accessibility Help Center



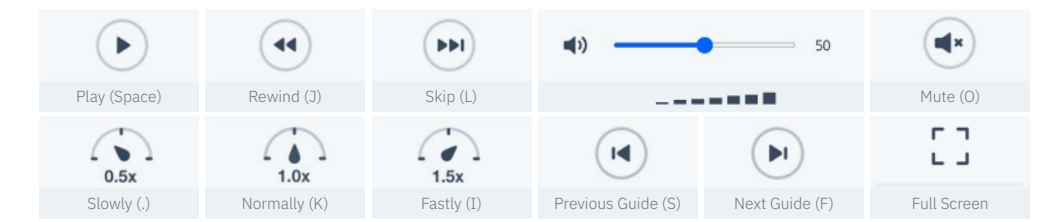
NAVER Accessibility Website

Accessibility Guidelines

- Provide guides for various users, including those who are blind, color blind, or hearing impaired
- Offer accessibility guidelines such as alternative text, subtitles, and operation functions

Accessibility Support Tools

- Provide downloads for accessibility support tools like screen readers, automated accessibility diagnostics, web browser developer tools, and accessibility support apps
- Develop and provide an in-house video player that complies with the accessibility standards



- Strengthen accessibility within service platforms

Accessibility Input Forms within the Service Platform

- Offer user accessibility input forms on service platforms where users upload content (e.g., alternative text input forms for visually impaired users)
- Increase user participation by providing user guides that are easy to understand

STRENGTHENING TECHNOLOGY ETHICS AND BRIDGING THE INFORMATION GAP

Sharing Accessibility-related Technology and Raising Awareness

- Operate NULI, which provides hands-on experience with digital information accessibility, relevant standards and guidelines, training, and development tools

Key Activities of NULI

Development Tools	- Share development tools for accessibility practices with various technologies - Share technological tools for accessibility compliance, including Chart Library Nwagon, WAI-ARIA UI Library, Unused CSS Check Tool, and NUF Dreamweaver Extension plug-in
Seminars	- Launched the annual NULI Seminar in 2012 to share information on accessibility trends and expertise with domestic and international experts, academics, and companies - Held the 11th NULI Seminar on ESG through AI-based Accessibility under the slogan of “The journey towards accessibility for a shared world” in 2023
Educations	- Provide job-specific training (web accessibility, mobile app accessibility, etc.) - Disclose the status of global legislation and standards, and related business cases
Simulations	Provide digital information accessibility experiences to simulate various user environments and situations (e.g., low vision, total blindness, motor impairments, severe motor disabilities)



- Provide company-wide accessibility training customized for each job group at NAVER
- Publish a monthly newsletter to all subsidiaries to share accessibility-related technology and trends

External Cooperation for Accessibility

- Identify and address accessibility issues on the operation system as they affect the accessibility of web and mobile platform services
- Collaborate with and report on accessibility with global companies that have devices and operating systems, including Google, Apple, Samsung, etc.

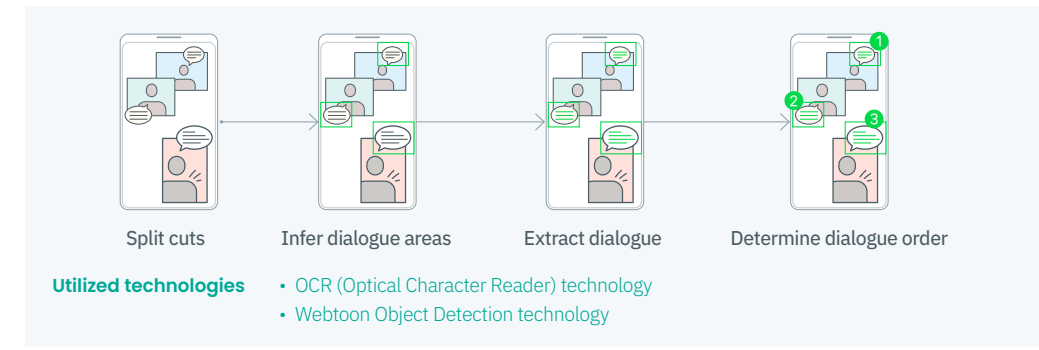
Enhancing Accessibility through AI Technology

- Utilize AI technology to create an environment where anyone can create and enjoy webtoons, regardless of disability or language barriers



- Provide totally blind and visually impaired users with alternative text for webtoon using AI technology
- Webtoon image information → Text conversion → Convert it to auditory information to support webtoon listening

Barrier-free Webtoons

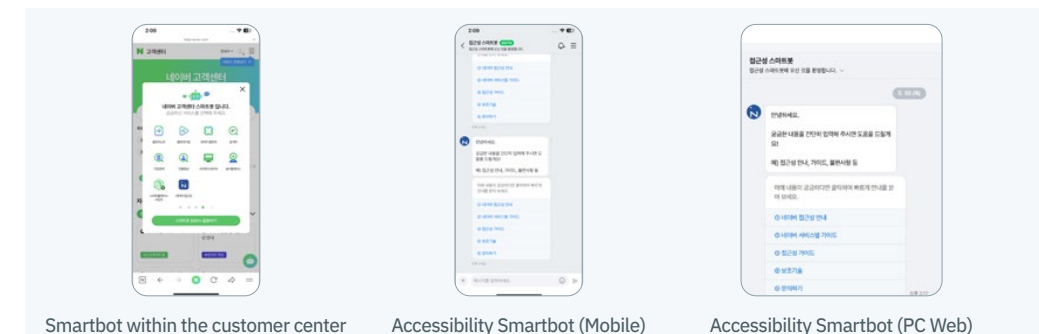


NAVER Accessibility AI Smartbot for All Users



- Use the latest AI technology to design NAVER services to be accessible and convenient for users from diverse backgrounds
- Create an inclusive digital environment with the goal of providing equal opportunities for all users at NAVER
- Provide consultations optimized for users' needs

Accessibility Smartbot



STRENGTHENING TECHNOLOGY ETHICS AND BRIDGING THE INFORMATION GAP

CASE STORY

People with Mobility Challenges, Overcoming “Stairs” Using Technology

Stair Avoidance Routing Service

Overview



- A staircase avoidance route guidance service for users with difficulty using stairs through the NAVER Maps app



- Plan to roll out the service in the first and second halves of the year, and continue to enhance data to improve the suitability and accuracy of routes
 - Plan to apply stair avoidance route guidance for pedestrians in April 2024
 - Plan to implement stair avoidance route guidance for users of public transportation in the second half of 2024, with additional information on avoiding stairs in route guidance, targeting public transportation users

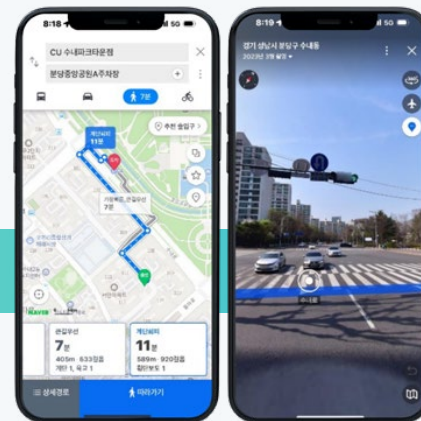
Features



- Focus on “accessibility for all” and increasing accessibility for the mobility impaired: Aim to provide services that are tailored to the needs of pregnant women, elderly people, and disabled persons who use crutches or wheelchairs



- Enable ordinary users to use the service in situations where they need to avoid stairs (e.g., riding an electric scooter, moving heavy luggage or carriers, strollers, etc.)



Making Specialized Knowledge Easily Accessible to Everyone through AI, Using Everyday Language

Knowledge Interactive

Overview



- An interactive search service that utilizes verified sources to allow users to ask conversational questions to find the information they are looking for

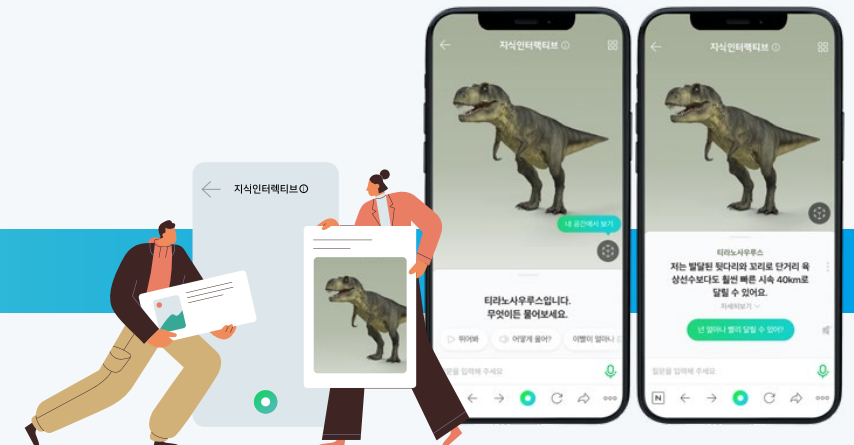
Features



- Organize a variety of information to be viewed at a glance, allowing users to conveniently access information that they would otherwise have to search for manually in encyclopedias, blogs, or “Knowledge iN”



- Combine NAVER AI HyperCLOVA and AiRSEARCH AI technology with further advanced conversational AI models to deliver an evolved form of search that interacts with users, including “talk to the AI, command the 3D model, and bring it to life in AR”



PRIORITIZING USER PROTECTION AND SATISFACTION

APPROACH

As a global technology platform company, NAVER is making concerted efforts to help users around the world enjoy a safe and convenient digital life. It safely manages diverse information and contents generated in the NAVER platform ecosystem, protects users from harmful environments, and provides reliable services. Moving forward, NAVER will continue to prioritize user protection and satisfaction, respond quickly to changes in the external environment and user needs, and thus create a future platform based on innovation.

2024 KPI

Minimizing inconvenience from illegal and harmful content by strengthening user protection

- Decreasing the number of posts reported as spams by 20%
- Decreasing the number of posts reported harmful by 20%



Expanding participation in external initiatives to protect users

- Increasing collaboration with external partners on efforts to create a Green Internet environment



Enhancing the capabilities of employees to strengthen content user protection

- Achieving 100% completion rate of training for staff responsible for managing illegal information

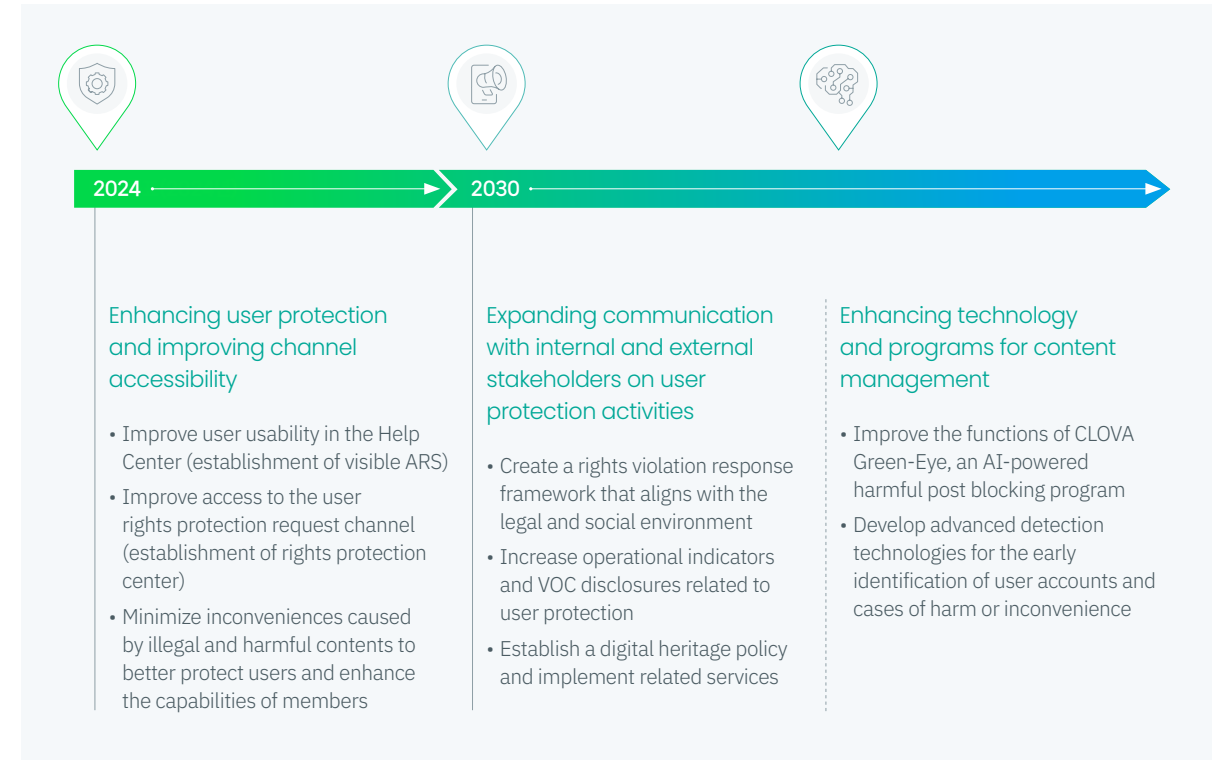


User Protection Management System

Management and Oversight for User Protection

- Designate a Chief Customer Service Officer (CCSO), who reports to the Head of Policy/RM division, to protect users from harmful contents and operational issues and to ensure safe use of the service
- Perform user protection activities based on specific missions and goals related to user protection through a responsible organization under the management of the CCSO
- Carry out user protection activities based on the user protection policy approved by the CCSO and the CEO; share and discuss major activities with the Risk Management Working Group, a company-wide risk management meeting; and report to the Risk Management Committee under the BOD on a regular and irregular basis

ROADMAP



PRIORITIZING USER PROTECTION AND SATISFACTION

User Protection Policy

- Established a user protection operation policy aimed at minimizing the occurrence of user complaints and inconveniences, and addressing grievances; the policy applies the Korea Internet Self-Governance Organization (KISO)'s policy regulations to protect users from low quality services and operational issues
- Operate an independent User Protection and Self-Regulation Committee composed of nine external experts to establish a self-regulation plan and inspection system through which companies can protect users and improve service quality in line with the changing digital environment
- Separated the relevant departments into a committee directly under the executive management to further strengthen the user harm prevention and protection processes, and enhanced the executive management's responsibilities

Green Internet Operation Policy

- Establish policies and guidelines in six areas to create a safe and clean internet environment for user protection

6 Management Items of Green Internet

Blocking pornographic posts - Expanding the application of real-time AI image filtering system of the Green-eye - Operating a dedicated monitoring team and the Emergency Report Center for quick handling	Blocking illegal postings - Operating a 24-hour report center to receive reports of illegal postings, such as illegal photographs - Operating a dedicated monitoring team to quickly block illegal posts - Restricting the exposure of inappropriate search results when users input queries that might be harmful to youth - Protecting users when they search for illegal queries by introducing channels for reporting, counseling, and relief	Protecting children and youths - Blocking harmful posts by referring to internet content rating - Minimizing exposure to harmful posts by children/youths through the age restriction function - Providing professional counseling through connection with counseling organizations, including the Youth Counseling Support Center within Knowledge-iN - Operating a dedicated monitoring team and the Emergency Report Center for quick handling
Protecting copyrights - Operating the Copyright Protection Center to protect the rights and interests of creators - Requesting for protection in advance to prevent illegal distribution of works - Automatic content-blinding for content with copyrights by using database	Protecting personal information - Operating the Privacy Center for management of personal information - Running a personal information protection blog that delivers diverse knowledge about personal information - Operating the Emergency Report Center for quick handling against personal information exposure	Satisfying and protecting users - Improving services based on user experiences, such as user satisfaction surveys and user VOC analysis - Operating a channel to collect voices of users - Expanding distinctive customer services, including smartbots and the Mobile Customer Center - Monitoring and operating a dedicated customer center per service type



Enhancing User Communication and Satisfaction

User Protection Communication Channels

- Transparently disclosed the results of protection activities in line with demands for social responsibility and transparency, with an aim to protect the rights and interests of users; and operate various communication channels to improve satisfaction with the services by improving user inconveniences and complaints
- Minimize user harm by proactively identifying all risk factors that could lead to rights violations and establishing processes to respond to them proactively

Communication Channels for User Protection

NAVER Help Center

- Provide detailed information on the compensation procedures and handling guidelines, the procedures for handling user damages, the dispute mediation process and precautions, and how to report damages to the rights and interests of users
- Receive and respond to user inquiries, comments, suggestions for feature improvements, and complaints on a 24/7 basis



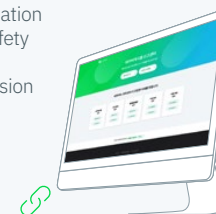
NAVER Rights Protection Center

- Established to protect user rights by integrating the Shopping & Intellectual Property Report Center, the Takedown Service, and the Copyright Protection Center
- A one-stop reporting channel that allows users to report infringing contents regardless of the type of infringement, through which users can register and manage their rights and protect themselves



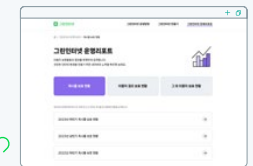
NAVER Content Reporting Center

- Enable users to view various types of reporting channels at a glance to report contents involving harmful content, rights violations, illegal recordings, false information, and impersonation damages
- Introduced additional channels for reporting deepfake and false information in 2024 in order to ensure digital safety by restricting harmful content while protecting users' freedom of expression and intellectual property rights



Green Internet Portal

- Disclose NAVER's efforts to promote a healthy internet environment, including our operating policies, proactive measures, monitoring systems, and departments responsible for handling reports
- Green Internet Report: Disclose actions taken to block harmful contents and protect users, both through internal monitoring and in response to external requests



PRIORITIZING USER PROTECTION AND SATISFACTION

User VOC Handling

- Take a multifaceted approach to responding to voice of customers (VOCs)

User Care Activities



User communication channels

- Operate a customer center that is accessible anywhere in PC and mobile environments
- Run communication channels such as chat counseling and smartbot counseling that incorporates AI technology
- Enhance user convenience by providing a service that allows users to search for related content on the NAVER portal and get help immediately without visiting the customer center page



User claims and complaints CS system

- Establish a quick detection and dissemination system to ensure a rapid response to the claims and complaints CS, such as user complaints and reports of problems
- Reorganize the communication system for user inquiries between the customer center and the service departments to ensure a quick response to user inquiries



Inspection and improvement

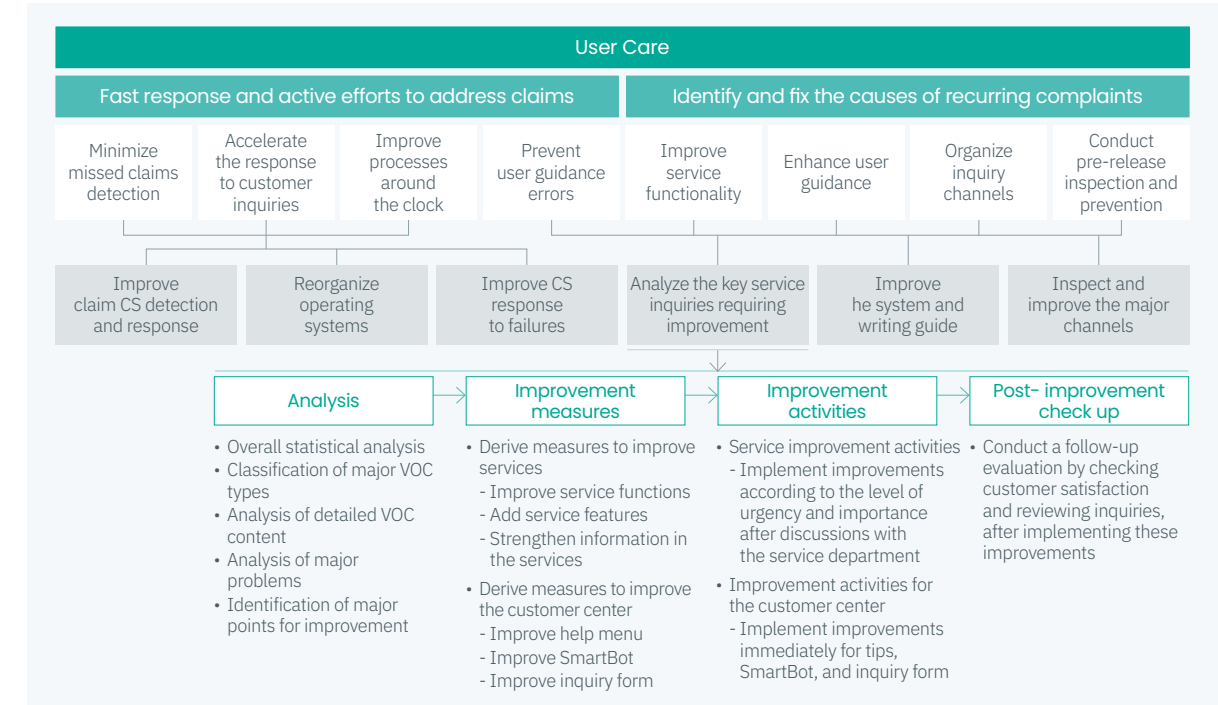
- Identify abnormal signs based on real-time monitoring of VOC data and make improvements with the dedicated departments
- Analyze user inquiries to identify key issues, and work with dedicated service departments to secure rapid improvements
- Minimize user inconvenience through collaboration between service representatives and customer center representatives



User guidance

- Improve the templates, design guides, and systems used in email notifications to enhance readability

User Care Process



Status of User's VOC Management

- Earned an "Excellent" rating in the User Protection Task Evaluation organized by the Korea Communications Commission (KCC) in 2022 and 2023 in recognition of the performance of user protection activities based on active communication

Classification		2021	2022	2023
User satisfaction survey	KCC's User Protection Task Evaluation	Good	Excellent	Excellent
	No. of VOCs received ¹⁾	3,458,497	3,168,294	3,200,657
User VOC management	No. of VOCs handled	3,288,039	2,992,985	3,137,958
	VOC handling rate	95.1%	94.5%	98.0%

¹⁾ Including simple inquiries and suggestions in addition to the user inconveniences and complaints received at the NAVER Customer Center

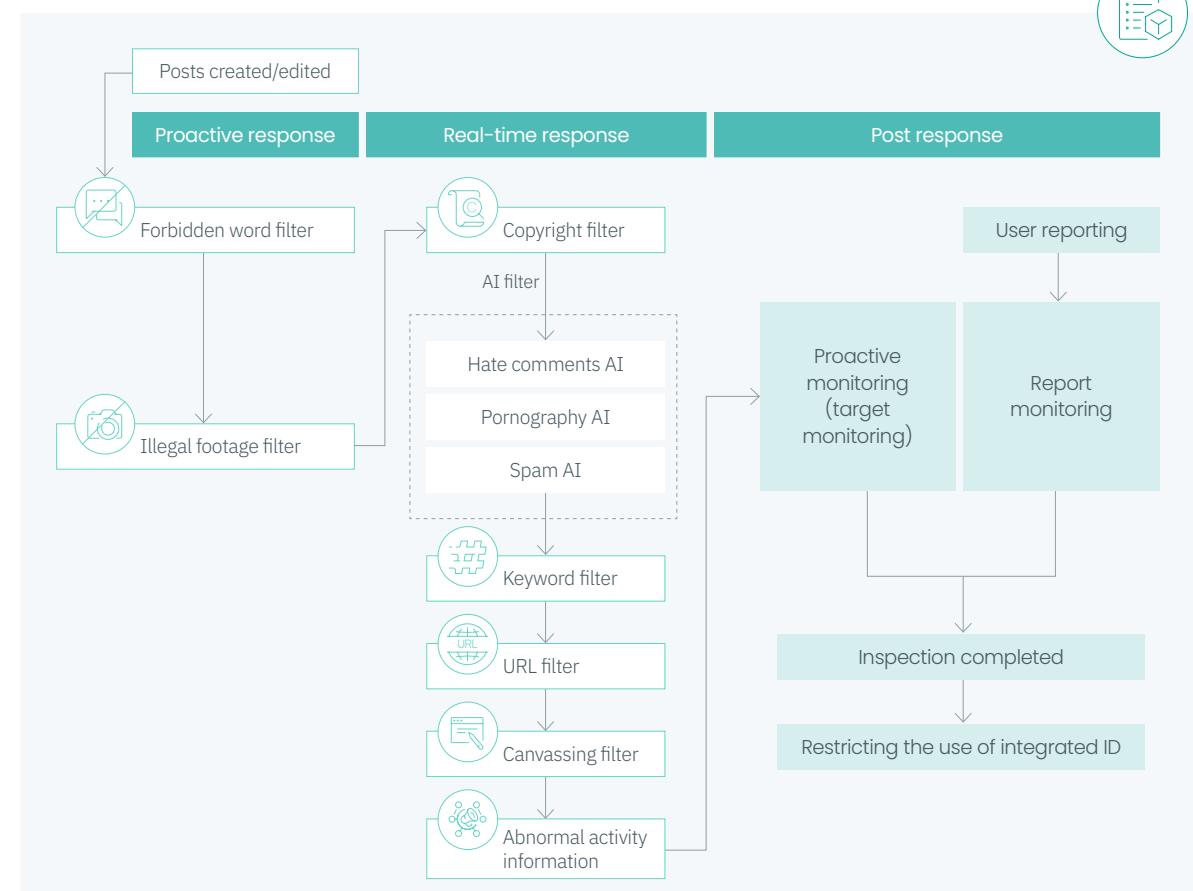
PRIORITIZING USER PROTECTION AND SATISFACTION

Service Content Management and Oversight

Integrated Monitoring System for Service Content (uMon)

- Established an integrated monitoring system for managing and inspecting user-generated contents (UGC) in order to protect users from harmful posts, such as by preventing the distribution of illegal filming and blocking malicious comments; and operate it across all services provided by NAVER

UGC Monitoring Process



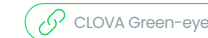
AI Technology-based Content Management

- Continued collaboration with the Korea Communications Commission (KCC) to upgrade the related technologies, including the introduction of a DNA filtering system based on KCC's specialized technology (for illegal filming, etc.); and made continuous efforts to improve NAVER's AI technology for blocking illegal, harmful contents
- Expanded coverage of harmful posts in 2023 and improved technology to address malicious comments proactively

CLOVA Green-eye

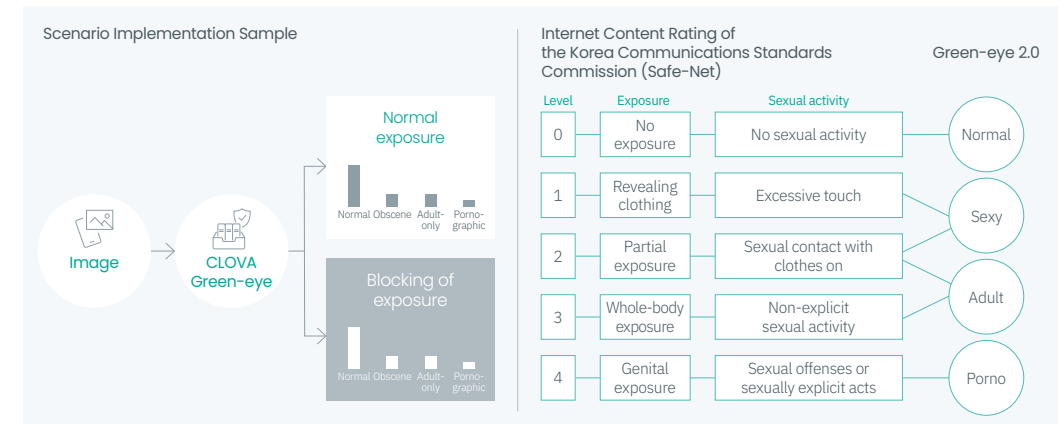
Overview

- A service that uses an image analysis solution based on CLOVA AI technology to determine the harmfulness of images



- Automation of the model update process through connection with uMon¹⁾, and constant updates to increase the accuracy and ease of proactive pornography blocking
- Disclose the service externally through the NAVER cloud platform as an open API so that it can be used by startups or organizations that lack technical skills

Features



- Proactively blocked 99% of illegal and harmful content (pornography)
- Expanded blocking coverage for harmful posts in 2023 to significantly reduce illegal product sales in cafes

Achievements

2017	2021	2022	2023
Released X-eye1.0	Released X-eye 2.0. * Improved accuracy compared to Ver. 1.0 (99% → 99.5%)	Rebranded X-eye as "Green-eye" Open API	Expanded coverage Filtered illegal products

¹⁾ uMon: An integrated monitoring system that comprehensively manages and inspects user-generated contents (UGC)

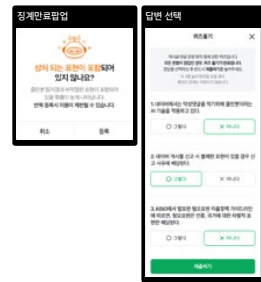
PRIORITIZING USER PROTECTION AND SATISFACTION

AI CleanBot

Overview

- A malicious comment blocking program that uses AI technology to filter out profanities, sexual language, and other hateful language
- Expanded AI CleanBot's filtering coverage to launch a specialized model for hate, degradation, and discrimination
- Applied AI CleanBot to "Cheer Talk" and "Player Talk" in sports services to respond actively to malicious comments
- Introduced a feature to block comments by users who post malicious comments
- Implemented an automatic disciplinary process to block users who habitually make malicious comments in 2023. In order to lift the discipline, users are required to solve a quiz related to the issue.

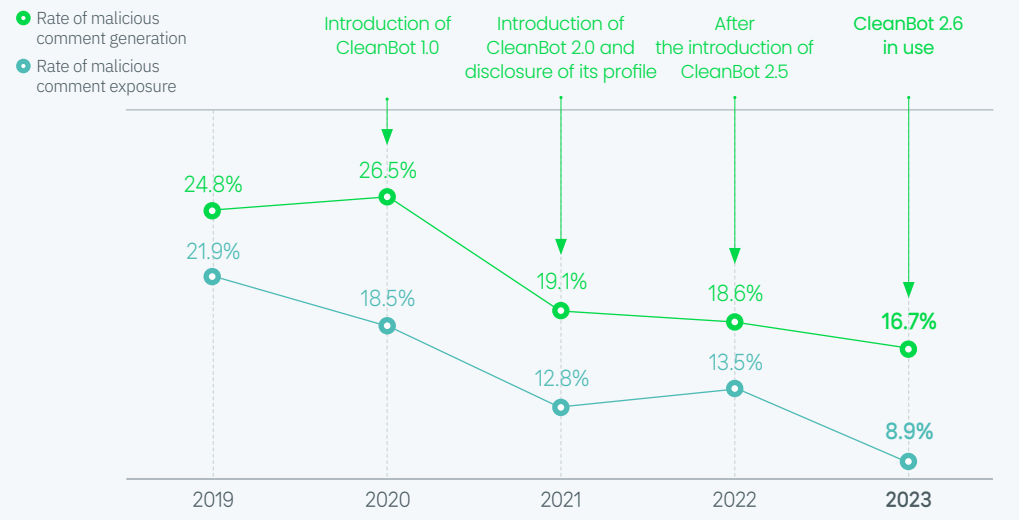
Features



Automatic disciplinary action process –
Example of the quiz screen for lifting a disciplinary action

- Effect of introducing AI CleanBot to eliminate online hate speech

Achievements

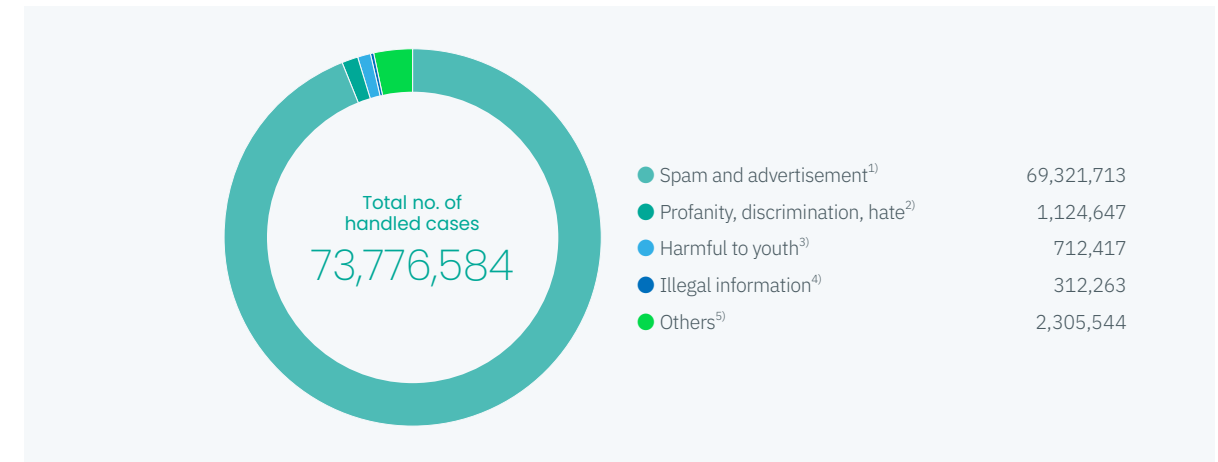


Service Content Management Status

- Operate various AI systems to promptly detect and automatically handle posts that violate its operational policies, while dedicated personnel conduct thorough reviews and take further remedial actions.

Post Protection Status (By operation policy violation type)

(Unit: Case)



¹⁾ Posts with spam or unconsented advertisement that undermine the stability of NAVER's services

²⁾ Posts containing expressions of hatred or contents that incite hatred

³⁾ Posts containing obscene, sexual or violent contents or contents that incite feelings of hatred

⁴⁾ containing harmful or dangerous contents, or attempts to sell prohibited items

⁵⁾ Other posts containing contents that violate operational policies

- Transparently disclose the handling of illegal harmful contents and the protection of user rights, efforts to prevent illegal filming, and other related matters

Report on the obligation to prevent the distribution of illegal filming materials

PRIORITIZING USER PROTECTION AND SATISFACTION

Strengthening the Capacity to Manage Illegal and Harmful Contents

- Provide regular training for staff in charge of monitoring illegal harmful information

Job Training for Staff in Charge

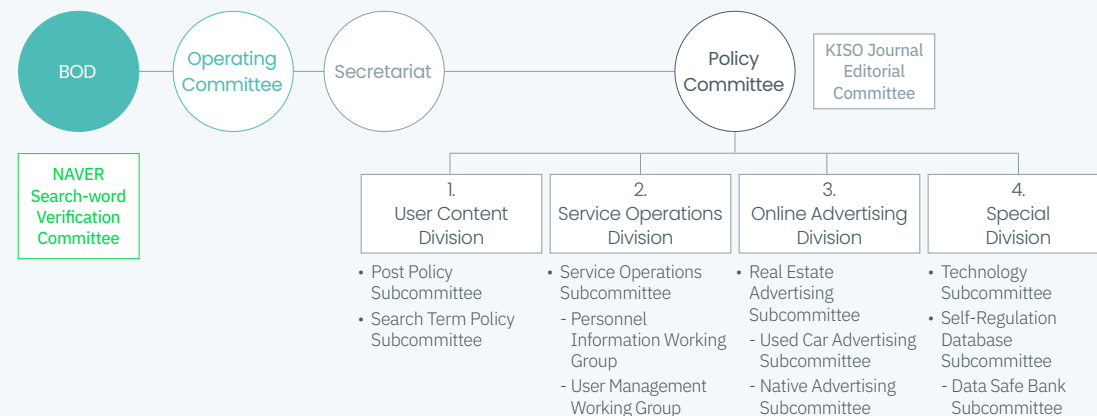
		(Unit: Hour)	
Training type	2023	Training type	2023
Images/videos (Green-eye)	299	Cafe/Blog Metadata Inspection	252
Cafes/blogs/posts	1,116	Contents	502
Knowledge-iN	260	Search results & search terms	263
Note	21	News comments	262

- Participating in the illegal and harmful information industry initiative

Korea Internet Self-Governance Organization (KISO)

- An organization voluntarily established by search portal companies, including NAVER, in 2009 in order to self-regulate the internet
- Regular meetings are attended by NAVER, Kakao, and KISO to discuss unsuitable search terms and queries made by young people, etc.

KISO Organization Chart



CASE STORY

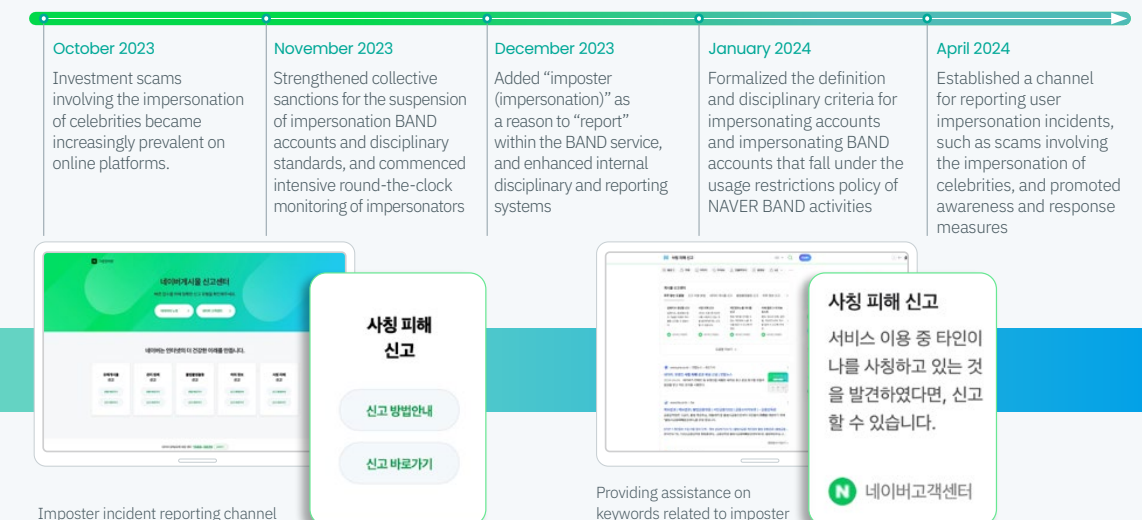
Establishment of a Channel for Reporting Imposter

- Have implemented the most robust proactive measures in the platform industry within NAVER services to minimize imposter scam related damages, such as those involving the impersonation of celebrities or financial experts in an attempt to defraud investments

Preemptive and Proactive Activities against Impersonation Scams

- If imposter reports are received, action will be taken within 24 hours, while, for cases involving the impersonation of celebrities, immediate action will be taken after verifying the identity of the individual.
- Provide detailed guidance on methods of reporting through the customer service center; and display customer center guidance the top of the search results, when searching for keywords related to impersonation, to enhance accessibility
- Develop and implement AI technology for the swift detection and taking of action against posts that violate community guidelines
- Identify the patterns of cases flowing into the community platform BAND via overseas platforms; and improve the reporting procedures and disciplinary measures in order to minimize user harm

Response Timeline



CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

APPROACH

As a global ICT company, NAVER is committed to delivering secure and trustworthy services, placing utmost importance on safeguarding users' personal data and privacy while adhering to laws and regulations at home and abroad. NAVER's ongoing efforts include bolstering its data protection prowess, recognizing it as a key global asset, and actively contributing to the advancement of a secure digital landscape through innovative research and technology development. NAVER remains steadfast in its mission to cultivate a safe internet ecosystem in the age of data-driven economies.

2024 KPI

Contributing to improving security across the IT industry

- Disclosing and sharing more than 2 open-source information security technologies
- Publishing a whitepaper on data protection security publicly



Strengthening user protection technology

- Advancing and automating the detection of phishing sites on NAVER search platform
- Integrating safe browsing services to at least 2 services



Enhancing user data protection awareness

- Conducting information protection campaigns for users once a year
- Sharing at least 5 new phishing patterns

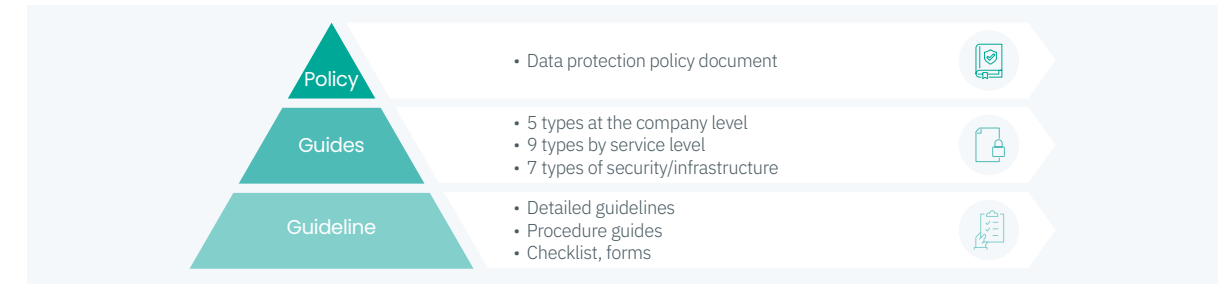


Information Security & Privacy Protection Management System

Information Protection Policy

- Established a top-level information protection policy to ensure the confidentiality, impeccability, and availability of information assets; and organized and operated detailed instructions and guidelines
- In principle, the information protection policy system of affiliates and related companies is applied and operated identically to NAVER's information protection policy system.
- Held 10 information protection policy meetings in 2023 with subsidiaries to continuously improve their information protection policies

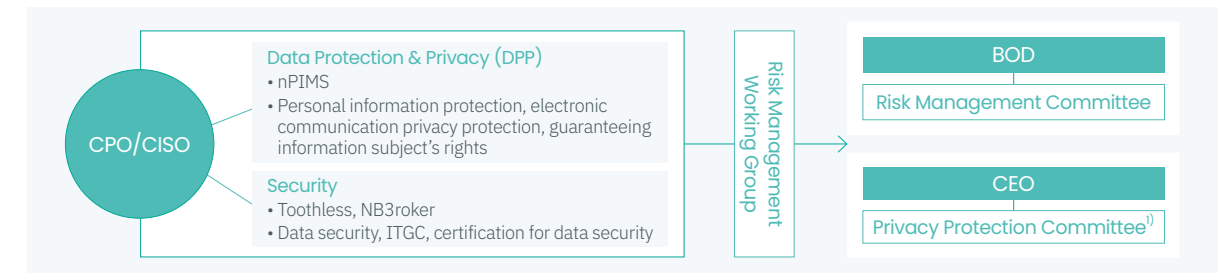
NAVER Data Protection Policy System



Management and Oversight

- The Chief Privacy Officer (CPO) also serves as the Chief Information Security Officer (CISO), managing the company's information protection and privacy risks enterprise-wide, and conducts management and oversight at the highest governance level, the BOD and executive management.

Management and Oversight System



¹⁾ Managing organization-wide personal data protection risks from various perspectives as a CEO-led committee including key executives

CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

- The CPO/CISO, an executive officer in charge of personal information protection and data protection, meets legal qualifications and is appointed based on a combination of work experience, skills, certifications, and education in the field of personal information protection.

NAVER CISO/CPO (Unregistered executive)

Roles and Responsibilities	- Oversee information protection work including the company and related companies - Handle incidents and present countermeasures in case of security incidents - Establish close business cooperation with other departments, including affiliated companies - Participate in other committees and coordinate opinions for decision-making related to information protection
CISO's Major Activities	- Vice Chairman, Korea Council of Chief Information Security Officers - Member of the Public Data Release and Utilization Subcommittee, Open Data Strategy Committee (2024-) - Member of the Public Data Dispute Mediation Committee, Ministry of the Interior and Safety (2022-) - Member of the Intelligent Data Law System Forum, National Information Society Agency (2020-) - Member of the Financial Data Forum, Korea Credit Information Service (2020-) - Member of the Digital Government Private Cooperation Committee, Ministry of the Interior and Safety
CPO's Major Activities	- Member of the R&D Project Review Committee, Personal Information Protection Commission - Member of the Personal Information Technology Forum, Personal Information Protection Commission - Member of the Privacy Policy Advisory Group, Korea Internet & Security Agency - Advisor of the Personal Information Protection Utilization Statistics Survey - Policy/Research Commission Member, Personal Information Protection Commission

- The CPO/CISO reports to the BOD through the Risk Management Working Group on the results of work on key issues related to information protection and data protection.

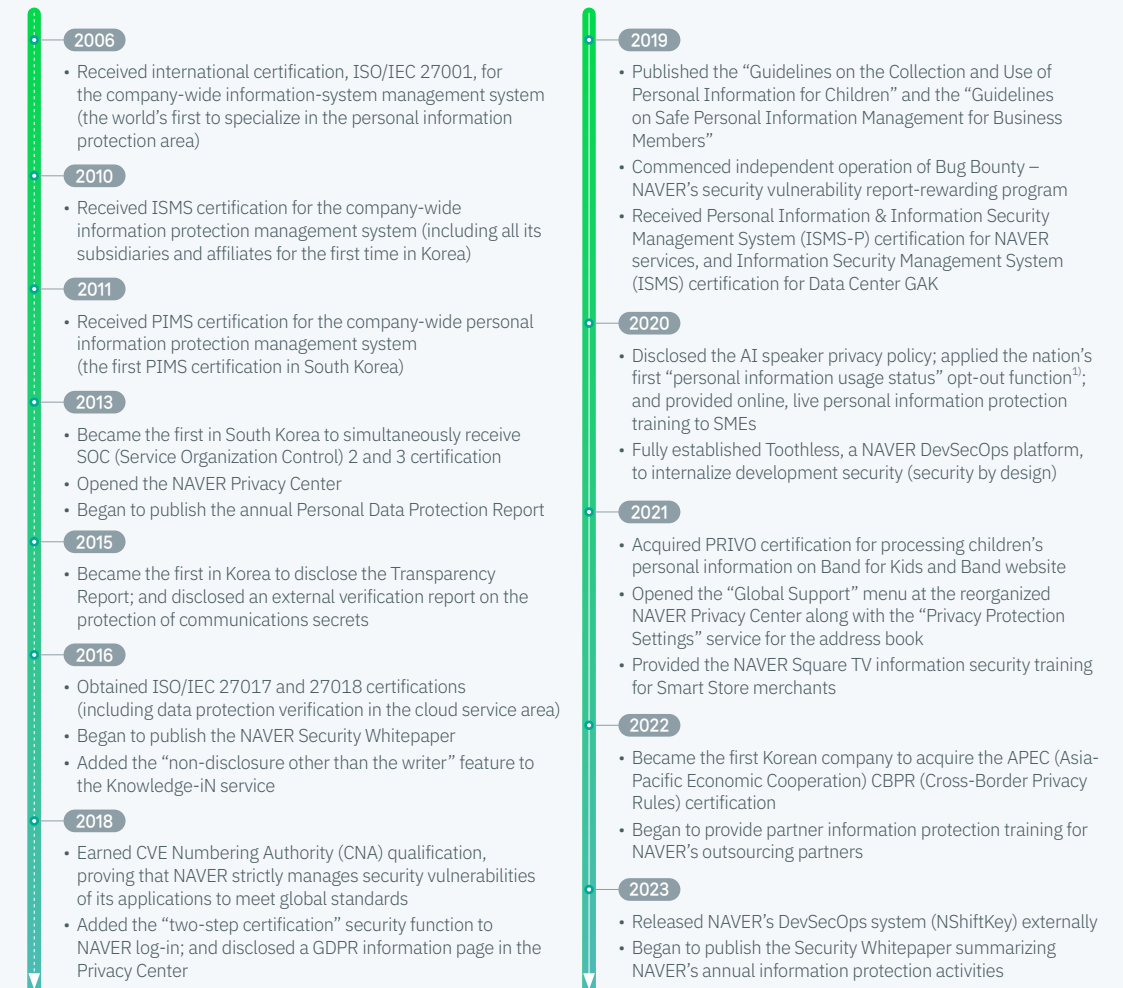
Highlights of the Risk Management Working Group's BOD Reports in 2023 (10 items)

- Results of the internal status check on personal information protection at the Healthcare Research Institute (in-house hospital)
- Upgrading the management system for location information usage confirmation data
- Results of internal status check on safety measures for unique identification information (resident registration number, etc.)



NAVER's Data Protection History

Key Events



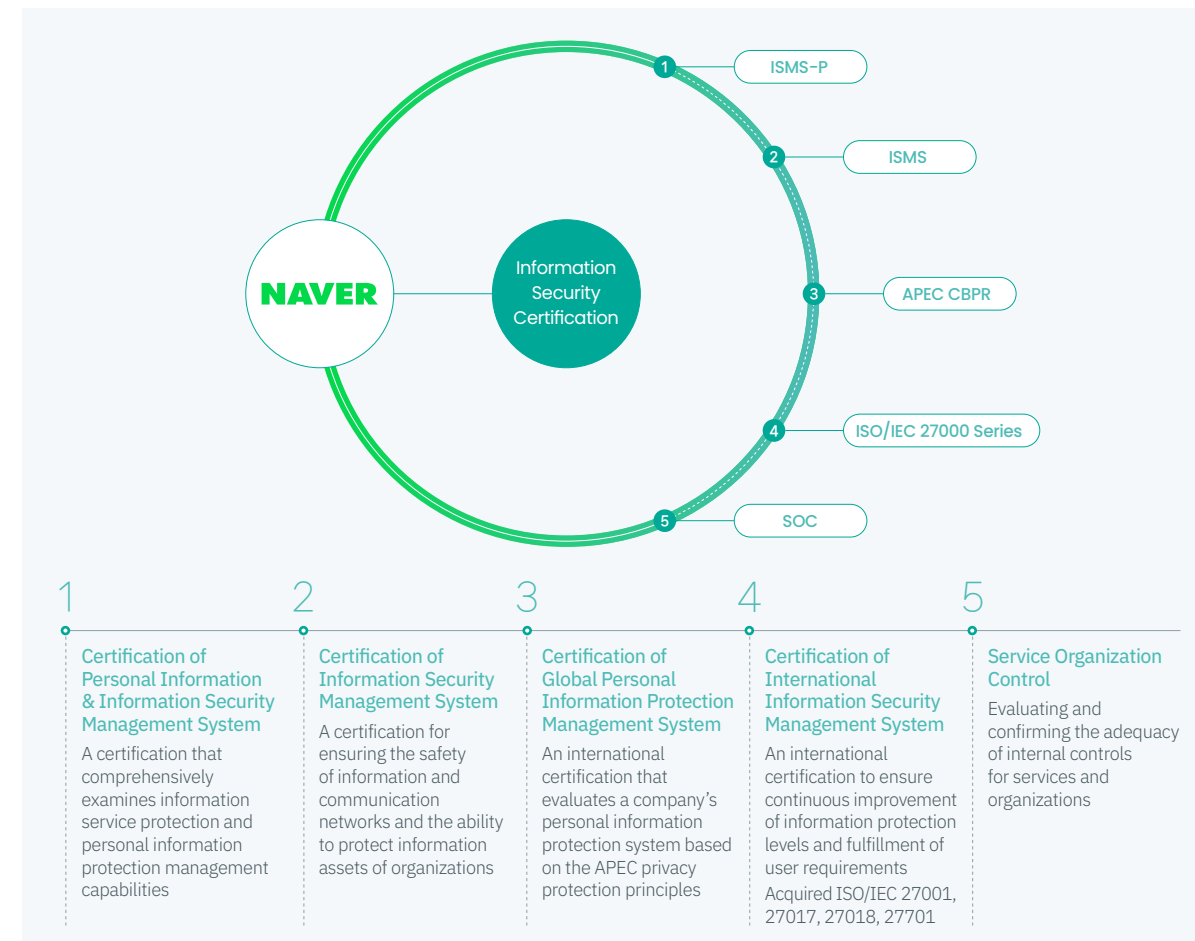
¹⁾ Opt-out function: A method of information processing that stops information collection when a data subject explicitly opposes the collection of his/her personal information

CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

Information Security Certifications

- Verify the stability of NAVER's services and the reliability of its operating systems on a regular basis through authoritative information security certifications at home and abroad

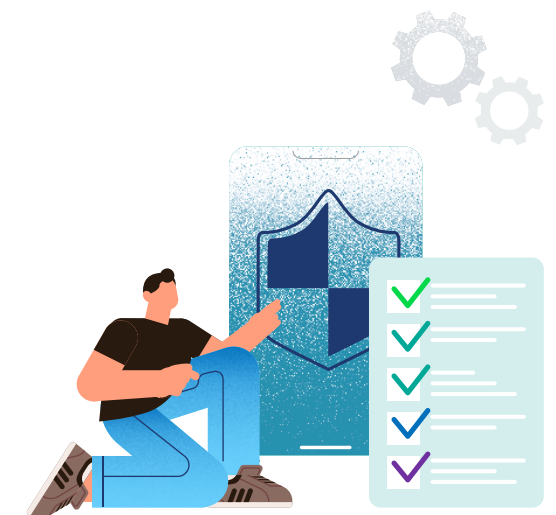
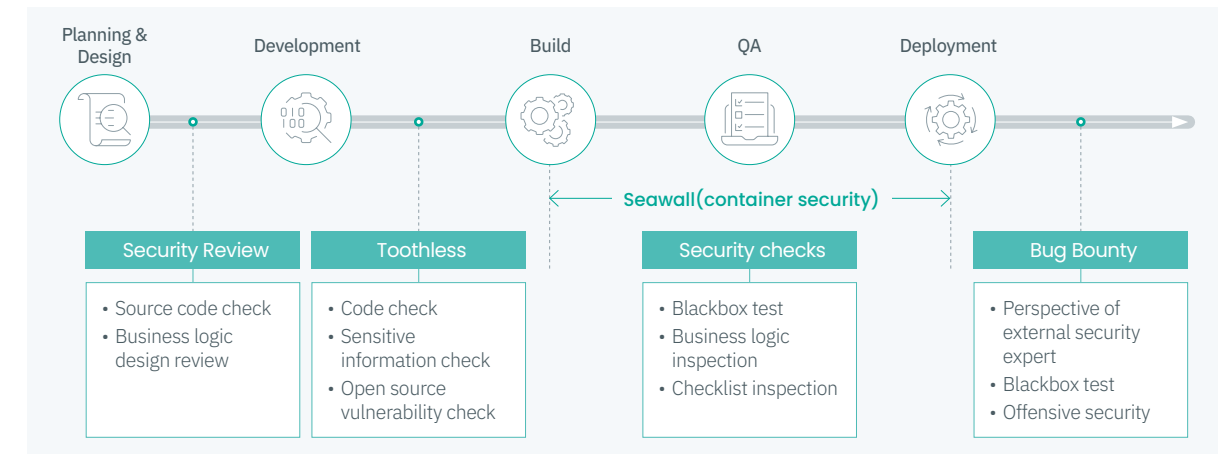
NAVER Information Security Certification



Service Security Activities

Service Security Check Process

- Conduct security checks required for services at all stages of service planning, design, development, and launch to ensure the safe operation of services



CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

Managing Service Security

- Strive to minimize the occurrence of security vulnerabilities from the service planning, design, and development stages through the “Let’s Shift Left” security strategy, to respond to various security threats; and take prompt improvement measures for any security vulnerabilities that have occurred
- Developed and operate a source code repository-based DevSecOps (Development, Security, Operations) support system

NAVER DevSecOps: Toothless

Overview	• A support system for seamless collaboration that enables service planning, design security review procedures, and automated code security reviews of deliverables with minimal developer intervention • Mandatory company-wide application of Toothless to enhance security during the development phase
Process	NAVER DevSecOps: Toothless, Seawall Achievements (As of 2023) • 27,820 cases of repository following the company-wide mandatory application of Toothless * Significant increase from 5,950 in 2022

- Operate NAVER’s own security vulnerability reward program (Bug Bounty)

Bug Bounty

Overview	• A program to identify and respond to security vulnerabilities and bugs before an incident occurs, with the help of external analysts • Report vulnerabilities and improvements → Receive appropriate compensation and rewards
Achievements (As of 2023)	136 persons No. of persons who made a report 366 bugs No. of reported bugs 35 days Average time taken to resolve About KRW 100 million Reward

[NAVER Bug Bounty Program](#)

- Common Vulnerabilities and Exposures (CVE) issuance

Common Vulnerabilities and Exposures (CVE)

Overview	• Registered as a CVE Numbering Authority (CNA) with the authority to issue software security vulnerabilities as “Common Vulnerabilities and Exposures (CVE) numbers,” an internationally standardized management number (2018-)
Achievements (As of 2023)	• Issued one CVE number, for a cumulative total of 20 CVE numbers since joining the CNA

- Development of a new AbuseTracker system in 2023

AbuseTracker

Overview	• A system that gathers existing fragmented log data in one place and allows users to assess the risk of a specific account, IP, etc., at a glance
Achievements (As of 2023)	• Detected and blocked more than 1 million abusive attempts per month

CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

Service-specific Security Training

- Select specific services every year and conduct a security check at the level of simulated hacking tests; diagnose service security vulnerabilities from the perspective of an external hacker; and educate developers on the causes and solutions of security bugs found

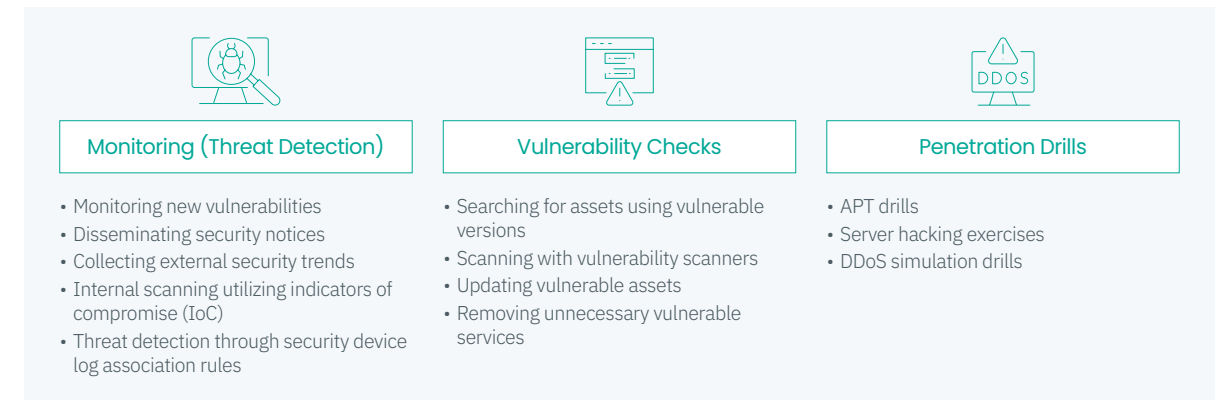


Security Incident Prevention and Response

Prevention and Monitoring

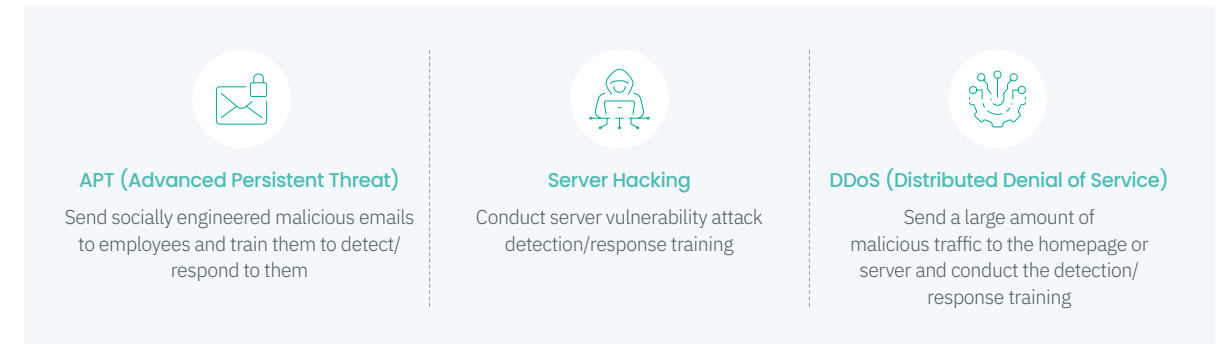
- Perform security control 24 hours a day, 365 days a year by specialized personnel based on proven monitoring policies, correlation rules, and threat management response systems

Prevention Activities



- Conduct APT, server hacking, and DDoS response simulation drills in cooperation with external organizations at least once a year, and have achieved 100% detection and response to all attacks in the last three years

Types of Drills

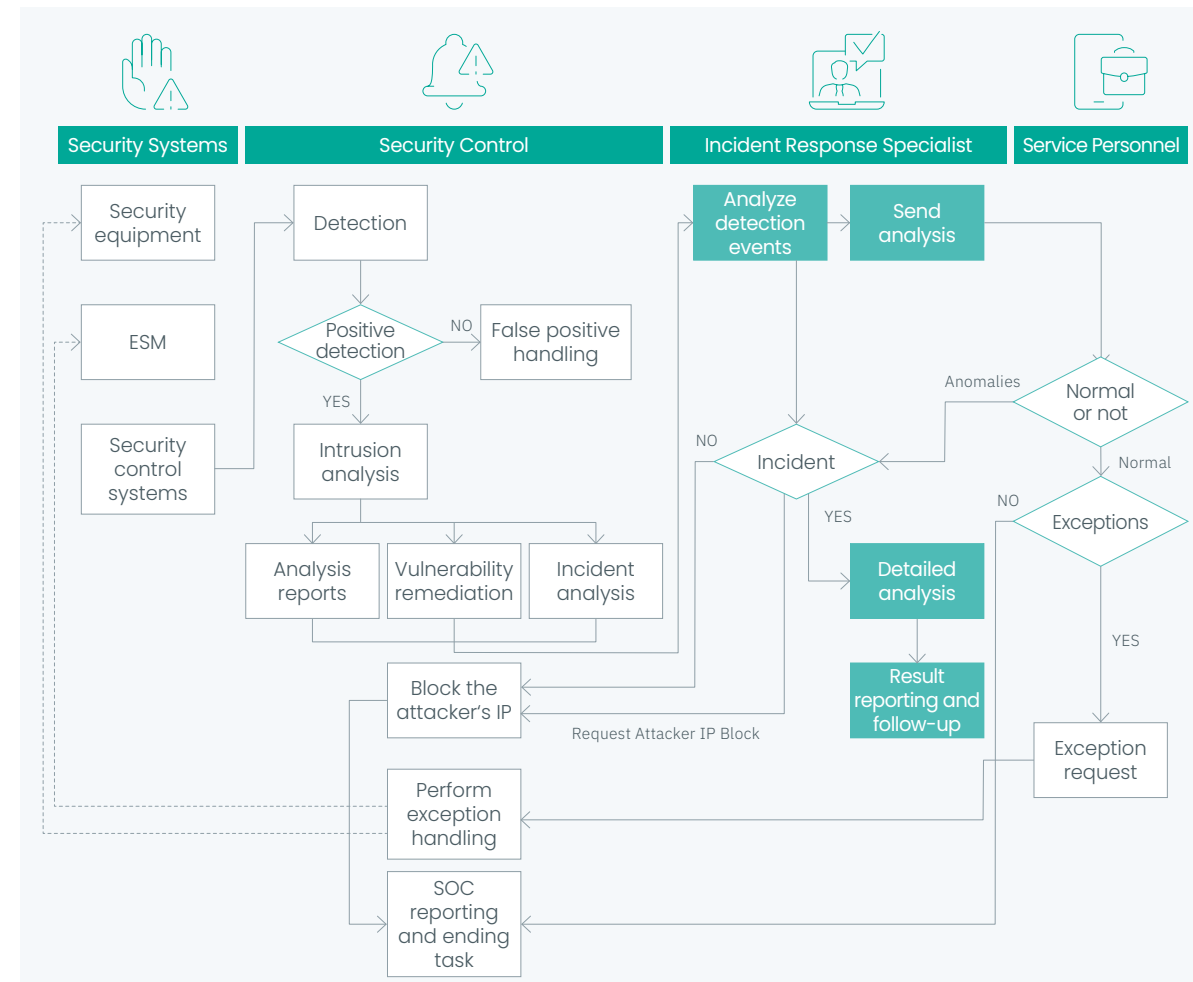


CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

Security Incident Response Process

- Operate a real-time security incident response process to prevent, detect, analyze, and respond to attack attempts from the outside, such as hacking, DDoS, and cyber breaches

Infringement Incident Response Process



- Establish measures to prevent recurrence based on the results of the response according to the type of attack and the rating of impact severity when detecting an attack

Attack and Post-Attack Response



Severity Rating

Type	Description
Normal	When hacking techniques and security vulnerabilities have been discovered but the damage is insignificant and cyber economic and social activities are normal
Interest	Increasing attack attempts such as vulnerabilities, DDoS, and malware
Caution	Increasing possibility of damage following the advent of new hacking techniques such as high-risk vulnerabilities, DDoS, and malware
Alert	When a cyber-attack such as a vulnerability or DDoS causes a significant impact on the service
Serious	When a cyber-attack destroys, damages, or leaks important information or intellectual property rights, causing a significant impact on the service

Types of Attack

Type	Description
Scanning	Actions to identify the target of the attack on the network
Malware	Attempts to infect servers or PCs with malware in a variety of ways
Vulnerability attack	Attempts to steal PC/server permissions by taking advantage of known vulnerabilities or 0-day vulnerabilities
DDoS	An attack that uses multiple servers, PCs, etc. to cause abnormal traffic and paralyze the target system

CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

Increasing Trust and Awareness of Data Protection

Employee Information Security Awareness

- Conduct a company-wide training once a year to ensure employees’ understanding of data protection and the company’s data protection policy and to prevent unintended data protection violations or data leaks

Information Protection Training (2023)

Content	Security tips that are often missed in real-life work environment
Target and Frequency	All employees ¹⁾ of NAVER and its subsidiaries once a year
Completion Rate	95.3% (NAVER Corporation employees)
Satisfaction	Average 4.68/5.0 points

¹⁾ Including executives, full-time employees, contractors, and interns

- Run various campaigns to raise employee awareness

Information Protection Awareness Activities (2023)

Information Protection Engagement Campaign	• 1st: Caution when using work communication tools • 2nd: Security tips for collaborating with external partners • 3rd: Revisiting company-wide employee information security training • 4th: Security considerations when using removable storage media • 5th: How to securely manage work materials
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- Targeted awareness improvement activities

Awareness and Capacity Building Activities by Target

For New Hires	For Developers
• Pre-employment training for new hires in four areas: information protection, personal data protection, development security, and information protection practices • Enhancing the effectiveness of training programs by gathering feedback on satisfaction and suggestions for improvement	• “TechShare” course offered monthly since 2019 • As a regular in-house technical training program on systems and security, designed by the Technology Growth Committee, featuring internal and external experts as mentors who share their skills, work experience, and cybersecurity expertise

Trust in User Information Protection

- Provide various campaigns and guidelines for users through the company’s official information security blog

Major Activities to Raise User Awareness

		
Phishing Prevention Campaign	Guidelines for Preventing Phishing in Second-Hand Transactions (2023)	Search Phishing Prevention Guidelines (2023)
• 7 ways to recognize phishing attacks impersonating NAVER login service • How to prevent account theft and the need for real name verification • How to prevent and respond to mail account compromise	• Patterns and methods of NAVER Pay-based second-hand transaction fraud • Step-by-step checks and countermeasures, checklist shared	• Explanation of search phishing, how to distinguish it, and how to recognize when it’s happening • Countermeasures for site administrators

- Strengthen user information protection through the development and widespread application of security technologies

Protecting Users from Phishing Risks (2023)

Enhanced Phishing Site Collection Technology	• Developed proactive phishing domain collection technology to quickly collect phishing URLs • Developed automatic phishing verification technology (CNN) • Unified phishing collection channels and management to speed up reporting channel response
Expanded the Scope of Phishing Site Blocking	• Expanded phishing URL blocking to NAVER’s services: NAVER App (Android), ad platform → Open Talk • Linked phishing URLs to block third-party services: Maintaining APWG collaboration and supplying phishing data

CREATING A SAFE INTERNET INFORMATION PROTECTION ECOSYSTEM

Data Protection Management for Partners

- Have strengthened the information protection procedures at each step in the process of outsourcing and cooperating with partners

Cooperative Management Process with NAVER's Partners



- Provide information protection training to partner companies' employees to raise security awareness and prevent security threats during the cooperation process

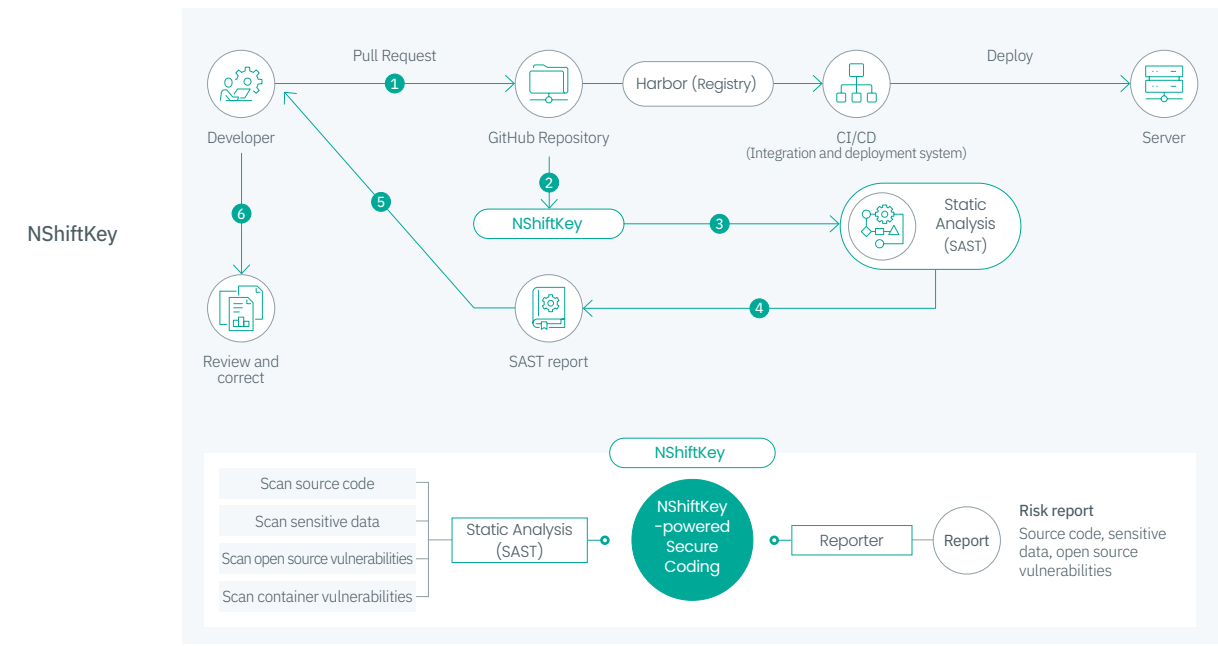
Contributing to a Safe and Secure Ecosystem

- Conduct information security external contribution activities for developers and users by sharing information security technologies

Information Security Technology Sharing (2023)

- Released NShiftKey, a DevSecOps security tool, developed based on NAVER's experience and know-how in operating Toothless, to external developers free of charge
- Since its release in June 2023, it has been available in 727 repositories on Github.
- Provide analysis capabilities for 14 languages, including static analysis of source code, analysis on whether sensitive information is exposed, and vulnerability analysis of open-source libraries

NAVER DevSecOps: NShiftKey



NAVER Security Whitepaper

- Disclose major information protection activities and security issues through NAVER Security Whitepaper
- Have been disclosing the Security Whitepaper for public since 2022, which was previously shared with internal employees only
- Contribute to increasing transparency of NAVER's information protection and sharing excellent security content and technologies externally

PROTECTING PERSONAL INFORMATION AND PRIVACY

APPROACH

NAVER respects users' right to self-determination of personal information and manages personal information safely. As the importance of privacy and compliance in this area grows, the company is continuously enhancing its personal information protection system to meet the needs of regulatory bodies and the expectations of its users. NAVER actively communicates with stakeholders about its efforts and achievements, including disclosing its activities to strengthen privacy through the Privacy Center in details. Through these initiatives, NAVER will strive to secure global-level security and trust by transparently and inclusively working towards "privacy protection for all."

2024 KPI

Strengthening privacy protection in preparation for global expansion of services

- Organizing and disclosing global data privacy web page resources with a focus on NAVER's services
- Strengthening privacy by expanding inquiries to a global audience and focusing on meeting overseas legal compliance



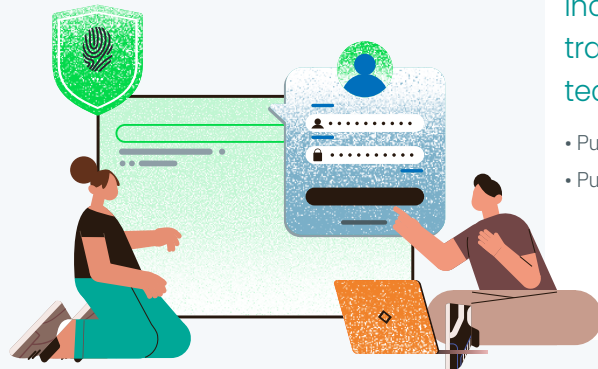
Strengthening partner privacy management

- Inspecting partner privacy practices and provide reports on the results



Increasing privacy protection transparency and sharing technology

- Publishing the Privacy Report and Privacy Whitepaper
- Publishing the Transparency Report twice a year



Personal Information Security Management System

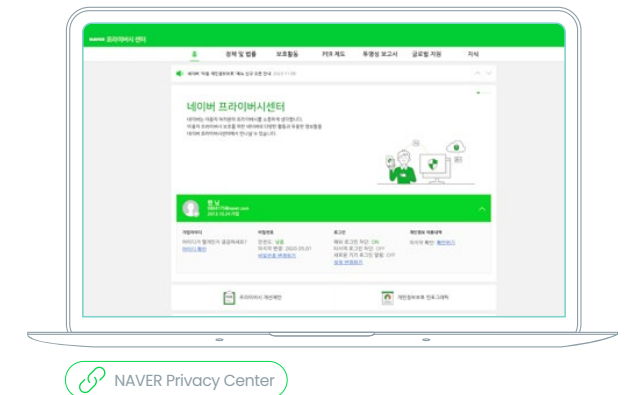
Principles on Personal Information Protection

- Announced the Principles on Personal Information Protection, in accordance with NAVER's environment and culture, to ensure stable service operation and to protect users' personal information and privacy

NAVER's Principles on Personal Information Protection

- NAVER complies with all laws and international standards related to personal information protection.
- NAVER transparently discloses processing of user's personal information at all times.
- NAVER respects user's exercise of the right of self-determination regarding personal information.
- NAVER collects minimum data in accordance with the purpose and responsibly manages personal information.
- NAVER considers user privacy protection as top priority.

- Transparently disclose the principles of personal information protection applied to all NAVER services and the operating policies of each service through NAVER Privacy Center



PROTECTING PERSONAL INFORMATION AND PRIVACY

Personal Information Protection Committee

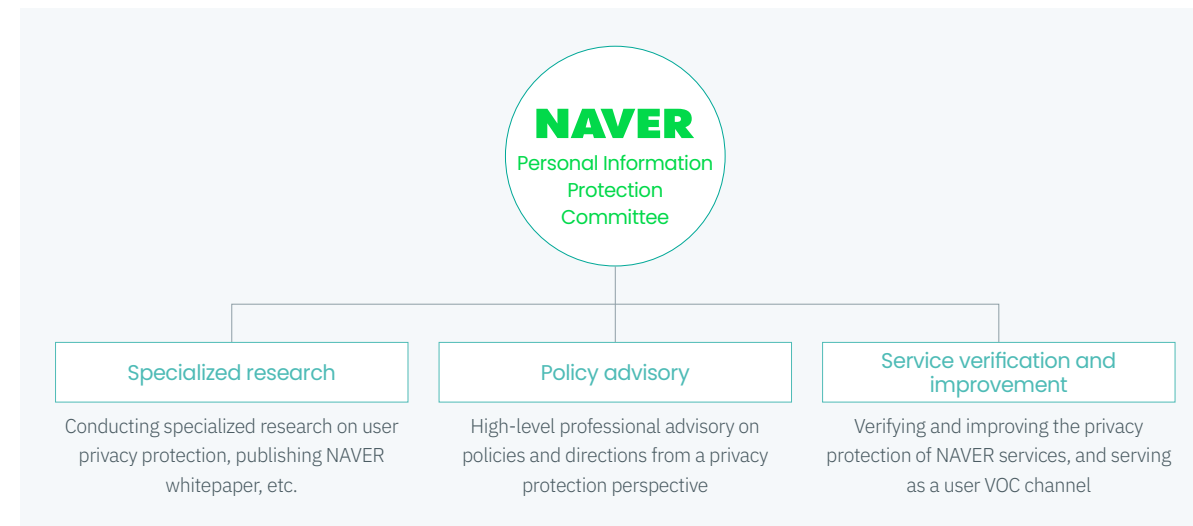
- NAVER's Personal Information Protection Committee, comprised of key executives and experts in the field of information protection, meets quarterly to conduct specialized research and seek external advices.

Roles

- Conduct research on domestic and overseas trends on personal information and privacy protection legislation and technologies that may directly or indirectly affect NAVER's services and provides direction on privacy policy
- Perform as a mediator who deliver perspective of users and thus facilitate improvements related to personal information and privacy protection



Functions

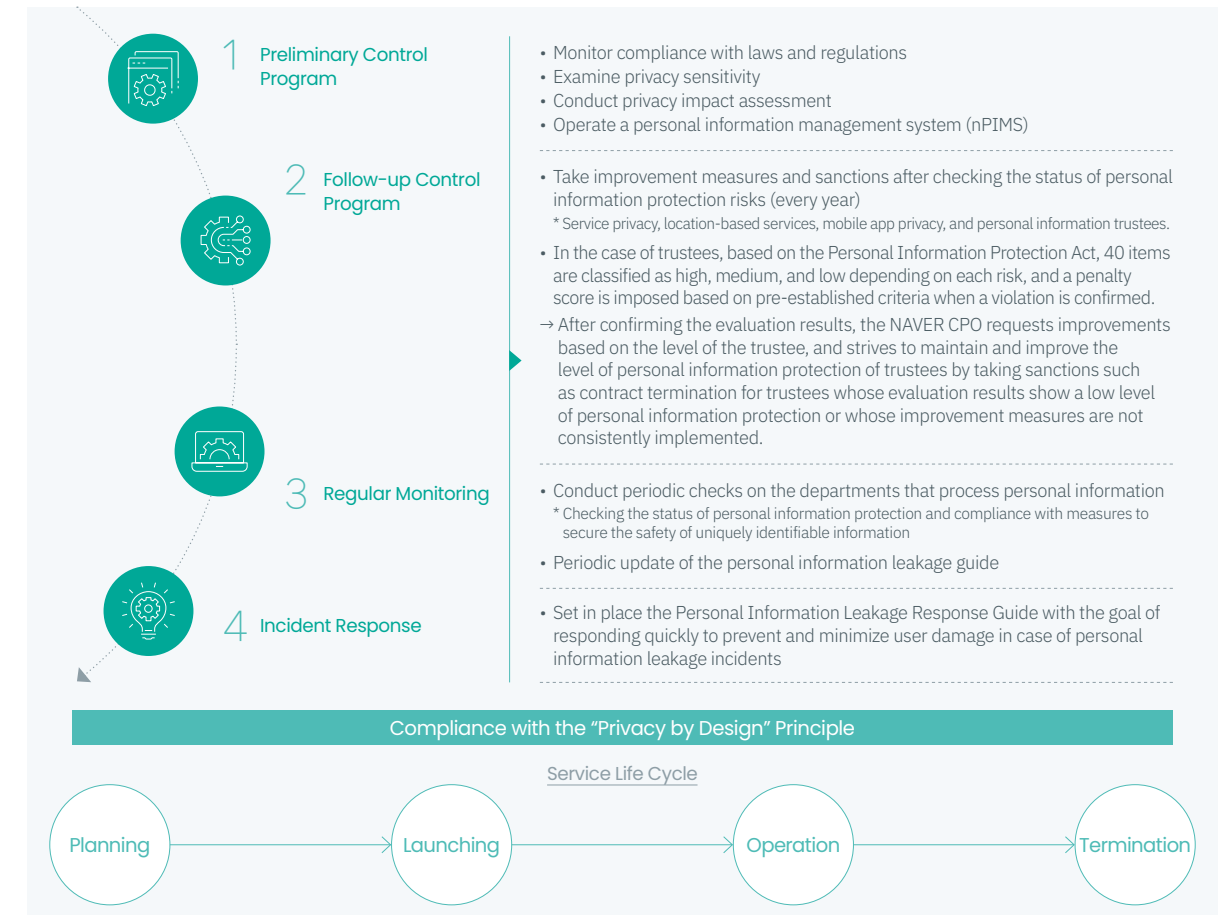


Activities to Strengthen Privacy Protection

Personal Information Protection System

- Protect user privacy and data throughout the entire life cycle of services, from planning to termination, by strictly applying the principle of "Privacy by Design" to minimize user privacy risks

NAVER's Personal Information Protection System



PROTECTING PERSONAL INFORMATION AND PRIVACY

Guaranteeing the Right to Self-Determination of Personal Information

- Inform users and their legal representatives of how to exercise their rights to protect their personal information via NAVER's Privacy Policy, and strive to maximize their right to self-determination of personal information, which is a constitutional right

Efforts to Ensure the Right to Self-Determination of Personal Information

"Personal Information Usage Status" Page	- Offer personalized information on the collection and use of personal data when using NAVER services, as well as the history of third-party provision of personal information to which users have consented, for the first time in Korea - Provide a one-stop service for all users to realize their right to self-determination of personal information, from consenting to the collection and provision of personal information to third parties to withdrawal
"Customized Ads" Page	Disclose the operating principles regarding information collection, retention, destruction, user control, and damage remedies for customized ads using behavioral information
Personal Information Management	- Users can view, modify, delete, or request access to their personal information on the "Member Information" page at any time. - Unless otherwise provided by law, users may request the processing or suspension of their personal information and may withdraw their consent to the collection and use of their personal information at any time by canceling their membership.
Collection and Destruction of Personal Information	- Personal information is collected as little as possible for the purpose and is thoroughly managed by the best security experts 24 hours a day. - The personal information of users is retained only for the period agreed upon by the user and then destroyed, except in cases where a different storage period is specified by law or regulation. - If NAVER receives personal information from a third party other than the data subject, it notifies the data subject of the source of personal information collection in accordance with the Personal Information Protection Act. - In accordance with the 2023 revision of the Personal Information Protection Act, NAVER reviews the legal bases for processing personal information collected with the consent of its employees. NAVER will incorporate the most protective lawful bases into its practices for collecting personal information once the Act's enforcement decree is finalized.
Personal Information Provided to Third Parties	- If it is necessary to provide user personal information, collected for the use of affiliate services, to a third party, NAVER only proceeds after obtaining user consent in accordance with the Personal Information Protection Act. - Disclose statistics on the processing of user information provided to law enforcement agencies in accordance with relevant laws and regulations twice a year in the Transparency Report

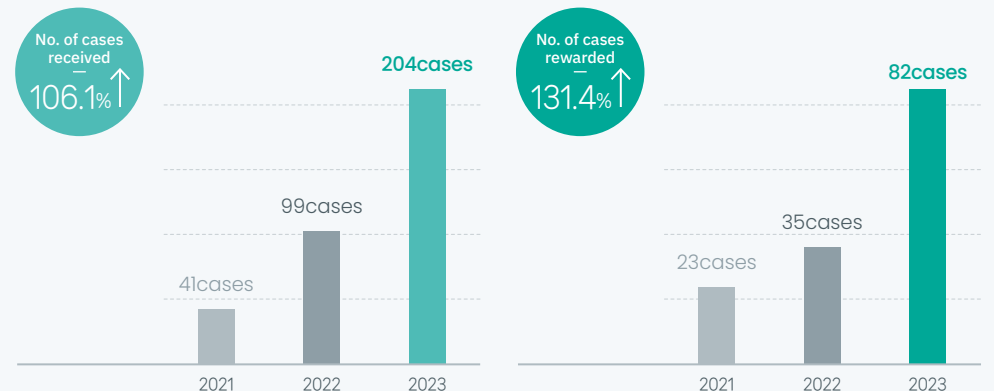
[Transparency Report Statistics](#)

Privacy Enhancement Reward

- Became the first Korean company to establish and operate a Privacy Enhancement Reward program in 2016

Privacy Enhancement Reward (PER)

Overview	- A system for collecting feedback and rewarding cases of significant improvements to privacy protection in NAVER services * Including compliance with laws (legal risks), service improvements (UI, UX, content appropriateness, technical or operational errors), and suggestions for new privacy-related services
Target	- Open to all users - The PER system is designed with user convenience and accessibility in mind, allowing for real-time monitoring of PER submission history and processing steps.
Process	User report Review and approval Service improvement implementation Reward
Achievements (As of 2023)	- Total number of cases received: 204 (Compensation: 82) - Submissions and rewards more than doubled for two years in a row.



PROTECTING PERSONAL INFORMATION AND PRIVACY

Privacy Impact Assessment of NAVER Service

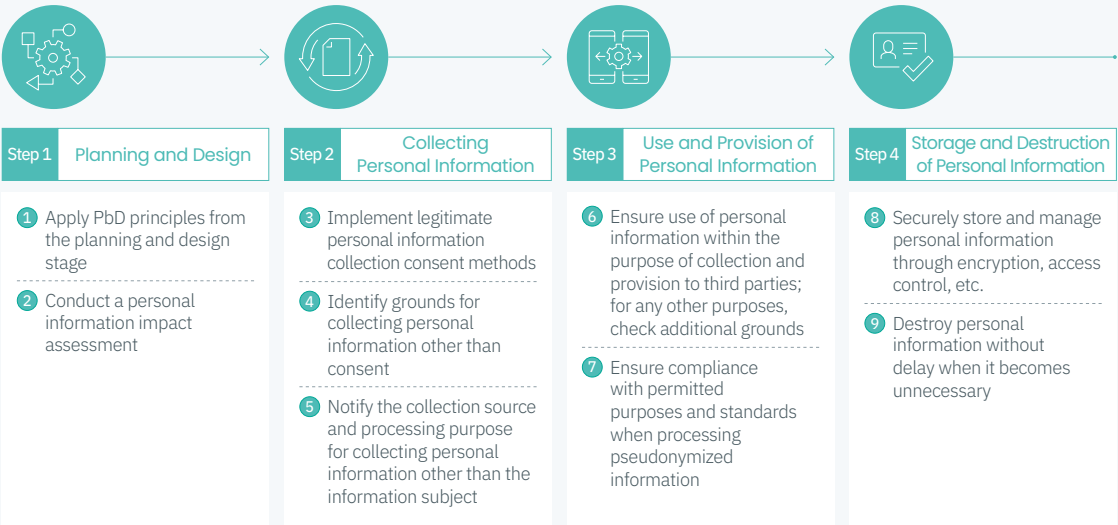
- Conduct preliminary checks based on the “AI Privacy Self-Checklist” to manage privacy risks, regarding CLOVA X¹⁾, NAVER’s AI chatbot service launched in 2023

AI Privacy Self-Checklist

Overview

- A system to check and respond to various ethical issues that may arise through data pre-processing, reinforcement learning, and user feedback reflection processes in AI development and operation based on the NAVER AI Code of Ethics
 - Conduct various checks on the status of personal information and privacy protection, including management and supervision of AI services, in accordance with the Privacy by Design (PbD) principle, from the planning and design stage of AI technology services
- * Analyzing, identifying, and eliminating risks of personal information infringement → Compliance with personal information protection laws and reflecting AI development and operation plans such as privacy protection measures; safe storage and management of personal information used for AI development and operation (encryption, access control measures, etc.)

Process



* Source: AI Privacy Self-Inspection Flowchart from Personal Information Protection Commission

¹⁾ CLOVA X: An interactive agent created using HyperCLOVA X technology, NAVER’s largest language model. It provides helpful information to users in the form of a chatbot and can fulfill various requests.

Empowering Employees’ Personal Information Protection Capabilities

- Conduct personal information protection training biannually, targeting all employees and personal information handlers, including contract workers at NAVER and its subsidiaries

Personal Information Protection Training (2023)

	1 st Half	2 nd Half
Content	• Essential privacy practices to be observed in the workplace	• Training programs available on various topics, selectable based on job function, level, or interest
Target	• All employees	• Staff handling personal information
No. of Trainees	• 4,209	• 2,594
Completion Rate	• 97.6%	• 99.2%

- Provide special lectures on personal information protection to raise employee awareness

Raising Awareness of Personal Information Protection (2023)

Privacy Special Program	1st Session: Training on pseudonymization technology for unstructured data and guidelines for handling pseudonymized information 2nd Session: Training on EU GDPR guidelines 3rd Session: Analysis of Personal Information Protection Commission sanctions for system errors and other incidents 4th Session: Overview of amendments to the Personal Information Protection Act and recent domestic and international regulatory trends related to pseudonymized information
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PROTECTING PERSONAL INFORMATION AND PRIVACY

Raising Transparency and Awareness of Personal Information Protection

Strengthening Communication to Raise User Awareness

- Disclose information to users and expand communication channels

Activities to Enhance Transparency (2023)

Research and Activities	• Publish the NAVER Privacy White Paper annually, which includes findings from specialized research dedicated to user privacy protection • Publish the NAVER Privacy Report each year, featuring details of our privacy protection efforts
App Privacy Protection Status	• Introduced the “App Privacy Protection Status” feature to the NAVER Privacy Center, offering a comprehensive view of personal information and access rights managed within NAVER applications • Users can verify the status and encryption of personal information processed by our app services.
Others Communication Channels	• Manage an official blog, social media, and NAVER Privacy TV to engage with users and discuss emerging issues related to personal information and privacy



- Conduct various awareness-raising activities, such as campaigns to prevent damage to users’ personal information

Awareness Raising Activities (2023)

Campaigns and Events	• Held the “Protect Your Personal Information” event in May 2023, showcasing various privacy and personal information protection features provided by NAVER • Ran a campaign and quiz event focusing on privacy practices for the safe use of generative AI in July 2023 • Introduced the newly launched “Child Privacy” and “App Privacy Protection Status” features within the NAVER Privacy Center in December 2023 through a quiz event
Education Series	• In July 2023, celebrating Information Protection Month, NAVER Business School and NAVER Privacy TV conducted weekly relay training sessions targeting users and SMEs. • Released a series of three NAVER Privacy Relay Special Lectures, to discuss compliance with the Personal Information Protection Act and share NAVER’s expertise in personal information protection

Raising Awareness of Children’s Privacy

- Implement policies and various efforts to protect children’s personal information

Efforts to Protect Personal Information of Children

Verification of Child Protection System	• Obtained safe harbor certification under the U.S. Children’s Online Privacy Protection Act (COPPA) for the Band for Kids app, Band Web, and PRIVO, demonstrating our adherence to global standards in child privacy protection
New Child Privacy Menu	• Launched a new menu in the NAVER Privacy Center in 2023 to showcase NAVER’s child privacy protection activities and policies at a glance
Consideration for Children Users	• Provide a child-friendly version of the Consent to Collection and Use of Personal Information form at a sign up page for NAVER services • Send notifications about personal information usage in a child-friendly format to users under 14 years old
Participation in Initiatives	• Participate in the Personal Information Protection Commission’s Youth Privacy Leaders Initiative, supporting children and young people to actively exercise their rights as data subjects and protect their personal information on the internet

- Conduct awareness-raising activities, including a privacy education material for children

Raising Awareness of Personal Information Protection for Children

Children’s Privacy Education Clip	• Opened the NAVER Privacy TV for Kids channel across the NAVER service family, to bolster the rights of children regarding personal information protection, offering educational videos on personal information protection tailored for children • Produced and released the Personal Information Protection Education for Children video in 2023, which employs child-friendly language and terms, and illustrates through examples how personal information can be protected in various scenarios
Creating a Child-Friendly Privacy Policy	• Have been publishing the “easy version” and “infographic version” of the NAVER Privacy Policy since 2023, designed to make the policy easily understandable for children and young people • Disclosed a “children’s privacy policy” for each of NAVER BAND, Junior NAVER, Entry, and Let’s Play with Software services in 2023

PROTECTING PERSONAL INFORMATION AND PRIVACY

Helping Partners Strengthen Personal Information Protection Capabilities

- Implement various trainings and campaigns for our partners every year to strengthen their personal information protection capabilities

Key Milestones



- Provided educational materials in 2023 to strengthen personal information protection for online shopping intermediaries; and introduced the basic obligations required for personal information processors operating a Smart Store in accordance with the Personal Information Protection Act, as well as the personal information protection features supported by the NAVER Smart Store Center

Responding to Changes in Domestic and International Laws

- Revised internal regulations and documents after having discussion on changes affecting NAVER services with relevant departments in response to the 2023 revision of the Personal Information Protection Act

Response to the Revision of the Personal Information Protection Act

- Revised the Account Operation Policy
- The Chief Privacy Officer (CPO/DPO) conducted training on the revisions to the Personal Information Protection Act for employees
- Conducted monitoring and scrutiny of amendments to additional enforcement decree



- Regularly monitor the enactment of privacy protection laws internationally, such as the EU General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA)
- Provide information on global privacy and data protection laws and guidelines through the Global Support menu in the Privacy Center, and offer guidelines to startups free of charge

Helping Startups Respond to Global Regulations

EU GDPR	- Provide a guide to the GDPR Privacy Impact Assessment Program to help startups expand into Europe - Provide a free user manual in Korean for CNIL's PIA program to assist common users using the program, which properly reflects the steps required by the regulation - Released an infographic that provides an at-a-glance overview of what you need to do to prepare for GDPR
US CCPA	- Created and published practical CCPA compliance guidelines for startups planning to enter the U.S. market, detailing how to determine if the CCPA applies and how to comply with its requirements - Provide startups with information on key U.S. privacy regulations, including child privacy protection
Japanese Law Compliance	- Created and published guidelines for complying with Japanese privacy laws for startups entering the Japanese market - Provide a checklist for Japanese privacy law compliance, offering an at-a-glance overview of the requirements detailed in the guidance document

* For informational purpose only, not as legal advice or interpretation

ATTRACTING AND DEVELOPING TALENTS

APPROACH

Employees are NAVER's greatest asset and the engine that drives the company's future growth. NAVER recruits talent through a diverse pipeline aligned with the characteristics of each job group and provides on-the-job training programs and self-directed growth support programs to strengthen its employees' capabilities. Based on its workforce's ability to proactively respond to the rapidly changing business environment and lead service innovation, NAVER is on a solid growth track by sharing the company's future value and achievements with its employees.

2024 KPI

Operating a fair and transparent compensation system

- Achieving 100% review completion rate among those subject to the review¹⁾ for the year

¹⁾ Employees who joined before the review date and have worked for at least 60 days during the year.



Expanding participation in employee training programs and improving training effectiveness

- Self-producing for legally required training and achieving a 100% completion rate for all training
- Collaborating with the company's labor union to produce contents for sexual harassment and workplace bullying prevention education



Fostering and strengthening human capital competencies by implementing a growth roadmap for each job group

- Providing job training within the internal training platform "NAVER uni" for all employees²⁾
- Reviewing and implementing growth roadmap by job group

²⁾ Including contract and part-time employees

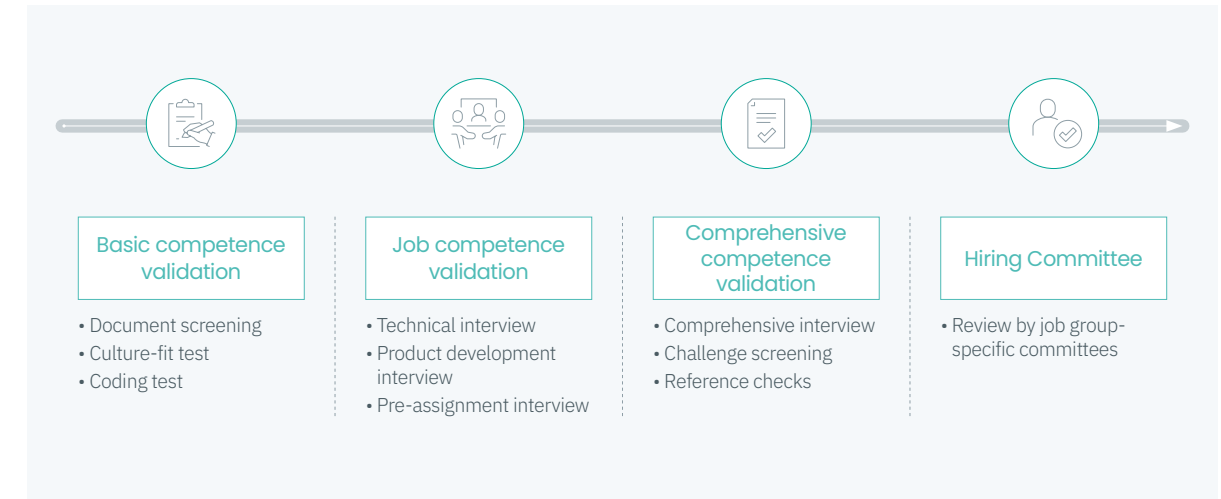


Efforts to Attract Outstanding Talent

Recruitment Process

- Based on the annual talent-hiring demand and forecasting process, the required resources are calculated by each business division at the beginning of each year and reported to the management, and the annual workforce plan is finalized after reviewing the appropriate resources based on business goals and quantitative indicators such as human resources and finance.
- Operate an optimal talent acquisition pipeline in consideration of job category, experience, and seniority, and based on the market and candidate situation
- Apply sophisticated qualification process based on internal and external data on candidates before hiring
- The verification process structured into each stage is designed based on behavioral characteristics and capabilities, and "culture-fit" test takes into account job expertise and synergy with existing employees after joining the company.

Data-Driven Competence Verification Process



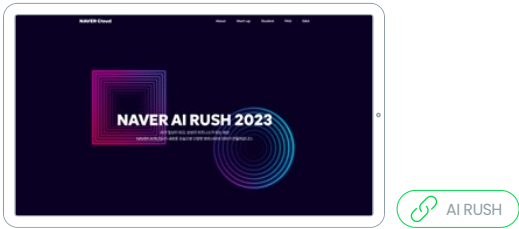
ATTRACTING AND DEVELOPING TALENTS

Developing a Talent Pool and Nurturing Talents

- Secure competencies in each technology field and domain by fostering talented individuals in various fields over the mid-to long-term and strengthen external partnerships in addition to direct internalization strategies through talent acquisition
- Develop a global talent pool and attract top talent every year through various programs such as online talent recruitment briefings, internships, competitions, and exchanges with the academia
- Provide various opportunities to foster talented individuals in the software development field through curricula linked to government agencies and educational institutions such as NAVER Connect Foundation and universities

Talent Recruitment Programs

Event	Overview and number of participants
Industry-Academia Partnership Program	• Credit-earning internship program linked to university classes to foster and secure excellent talent in the tech and design fields • Cumulative figure from 2018 to 2023: 205 people participated, 32 of whom were hired by NAVER • As of 2023: 21 people participated, 3 of whom joined the company.
AI Rush	• Contest for college student AI developers and planners • Cumulative figure from 2019 to 2022: Approximately 2,500 people participated. • As of 2023: 85 college students participated as “AI Rush Ambassadors”
Boost Camp	• Developer training program hosted by NAVER Connect Foundation • Cumulative figure from 2017 to 2022: 109 people experienced internships, 43 of whom joined the company
Campus Hackday	• Skill-based new developer selection program through hackathons and internships • Cumulative figure from 2016 to 2020: 819 people participated, 119 of whom joined the company
FE Boot Camp	• Front-end developer internship program linked to training institutions • As of 2021: 21 people participated, 6 of whom joined the company
Design Camp	• Overseas internship program to gain experience in designing services for local users at NAVER global locations (France, Japan) • Cumulative figure from 2018 to 2022: 40 people participated, 21 of whom joined the company



Recruitment Branding

- Shared the daily lives and stories of NAVER employees through “Work View” videos on the NAVER Careers page and by adding global pages to job openings, enhancing the applicants’ and candidates’ understanding of the company



- Set a regular schedule for recruiting programs, such as monthly recruiting and new hires, to reinforce NAVER’s recruiting branding and candidates’ predictability about the process

NAVER Recruitment Branding Achievements



ATTRACTING AND DEVELOPING TALENTS

Employee Performance Evaluation and Compensation

Performance Review System

- Conduct employee evaluation through a review system that focuses on feedback for future growth, giving employees a three-dimensional view of their work and helping them grow constructively
- Gather feedback from everyone the employee has worked with, including peers and leaders, to portray a comprehensive picture of the year's performance and collaboration; and align the results with other HR systems, such as compensation and leadership selection
- Introduced the "Team NAVER Standard Review Rating System" in 2023, which incorporated scattered and unaligned criteria for review into one to provide clear feedback on personal growth based on the ratings
- Operate a regular feedback system to manage performance goals and tasks throughout the year, and a mid-term review (1:1 meeting) in the first half of the year to check work direction, in addition to regular reviews
- Constantly exchange goal management and feedback through regular feedback and mid-term review, and link them to the year-end review to help mutual expectations between the company and the reviewees
- Provide employee guidance through evaluator training and announcements for each process and through company-wide live broadcasts to ensure that the review is appropriately operated to serve the purpose

Team NAVER Standard Review Rating System

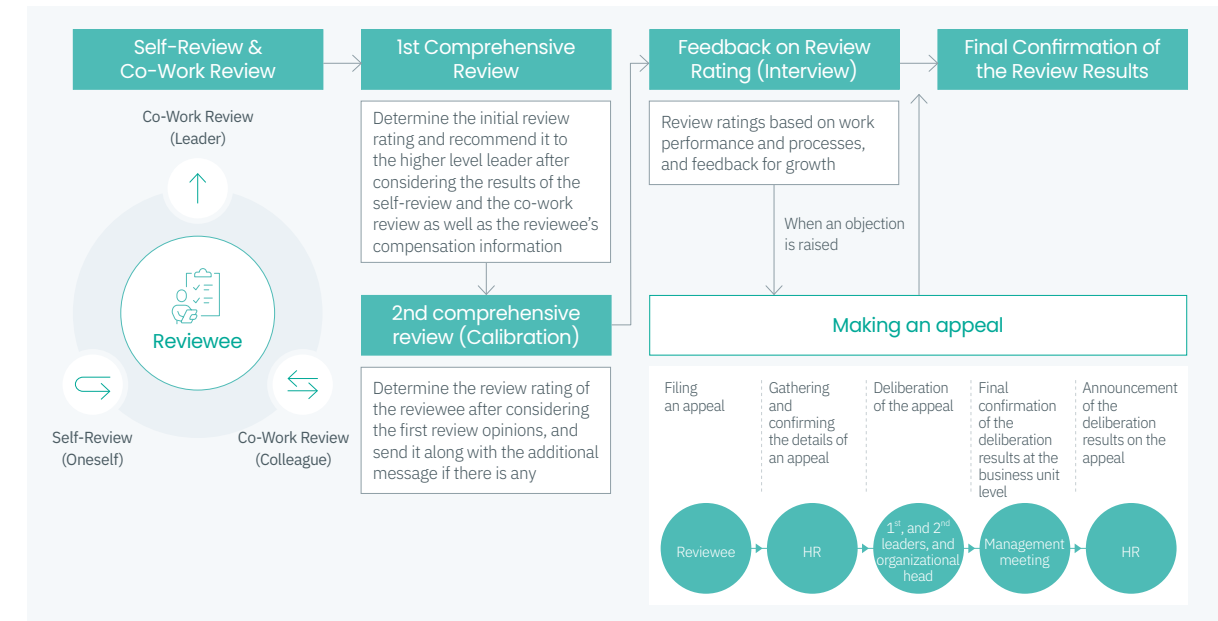
- Using various rating criteria such as Results, Commitment, and Extra Impact, the system aims to provide specific and clear feedback from various perspectives on work and performance, including not only the performance results but also the attitude and cooperation throughout the work process. The individual's impact that goes beyond merely the individual and team level is then evaluated.



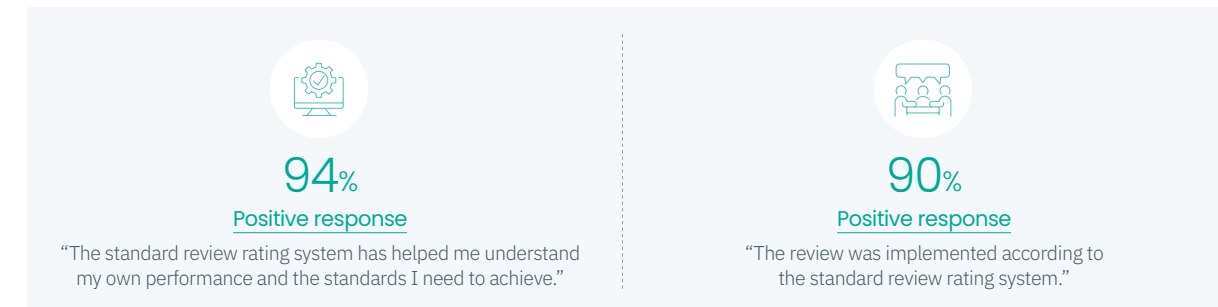
Review Process

- The review process proceeds through the following stages: "Self-Review", where the reviewees look back on the year's achievements, "Co-Work Review", where feedback is exchanged with the reviewee's co-workers, and "Comprehensive Review", where the review receive review rating and feedback
- The "Calibration" task then adjusts the level of each organization-specific and company-wide review and calculates a final review rating that considers the overall performance of the organizational unit, not just the performance of the individual reviewee.
- Deliver feedback from various perspectives accumulated through a step-by-step process to the reviewee as a comprehensive feedback through interviews with organizational leaders
- Operate an appeal process for rating and feedback after the feedback process to maximize the reviewee acceptance and understanding
- Conduct an employee survey after completing the review process on their review experiences every year and reflect these opinions in the operation of the system for the following year

Review Process



2023 Review Experience Survey Results

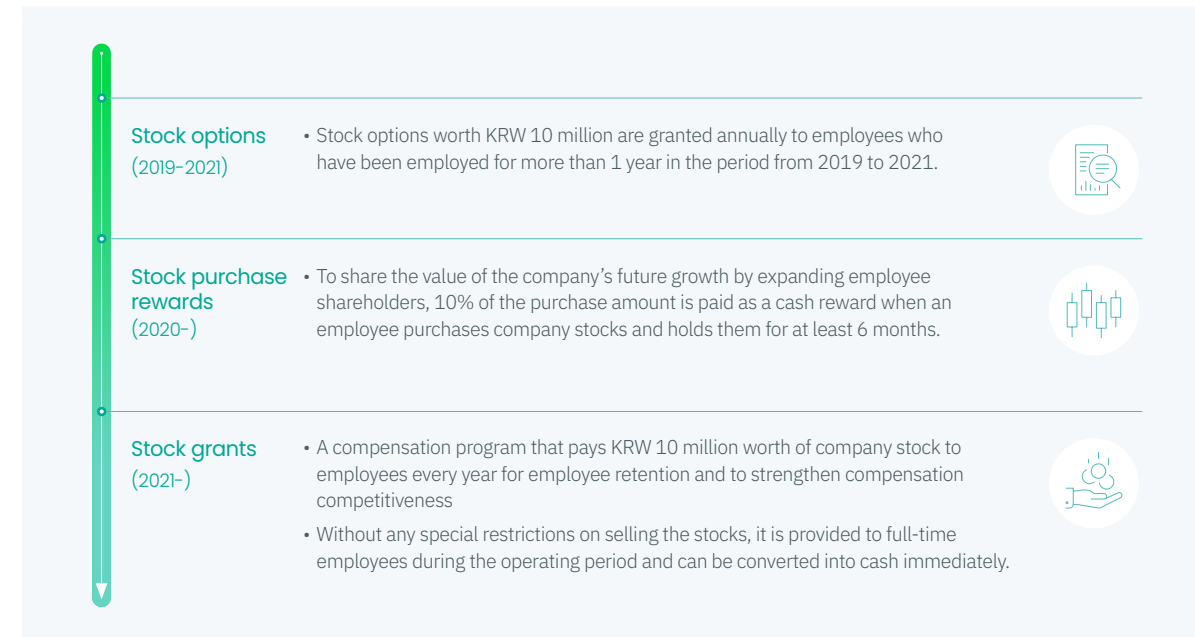


ATTRACTING AND DEVELOPING TALENTS

Stock-based Compensation Program

- Create a link between the company's growth and that of its employees through various stock compensation plans, and help employees view the company's long-term value and growth as shareholders themselves

NAVER Stock-based Compensation System



Employee Capacity Building

Phase-Specific Training

- Provide training programs that meet the needs of new hires of various types, from introductory training for rookies to onboarding schemes for experienced new hires
- Operate a leadership support system for employees who have grown into leaders and provide specialized programs based on their leadership needs and positions, from basic training to in-depth leadership training catered for all levels of leaders including executives



ATTRACTING AND DEVELOPING TALENTS

Job-Specific Training

- Provide job-specific training programs to foster employees' skills and networking
- Established a dedicated internal training organization (the "Education Center") in 2022, which was followed by the launch of an online platform for internal training and education "NAVER uni" in 2023 to share all education materials that can help develop and strengthen job competencies of employees
- Recruit in-house experts as instructors to provide more effective job trainings to NAVER employees, which has shown high satisfaction from both instructors and students
- Provide various benefits to the in-house instructors including in-house lecture fees, alleviation in requirements for lectures outside the company, etc. to help them stay motivated and grow in the process of preparing courses

Growth Support Program for Service & Business Job Group

Improved "S&B SHARE"

- An experience-sharing program that invites company veterans to share their growth experiences, career concerns, and work know-how with all employees
- 8 sessions were held in 2023, with 7,038 cumulative participants as of 2023.

Survey result on S&B SHARE program



99%

Willing to recommend to a colleague

S&B Leader Networking Workshop

- Conducted workshops for S&B leaders from various departments to foster knowledge related to leadership and stress management and to facilitate networking among the leaders to share experiences and build emotional bonds
- Conducted a total of 4 two-day networking programs in 2023, with participation rate of 91% among training subject

Growth Support Program for Design Job Group

New internal page launched for the growth of designers

- Set up an information hub for Team NAVER's design news and useful work utilization tips

Establishment of the D. Leadership program

- Established and operated a committee for all design leaders from each subsidiary and CIC to communicate, make decisions, and share information on the leadership of the design job group
- 86 design leaders from NAVER's subsidiaries and CICs participated (as of December 2023).

Designer networking programs

- Conduct various programs to strengthen the bonds of the design job group and facilitate interaction
- Conducted four communication workshops in 2023 for each group (leadership positions, experienced hires, leaders with at least 6 years of leadership experience)
- Held Designers Day at the end of the year to strengthen networking among designers, featuring lectures and talks by internal and external speakers, and the ceremony of the NAVER Design Award (483 online and 50 offline participants on Day 1, 508 online and 40 offline participants on Day 2)
- Held two rounds of Design All Hands Meetup (476 viewers in the first half of 2023, 514 viewers in the second half)

Design skill-up program

- Updated the service design process and reference materials to support growth for the job group and continued to provide digital design tools trainings¹⁾ and common design trainings²⁾

¹⁾ Digital design tools trainings: Figma, ProtoPie, Sketch, Zeplin, etc.

²⁾ Common design trainings: Design Patents, Digital Information Accessibility, UIT Markup, etc.

Effectiveness Analysis on a Design Job Group Training Program

DESIGN JOB GROUP THE OUTCOMES OF EDUCATION ON INTELLECTUAL PROPERTY

Tracking of Changes in the Number
of Design Right Applications

Before training
(July 2022 to June 2023)

14 cases

Increased by
2.4
times

After training
(July 2023 to June 2024)

33 cases

ATTRACTING AND DEVELOPING TALENTS

Growth Support Program for Tech Job Group

Engineering Day (In-house developers' conference)	- Expanded the program in 2023 to include offline presentations, booths, and collaborative cases with other job groups - Held 3 times in 2023, with a total of 677 cumulative offline participants and 18,123 cumulative online video views as of 20
Launch of Tech Forum and Tech Radio, renewal of Tech Talk	- Operated Tech Share for various technology areas at all times - Launched Tech Forum, where employees discuss technology issues such as AI, cloud-native transformation, Hyper CLOVA X, and Tech Radio, where employees can listen to the latest technology trends and casual tech talks
Expansion of the scope of Tech Growth Roadmap	- Help employees better identify indicators of growth through the Tech Growth Roadmap - Expanded the scope in 2023 to include mid-level developers by adding more fundamental technology theory and examples of in-house technology experiences
Launch of an in-house governance page for tech development	Established a governance page in 2023 to collect scattered information on development operations and help employees find relevant information
Introduction of Data Science position	Newly created the Data Science position in the second half of 2023 to strengthen the technical expertise and job identity required to analyze and utilize data

Education Performance for Tech Job Group

Type	Unit	2021	2022	2023
Developer training	No. of participants	6,021	10,140 ¹⁾	5,925
	No. of courses	207	338	237
Engineering Day	No. of presentation sessions	160	230	220
	No. of presenters	220	283	254
	No. of views	11,158	23,924	18,123

¹⁾ Ran online only due to COVID-19; estimated by considering 30 attendants per course on average (number of offline education participants before the pandemic)

Support for Self-Directed Growth

- Grant access to the internal education platform “NAVER uni” to not only regular employees but also contract workers and outsourced workers to provide educational opportunities for all employees regardless of types to learn and grow
- Provide various practical training programs (fair trade law, patent and intellectual property rights, etc.) in collaboration with the Growth Committees for each job group to ensure that training can be manifested as distinct business results, and plan to reflect them in performance management as well

Self-directed Learning by Education Type in 2023

Study 469 No. of study groups ¹⁾ 5,572 hours Total study hours	Education outside the company 425 persons No. of participants 13,475 hours Total training hours	Language education 1,330 persons No. of participants KRW 1.89 million on average Support for language education per person	Trainings 74 persons No. of participants 483 days Total training hours
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¹⁾ 5.5 participants on average for each study group

Partnerships with Educational Institutions

- Established joint research centers with domestic and foreign universities for AI technology research and education and have implemented joint research through industry-academia partnerships

Joint Research Partnership Outcomes

- Industry-academia partnership leads to the publication of numerous papers at CVPR 2023, ICCV 2023, NeurIPS 2023, ACL 2023, etc.
- SNU-NAVER joint research team's research on a reliable Korean dataset for AI was nominated for Best Paper at ACL 2023, a prestigious natural language processing (NLP) conference.
- NAVER-Toronto (Canada) AI Research Center conducts research to ensure that Large Language Models (LLMs) are beneficial and inclusive for everyone and conducts research on the technology and utility of validating implicit sexism using LLMs.
- NAVER-Tübingen (Germany) AI Research Center's research on LLM privacy security was presented as a spotlight at NeurIPS 2023 conference.



IMPROVING ORGANIZATIONAL CULTURE

APPROACH

NAVER operates various systems and programs to create a healthy organizational culture and ensure that employees have a content company life. NAVER identifies and implements improvement measures for a better organizational culture through regular communication with employees and annual organizational culture diagnosis. In addition, NAVER regularly inspects and manages facilities and equipment at workplaces and conducts safety training to ensure a safe and comfortable work environment. NAVER will continue to create an organizational culture and work environment that enables employees to perform to the best of their abilities.

2024 KPI

Establishing an organizational culture vision with input from employees

- Promoting improvement activities based on annual Employee Engagement Survey
- Collecting employee opinions on organizational culture improvement and identifying HR improvement tasks using various channels



Supporting work-life balance

- Monitoring the status of return-to-work rate after parental leave (post-childbirth) and childcare leave and making improvements regarding the matter



Creating a safe work environment

- Achieving zero (0%) serious accidents



Building a Healthy Organizational Culture

Employee Welfare and Well-Being

- Provide employees with the best working environment and various welfare benefits to enhance their job satisfaction and empower them to fulfill their capabilities
- Actively participate in the work-life balance campaign organized by the Ministry of Employment and Labor since 2021 and operating various support programs to help employees balance work and family life

Major Achievements in 2023



NAVER's Work Culture: Autonomy and Responsibility

- Operated Chuncheon and overseas (Tokyo) workcation programs utilizing the facilities of NAVER Connect One to give employees autonomy over where they work and to immerse and recharge in new spaces (about 800 cumulative users since first opening in 2022)
- Introduced and operated a new system that allows employees to work overseas for up to one month per year based on a culture of autonomy and responsibility



Strengthening a Sense of Belonging and Emotional Exchange

- Renewed the Open Saturday program, which invites employees' families and friends to the office building 1784 to experience NAVER's culture together
- Renewed the employees' 10th and 20th work anniversary rewards
- Held various offline events (year-end week, speaker's lectures, Club Greeny events, etc.) to expand emotional exchange opportunities



Maternity Care and Work-Life Balance

- To protect maternity, the life cycle related to pregnancy is divided into three main stages and complemented according to the time of year.

- a. Pregnancy to childbirth
- b. Childbirth to parental leave
- c. Return to work

Strengthening maternity care by establishing a pregnancy registration subsidy (KRW 500,000) and improving the leave system to allow a total of 14 leaves per year (in 4-hour increments) for prenatal checkups.

Renewal of maternity gifts in consideration of practicality and trends

Improvement of the review system to prevent disadvantage in evaluation during the leave and upon return ("A" grade or higher will be given if the absence period is 90 calendar days or more)

IMPROVING ORGANIZATIONAL CULTURE



Work-Life Balance Support Program

Classification	Details	
Working Hours	Connected Work	• Autonomous choice between working at office 3 times a week (Type O) or fully working remotely (Type R) on an annual basis
	Flexible working hours	• No specific core time or minimum daily working hours required, allowing for flexible commuting between 6am and 10pm on weekdays
	Reduced working hours	• Employees can apply for reduced working hours due to reasons such as pregnancy, childcare, and family caregiving
Workspace	Comfortable workspaces	• Ceiling finishes and hardwood floors installed to minimize dust generation and maintain the right humidity levels in the room
	Comfortable meeting rooms	• CO ₂ sensors installed in meeting rooms to measure air quality and keep employees comfortable
	Ergonomic chairs*	• Provide high-quality, ergonomically designed, functional chairs
Healthcare	NAVER Home Doctor*	• Provide medical facilities and access to specialized medical staff in the office building (physiotherapy for musculoskeletal and stress-related disorders, specialized tests and treatments, vaccinations, etc.)
	Psychological counseling*	• Referrals to professional mental health counseling organizations • Up to 10 free counseling sessions per year, with 80% of the cost covered after 10 sessions
	Consultation channel for healthcare and security*	• Consultation with specialized medical staff and emergency support in case of health and security issues regardless of time or location
Healthy food	Healthy in-house Café*	• Various healthy drinks, coffee, bread, etc. can be ordered at a low price • Trendy external restaurants within the office building, offering a variety of lunch options
	In-house cafeteria B1 kitchen	• Provide daily meals that prioritize the health of our employees, including salads and low-sodium, low-calorie options
Daycare Centers	6 daycare centers* in the Seoul-Gyeonggi region	• Operate top-tier daycare centers in 6 locations in the Seoul and Gyeonggi regions, with a total capacity of 687 children, the highest level in Korea
Family care	Insurance coverage and comprehensive medical checkup services*	• Provide accident insurance benefits to employees as well as spouses, parents of employees and their spouses, children, and siblings • Provide annual comprehensive medical examinations, with biennial support for one family member other than oneself
	Open Saturday (Bring-your-family-to-work day)	• Inviting family and relatives to the office building to experience company culture and provide IT education (Positive satisfaction rate 89%, Colleague recommendation intent 92%)
	Green weddings*	• Offer space and facilities to hold weddings within the office building
	Holiday gifts	• Gifts worth KRW 200,000 given twice a year during holidays

Classification	Details	
Support for vacations	Refresh Plus Vacation	• After 2 years of employment, employees accrue their first Refresh Plus vacation of 15 days, which can be used up to 3 times within 3 years after accrual.
	Family Caregiving Leave*	• Employees can take up to 10 days of annual leave for childcare purposes.
	Assistance with access to recreational facilities*	• NAVER employees can enjoy exclusive access to luxurious resort facilities nationwide at a discounted price through a lottery system
	Subsidy for Consecutive Personal Leave	• For consecutive use of annual leave of 2 days or more, employees receive a vacation subsidy of KRW 50,000 per day
Financial assistance	Housing and Lifestyle Stability Support	• For housing purchase (lease) purposes requiring a loan, up to KRW 200 million can be borrowed at an annual interest rate of 1.5%. Credit loans up to KRW 100 million also receive interest support at 1.5% (cash support, maximum 10 years).
	Family Event Support*	• The company extends congratulations and condolences at personal and family events to show support
	Stock Purchase Rewards	• 10% of the purchase amount of company stocks is subsidized for executives and regular employees (to be eligible, must hold the stock for 6 months after purchase, annual limit of KRW 2 million)
	Stock Grant	• Annual stock grant of KRW 10 million equivalent for executives and regular employees
Support for engagement	Pregnancy Registration Incentive	• Congratulatory bonus of KRW 500,000 upon employee pregnancy
	Work Device Budget	• Contribution to improved work efficiency through the selection and utilization of work devices suitable for the work environment
	Work Support Allowance	• Allowance for expenses such as communication costs, purchase of books and content, and external parking fees incurred in the course of work
	NAVER Service Voucher*	• Providing monthly free access for various NAVER services
Support for social belonging	Global Language Study Support*	• Support is provided via various language education programs (annual limit of KRW 2.4 million) to adapt to global business environment
	Workcations	• NAVER Connect One in Chuncheon and Tokyo Basecamp offer a total of 5-day workcations, including accommodation (lottery-based) • Two consecutive years of post-satisfaction surveys with 100% positive responses
	Team Play	• For 3 days, NAVER Connect One in Chuncheon provides assessments and various programs for teamwork • Annually, 435 teams and approximately 5,200 employees of Team NAVER, accounting for about 60%, use these services (Satisfaction rate 98%)
	Club Greeny	• Various club activities are available on hobbies, volunteer work, and other diverse topics (supporting up to KRW 360,000 per person annually) • 4,431 employees, comprising 54% of Team NAVER, are enrolled • 66% of Club Greeny members have been with the company for less than 3 years, gaining a sense of belonging and emotional interaction amid remote work situations

* For all employees (including executives, full-time, and part-time employees)

IMPROVING ORGANIZATIONAL CULTURE

Employee Engagement Survey

- Conducted an Employee Engagement Survey for all employees annually since 2021 to explore employees' perceptions on various aspects of organizational culture, work style, work environment, and matters related to efficient work performance
- Strengthened the assessment items in the "tasks, structure, processes" and "clear and definite direction" categories in 2023, which were identified as areas for improvement in the previous year's diagnosis
- Assessed overall effectiveness across 16 dimensions such as Cultural Safety, Voluntary Engagement, the Level of Creating an Enabling Environment, Clear and Definite Direction, Trust in Leaders, Respect and Recognition, Development Opportunities, and Pay and Benefits
- At the time of the 2023 assessment, 3,079 employees out of 4,183 survey subjects participated (74% participation rate)
- Results showed a second consecutive year of increase in positive responses in the "Cultural Safety" category, the area identified as key improvement target since 2021.
- Voluntary Engagement (72%), Development Opportunities (68%), and Diversity and Inclusion (71%) were particularly high compared to the national and global benchmark levels.

Indicators which increased the most Compared to 2021 (the first year of the survey)



- Conduct company-wide and departmental improvement measures for each indicator identified as focus area based on the analysis of the Employee Engagement Survey results

Improvement Measures Based on the 2023 Employee Engagement Survey Results



Employee Engagement Survey Results

	Key Dimensions	Comparison by time series		
		2023	2022	2021
		Positive response rate (Unit: %)	Change in 2023 positive responses from the baseline year (Unit: %p)	
Voluntary engagement	Quality and customer focus	79	-2	3
	Voluntary engagement	72	-4	4
	Development opportunities	68	-4	-1
	Cultural safety	68	3	39
	Trust in leaders	64	-8	6
	Respect and recognition	62	-8	11
	Clear and definite direction	54	-11	-7
	Pay and benefits	50	-7	-3
Level of creating an enabling environment	Diversity and inclusion	71	-1	19
	Creating an enabling environment	66	-5	-2
	Collaboration	65	-6	-4
	Authority and empowerment	60	-7	1
	Performance management	58	-5	3
	Education & training	58	0	10
	Resources available	56	-5	-2
	Tasks, structure, processes	48	-7	2

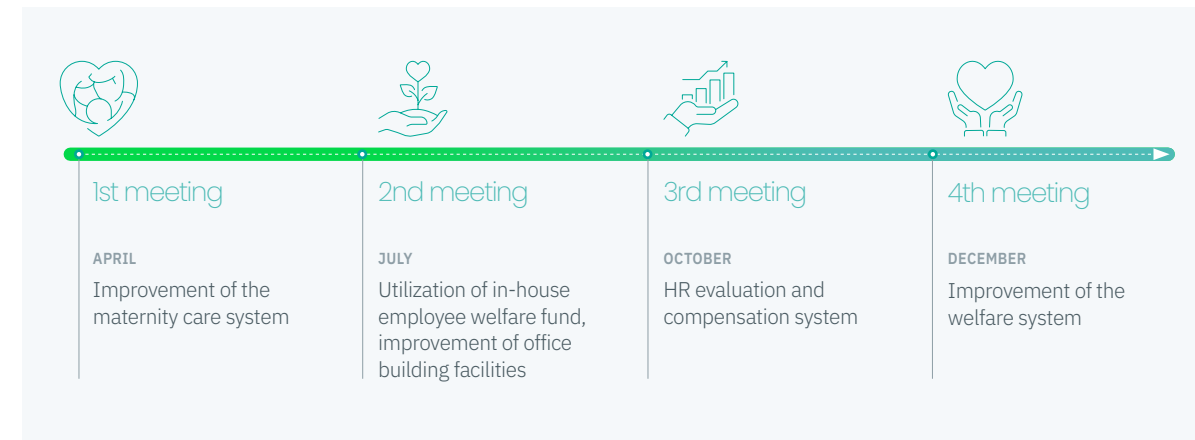
* Positive response rate refers to the percentage of employees who responded with a 5 (strongly agree) or 4 (agree) on a 5-point scale. Some benchmarks may not be comparable due to customization of items (Trust in Leader, Cultural Safety, etc.)

IMPROVING ORGANIZATIONAL CULTURE

Fair Employment and Labor-Management Relations

- Respect the basic rights of our employees, including the right to organize, collective bargaining, and collective action and aim for mutual growth and cooperation through constructive communication between labor and management
- Have been conducting new collective bargaining every two years to renew existing collective bargaining agreements since the first collective bargaining agreement with labor union took place in 2019
- Have been conducting wage negotiations annually since 2020 to agree on the compensation levels of our employees, and the wage increases and benefits agreed upon through wage and collective bargaining agreements apply to all employees regardless of union membership
- In accordance with the Act on the Promotion of Worker Participation and Cooperation, a labor-management council NVO (NAVER Valuable Opinion), composed of 9 members each from employees and the management, was established to communicate with employees. The council held four regular meetings in 2023 and discussed working conditions, welfare benefits, and other topics at its regular and extraordinary meetings

Key Discussion Topics at the 2023 Regular NVO Meetings

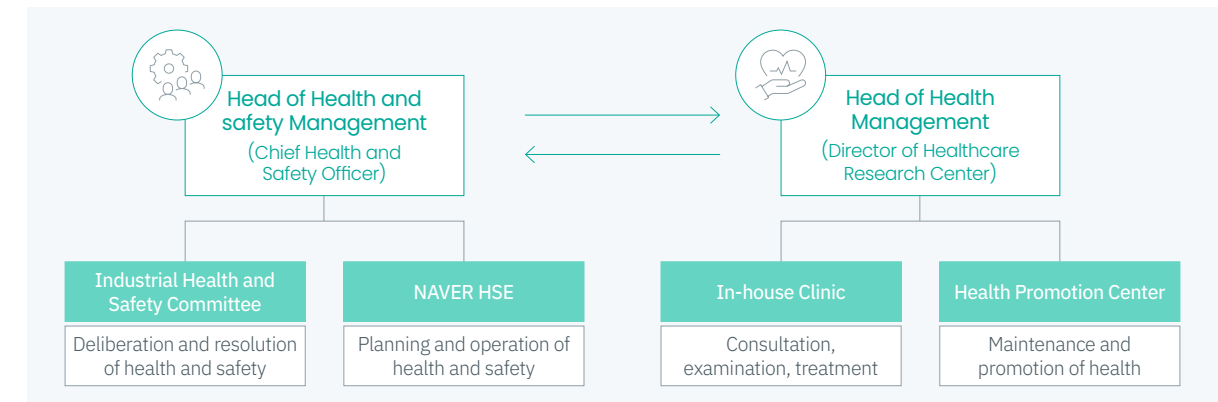


Employee Health and safety

Health and Safety Management and Oversight

- The dedicated department for Health, Safety, and Environment (HSE) executes health and safety deliberations and resolutions in accordance with laws and regulations as well as implementing health and safety related planning and activities.
- The Industrial Health and Safety Committee reviews health and safety related inspections and managements, and the appropriateness and effectiveness of related measures with employee representatives every quarter, and the results of the discussions are transparently disclosed through employee notices.

Management and Oversight System



Key Discussion Topics of the 2023 Industrial Health and Safety Committee

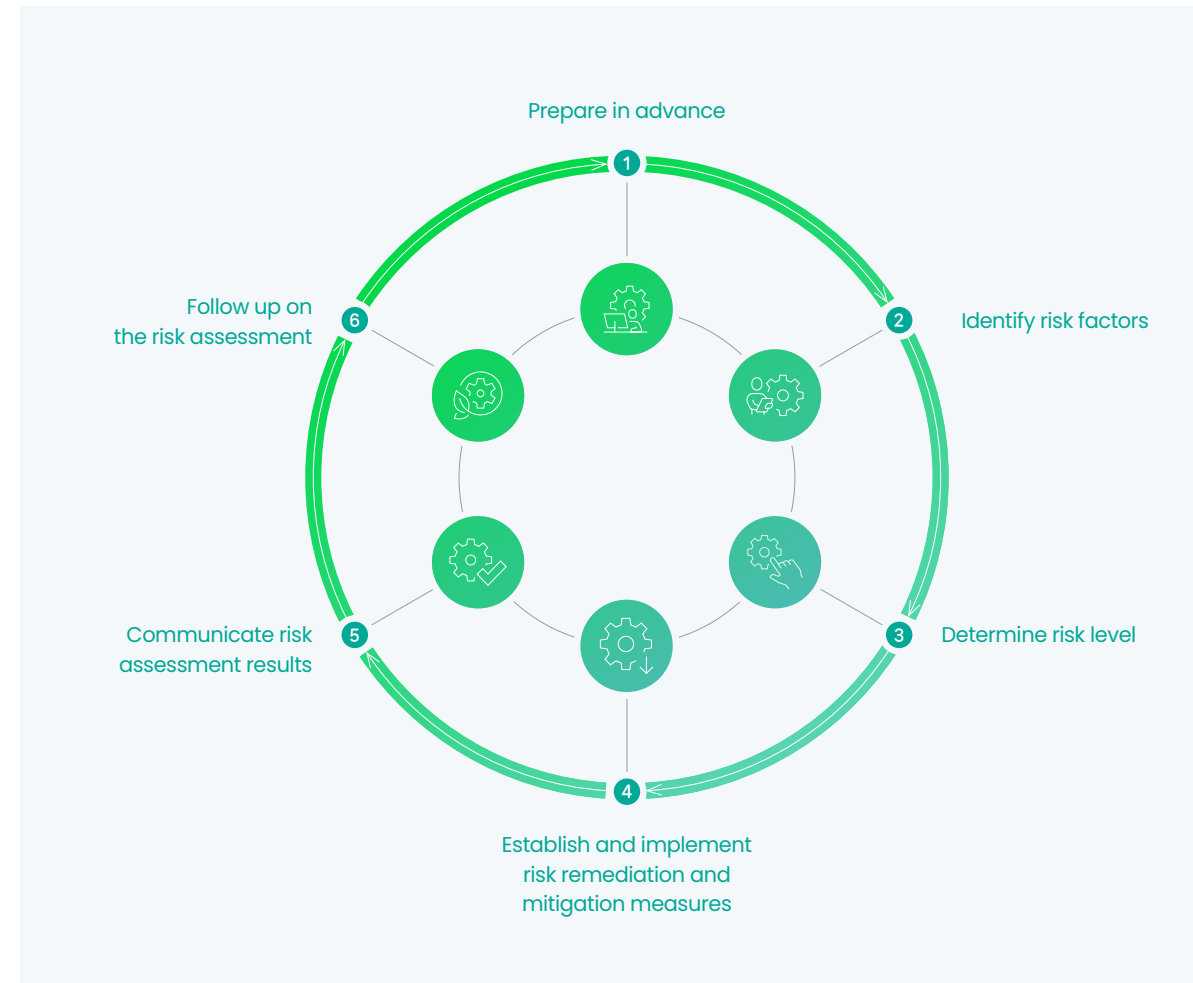


IMPROVING ORGANIZATIONAL CULTURE

Health and Safety Activities

- Evaluate potential and actual risks related to the safety of facilities as well as the healthcare of employees through an annual workplace risk assessment, and implement remediation and mitigation measures for identified risk factors after the assessment

Health and Safety Risk Assessment Process



- Conduct employee education and training on a regular basis to respond to emergencies in the workplace and ensure employee health and safety

Disaster Response Drill in 2023



1. Company-wide training to improve first-aid skills in the event of an emergency

- Theoretical training and on-site practical lectures were conducted on first aid in cooperation with the fire department
- CPR, AED use, Airway Obstruction Emergency Treatment (Heimlich Maneuver), and other first aid practices
- Live streaming is provided on the intranet alongside training videos for online participants

2. Company-wide fire evacuation drills to familiarize employees with how to act in the event of a disaster

- Initial response and evacuation methods according to fire scenarios, fire extinguisher practice, electric vehicle fire suppression demonstration, etc.
- Training videos are provided for online participants

- Implement a variety of health promotion programs to keep employees healthy

Employee Health Promotion Program



1. Fit Employee Program

- Providing multidisciplinary treatment consisting of medical consultations, nutritional counseling, and exercise therapy
- Preventing and treating chronic diseases through weight loss



2. Health Check-up Consultation Program

- Determining health check-up areas and getting a consultation on results through in-house clinic consultations
- Supporting a healthy work-life balance through systematic management of health check-up results



3. Posture Management Program

- Program for diagnosing and improving work posture to create a healthy work habit and prevent musculoskeletal disorders
- Inspecting work posture and work environment, and providing individual guidance for musculoskeletal treatment



4. No-Smoking Program

- Prescription of specialized smoking cessation medications and encouragement programs through consultations at the in-house clinic



In-house clinic "NAVER CARE"

RESPECTING HUMAN RIGHTS AND DIVERSITY

APPROACH

NAVER respects the human rights of all stakeholders surrounding its business and strives to internalize human rights management. Since the establishment of the Human Rights department in 2022, NAVER has implemented various efforts for effective human rights management, such as strengthening internal and external grievance mechanisms and revising the Human Rights Management Policy in 2023 in line with international human rights norms and trends. Furthermore, NAVER plans to create a healthy culture where all employees respect each other's diversity and coexist harmoniously, regardless of gender, nationality, age, etc.

2024 KPI

Internalizing and enhancing human rights management

- Revising and upgrading human rights policies through continuous review
- Identifying potential groups with human rights risks and analyzing actual and potential risks by group
- Expanding human rights education for employees and enhancing its content



Fostering a culture of respect for diversity

- Achieving a goal of at least 10% above the national average¹⁾ of the proportion of women in leadership roles
- Facilitating networking among female employees

¹⁾ The ratio of female managers according to statistics from the Ministry of Employment and Labor

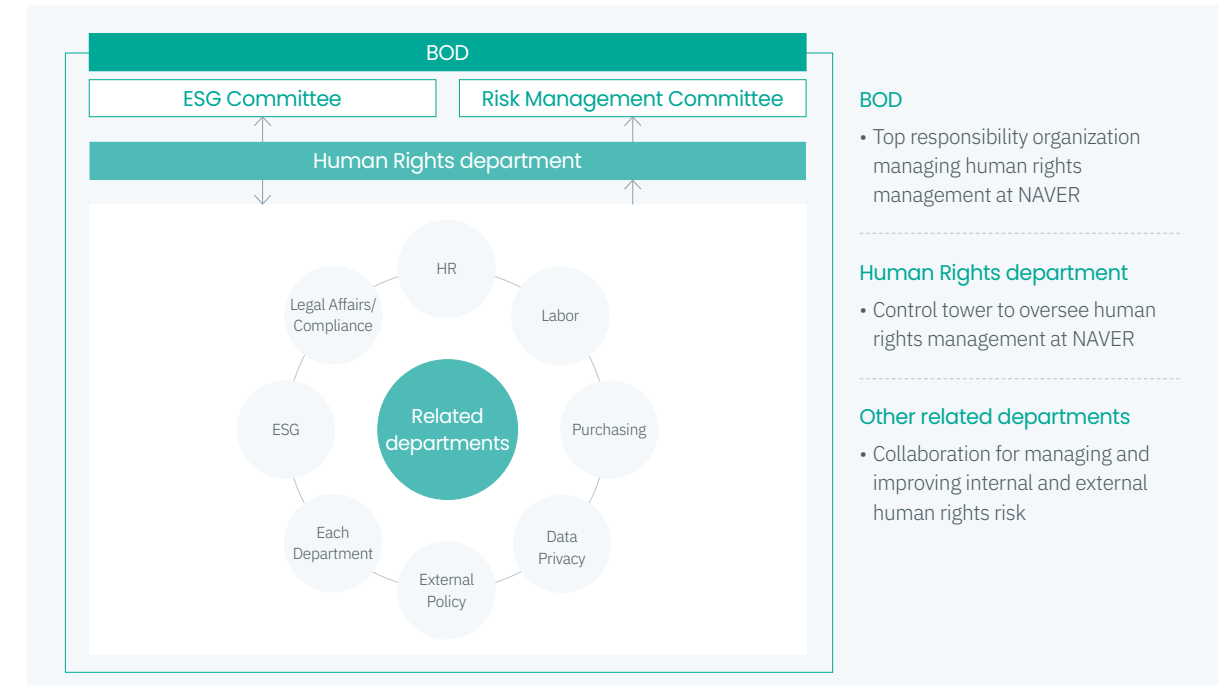


Human Rights Management System

Human Rights Management and Oversight

- The Human Rights department is an independent and autonomous human rights management control tower where a group of experts from various backgrounds such as labor and legal, practices internalization of human rights management, human rights due diligence, and grievance handling mechanisms.
- The department also reports to the ESG Committee and Risk Management Committee within the BOD on matters related to human rights management, and in the event of a human rights issue against an employee, a Deliberation Committee chaired by the CEO and composed entirely of internal executives deliver deliberations.
- Other related departments review the measures to prevent, mitigate, and remedy negative human rights impacts that may or inevitably arise from business activities, and implement detailed tasks to strengthen the human rights management system along with the Human Rights department

Management and Oversight System

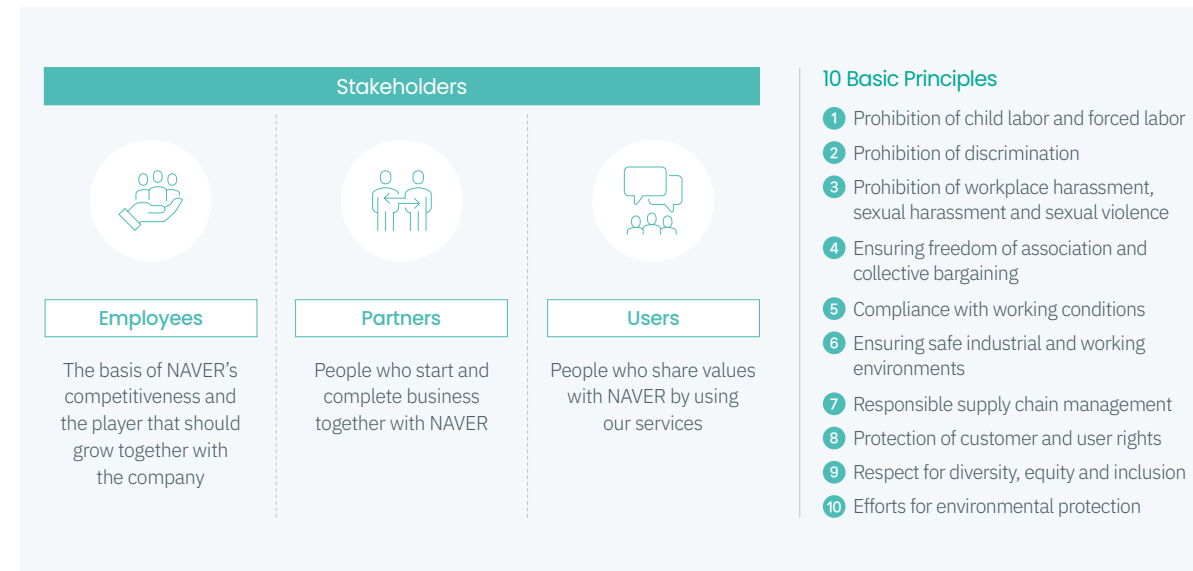


RESPECTING HUMAN RIGHTS AND DIVERSITY

Human Rights Management Policy

- Publicly stated the company's commitment to and the importance of practicing and promoting respect for human rights across employees, partners, and users through the CEO's Human Rights Management Statement in August 2023
- NAVER's Human Rights Management Policy is based on international human rights norms unanimously approved by the international community, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Ten Principles of the United Nations Global Compact (UNGC), the Universal Declaration of Human Rights (UDHR), International Labor Organization Conventions, and the OECD Guidelines for Multinational Enterprises.
- The NAVER Human Rights Management Policy, approved by the top management in August 2023, consists of 10 basic principles of human rights management, human rights management governance, human rights risk management system, and grievance handling process, and the policy applies to all employees at domestic and overseas worksites.
- In addition to our employees, we support our partners and service users, who are key stakeholders in NAVER's human rights management, in understanding and practicing NAVER's basic principles of human rights management through this policy.
- Plan to conduct education sessions on the policy in 2024 for all employees, aiming to enhance understanding of human rights management across the company; and intend to continuously encourage employee participation in the cause

NAVER's 10 Basic Principles of Human Rights Management



Internalization of Human Rights Management

Human Rights Education for Employees

- Require all employees, including full-time employees, contractors, temporary workers, and interns, to sign a pledge of compliance with the Integrity Code, NAVER's code of business ethics that strongly prohibits inappropriate behavior such as workplace harassment and sexual harassment; and develop content on a regular basis to internalize the Integrity Code and conduct annual training for all employees
- Provide workplace sexual harassment and harassment prevention training and disability awareness training every October to December for all employees, with the provision of more specialized training for leaders and managers than for general employees
- Plan to conduct human rights management training for all employees in 2024 to raise awareness of NAVER's human rights management orientation and values

Activities to Enhance Human Rights Awareness Among External Stakeholders

- Contributed to raising public awareness of human rights by displaying a special banner on the NAVER main screen on the anniversary of the Universal Declaration of Human Rights (December 10)
- Participated in the Business and Human Rights Accelerator program hosted by the United Nations Global Compact in 2024 to upgrade and develop the company's human rights management system and exchange opinions with various external stakeholders

Human Rights Risk Management

Process for Identifying and Mitigating Human Rights Risks

- Have been conducting human rights impact assessment and Employee Engagement Survey once a year since 2021 for all employees, including vulnerable groups such as pregnant women and people with disabilities; and identify and assess major human rights risks through regular employee communication channels

NAVER's Human Rights Management Status Assessment Framework



RESPECTING HUMAN RIGHTS AND DIVERSITY

Key Improvement Measures in 2023

- Conducted a thorough review of human rights management status at the end of 2022, which identified “improving awareness and confidence in the effectiveness of internal grievance channels” and “establishing mechanisms to ensure cultural safety” as priority areas for mitigating key human rights risks
- Implemented substantial and diverse institutional efforts to drive the identified priority improvement measures in 2023

01. Improving grievance channel effectiveness and credibility

Improvement measures	Actions taken in 2023	Effectiveness													
• Raise the effectiveness of internal grievance channels • Elevate employee confidence in the company's ability to take action against workplace harassment and protect reporters	• Operated the Human Rights Hotline and conducted investigations on reports independently • Established a process to hear labor union opinions on the results of investigations into workplace harassment cases • Implemented workplace harassment and sexual harassment prevention trainings with real life examples to enhance engagement in training • Established and enforced procedures for notifying and enforcing confidentiality obligations for investigation participants to protect reporters and victims of workplace harassment	• Conducted a regular employee survey in Q4 2023 to determine employee perceptions of the company's responses to workplace harassment and sexual harassment as well as preventive measures													
			<table><tr><th></th><th>Positive response rate in 2023</th><th>Increase from 2021¹⁾</th></tr><tr><td>Providing sufficient preventive training</td><td>77%</td><td>44%p</td></tr><tr><td>Trust in company actions in the event of an incident</td><td>63%</td><td>36%p</td></tr><tr><td>No adverse treatment due to reporting</td><td>70%</td><td>38%p</td></tr></table>		Positive response rate in 2023	Increase from 2021 ¹⁾	Providing sufficient preventive training	77%	44%p	Trust in company actions in the event of an incident	63%	36%p	No adverse treatment due to reporting	70%	38%p
			Positive response rate in 2023	Increase from 2021 ¹⁾											
		Providing sufficient preventive training	77%	44%p											
		Trust in company actions in the event of an incident	63%	36%p											
No adverse treatment due to reporting	70%	38%p													
	¹⁾ The initial year of risk identification														
	• The survey found that perceptions of protection and fair treatment of whistleblowers for reporting incidents of workplace harassment, sexual harassment, and sexual violence increased by 29%p from 2021 to 2022, followed by an additional nearly 9%p increase from 2022 to 2023, showing a particularly positive improvement in whistleblower protection.														

02. Establishing mechanisms to ensure cultural safety

Improvement measures	Actions taken in 2023	Effectiveness
Establish a culture of mutual respect among employees to prevent workplace bullying behavior and sexual harassment	- Sensing through human rights grievance mechanisms and channels - Continuously monitored leadership risk factors - Conducted specialized training on workplace harassment and sexual harassment prevention for leaders and higher management positions - Updated the Culture Code, a set of norms shared by the NAVER community to foster a healthy corporate culture	According to the 2023 survey results on employee perceptions in the “Cultural Safety,” positive response rate has continued to rise for two consecutive years (43%p increase compared to 2021 and 3%p compared to 2022).

Key Improvement Measures for 2024

- Derived “identifying and supporting potential risk groups” as a key improvement measure to mitigate employee human rights risks through a regular risk assessment and internal status analysis conducted in 2023, targeting all employees
- Have established institutional measures and improvement tasks to mitigate potential human rights risks for our employees, and plan implement them faithfully throughout 2024 to continue to create positive human rights management results

Human Rights Risk Mitigation Measure in 2024

Improvement measure

Identify groups that may be vulnerable or exposed to potential human rights risks due to social convention and company culture, work environment, etc.

Basis for selection

These efforts aim to identify detailed potential risks for marginalized groups of people who are relatively unorganized or have a relatively weak voice within the organization, something that is difficult to identify in a large scale survey or checklist-based human rights impact assessment.

2024 Action Plan

- Define potential risk groups through analysis of global vulnerable group selection criteria, analysis of domestic and international peer companies, focus group interviews, and quantitative data analysis
- Randomly select subjects within the identified potential risk groups and conduct in-depth human rights impact assessment by a group of third-party human rights management experts and conduct a series of focus group interviews to understand potential/actual risks of the identified groups
- Identify and implement detailed implementation tasks based on the results of the in-depth human rights impact assessment

RESPECTING HUMAN RIGHTS AND DIVERSITY

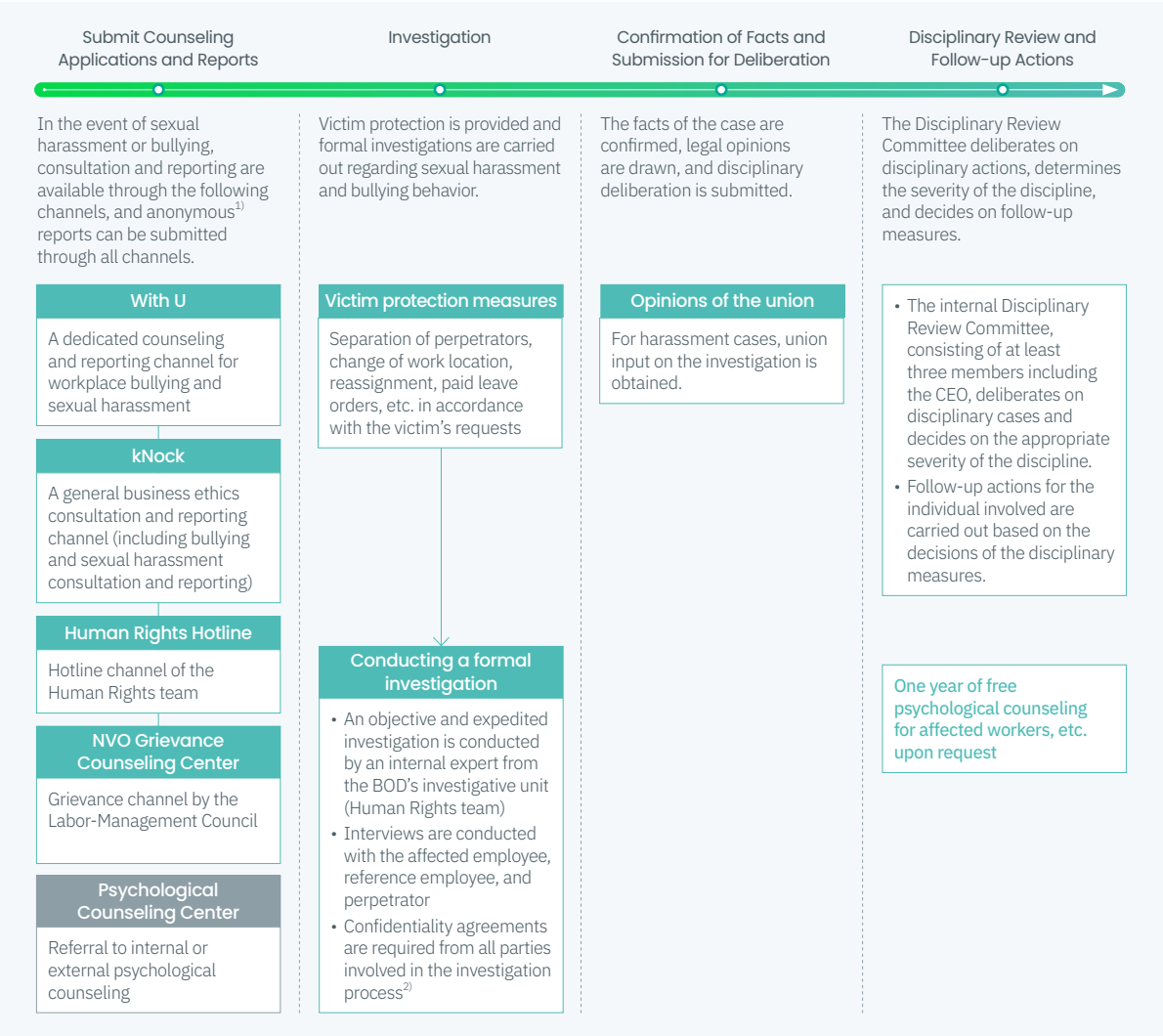
Handling of Human Rights Grievances

- Operate various human rights grievance handling channels so that all employees and stakeholders can report to and consult with the company
- If there are issues related to human rights discovered through the grievance channel or Employee Engagement Survey, the Human Rights department dispatches a dedicated unit to investigate and determine solutions after confirming the facts, and immediately reports the contents to the BOD or relevant committee.
- Deliver the result to the complainant through the received reporting channel; set and implement measures to prevent recurrence, such as employee education and system improvement; and conduct monitoring through periodic on-site inspections

Human Rights Grievance Handling Channels for Diverse Stakeholders

kNock	• An integrated internal channel where employees can freely and anonymously consult about the company’s standards and system • When an employee submits a grievance to kNock, the responsible personnel of each field will provide a detailed response to the employee and further derive improvements to the company’s system or standards.
With U	• A specialized channel to report and/or consult on workplace bullying and sexual harassment • Employees who experience or witness workplace bullying or sexual harassment can report it anonymously through With U. Reports received through this channel are fact-checked and formally investigated by the Human Rights department
Human Rights Hotline	• A direct reporting channel to the Human Rights department • Allows employees who experience or witness workplace harassment or sexual harassment to report directly and anonymously to the Human Rights department without having to go through reporting channels such as kNock or With U. The Human Rights department will verify the facts and conduct a formal investigation.
NVO Grievance Counseling Channel	• A grievance consultation channel operated by the labor-management council NVO (NAVER Valuable Opinion), established in accordance with the Act on the Promotion of Worker Participation and Cooperation • It is operated by three employee representatives of NVO and serves to receive grievances that are difficult to suggest publicly through the general bulletin board. • The council members forward the received grievances to the executives and relevant departments, etc., and further discuss internal improvement measures afterwards.
Business Ethics Consultation Center	• A channel that is open 24 hours a day, 365 days a year for any stakeholder to report and consult on human rights grievances arising from violations of business ethics by employees of NAVER and its subsidiaries • Stakeholders can report to and consult with the Center about unfair demands and power abuse, as well as other irregularities and misconduct by employees of NAVER and its subsidiaries. • In 2023, total of 21 reports were received and all of them were handled properly according to internal procedures. • The identity of the counselor and counseling/report contents are fully secured in accordance with relevant laws and regulations.

Grievance Handling Process for Workplace Bullying and Sexual Harassment



¹⁾ When consulting or reporting anonymously, the identity of the person making the report remains unknown to the handler until they choose to disclose their real name. This ensures a thorough anonymity protection structure.

²⁾ To ensure confidentiality is maintained, investigators must inform all participants involved in the investigation of their obligation to maintain secrecy in advance and obtain confidentiality agreements from them. If the confidentiality obligation is violated, the company may use this as grounds for disciplinary action.

RESPECTING HUMAN RIGHTS AND DIVERSITY

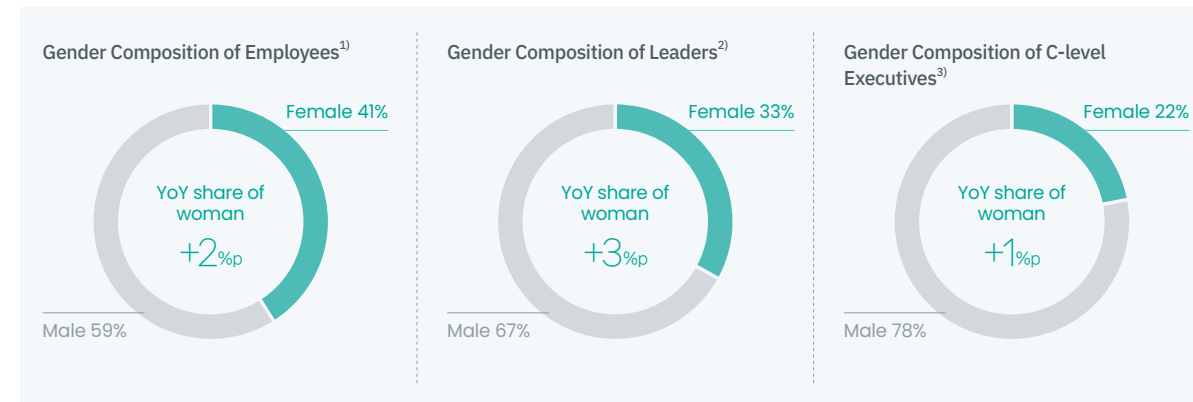
Diversity of Employees

Female Talent

- Implement institutional measures to create a work environment based on respect rather than gender discrimination; A leading example includes maintaining of a 10% above the national average of the proportion of women in leadership roles
- As of 2023, more than half (59%) of female leaders are balancing childcare and their careers. Additionally, 100% of employees, excluding those who voluntarily resigned, returned to work after parental leave.
- In 2023, the “Diversity and Inclusion”* category in the Employee Engagement Survey scored an average of 71%, a 19%p increase compared to 2021, when the survey was conducted for the first time.

* Includes questions about the company’s institutional support for pregnant women and people with disabilities, efforts for women and diverse leadership, and the ability to enforce policies fairly and consistently.

- Collect minimum necessary information other than essential requirements in the recruitment process; and make continuous efforts to enhance diversity in the recruitment process review



¹⁾ Based on full-time employees

²⁾ The position “Leader” corresponds to the definition of “manager” by the Korea Standard Occupational Classification by Korea Statistics

³⁾ Includes inside directors, GIO, CIC representatives, business representatives and executives

Foreigners

- Continuously support networking and organizational adaptation for employees of foreign nationality, such as the creation of the “working group” within the internal messenger called NAVER Works, through which employees of foreign nationality share know-how and experiences about life in Korea
- Implement various organizational activities, such as producing and sharing videos related to respecting local cultures and diversity
- At NAVER Vietnam, small gifts were given to female employees on International Women’s Day (March 8) and Vietnamese Women’s Day (October 20), and male employees could leave early, reflecting the local social sentiment and lifestyle culture of Vietnam.

Persons with Disabilities

- Established in 2020 as a subsidiary of NAVER, NAVER HANDS provides a standard workplace for the disabled. Initially began with 21 disabled employees, the company hired 33 additional people with developmental disabilities for the past three years, bringing the total number of employees to 54 as of the end of December 2023.
- In 2023, employees at NAVER HANDS participated in the making of education materials themed in diversity and inclusion at work and the education was offered to all employees at NAVER

Key Activities of NAVER HANDS

- Continuously develop roles that severely disabled individuals can perform, enabling them to work full-time in six positions such as cafes, brand stores, flower shops, and convenience stores
- Develop detailed manuals for each job and deliver them through structured training programs in order to support severely disabled employees in performing their tasks actively and independently
- Support various forms of interaction including the opportunities for employees with developmental disabilities to use AI robots “Rookie” at the in-house convenience store for delivery
- Provide general guidance on company life and statutory education at the beginning of employment, along with educational materials in plain language to help employees stably adapt to work

- At NVISIONS, a subsidiary of NAVER, conducts web accessibility consulting, 28 visually impaired people work for the company as of December 2023, and it was awarded the 2023 Disability Employment Promotion Conference based on its employment performance.

2023 Awards for Disability Employment Promotion Conference Hosted by the Ministry of Employment and Labor

- Outstanding Company in Employment of Persons with Disabilities Category: **NAVER HANDS**
- Disabled Worker Category: **an NVISIONS employee** (Prime Minister’s Award)



SUPPLY CHAIN ESG MANAGEMENT AND MUTUAL GROWTH

APPROACH

NAVER ecosystem consists of “purchasing partners,” which refers to the company’s suppliers for resources, services, and products, and “platform partners,” such as sellers on NAVER Smart Store and content creators, who deliver value to users via NAVER’s online platforms. Under the firm belief that “the growth of our partners is the growth of NAVER,” NAVER pursues mutual growth with its partners based on reasonable and fair transactions. In addition, the company is making diverse efforts to minimize ESG risks and promote sustainability throughout its supply chain, such as devising effective incentives to encourage its purchasing partners to conduct ESG management, as well as assessing the ESG related risks of its major purchasing partners and updating its purchasing policies accordingly.

2024 KPI

Enhancing supply chain ESG risk management system

- Establishing and disclosing NAVER Supply Chain ESG Management policy



Strengthening supply chain ESG risk management

- Increasing the number of “Green Partners”¹⁾ by 150% and conducting ESG risk assessment on them
- Increasing support for improving ESG management among high-risk purchasing partners
- Expanding ESG management training and consulting programs for small and medium-sized purchasing partners

¹⁾ Key purchasing partners in NAVER’s sustainable supply chain, selected based on annual transaction amount and number of transactions

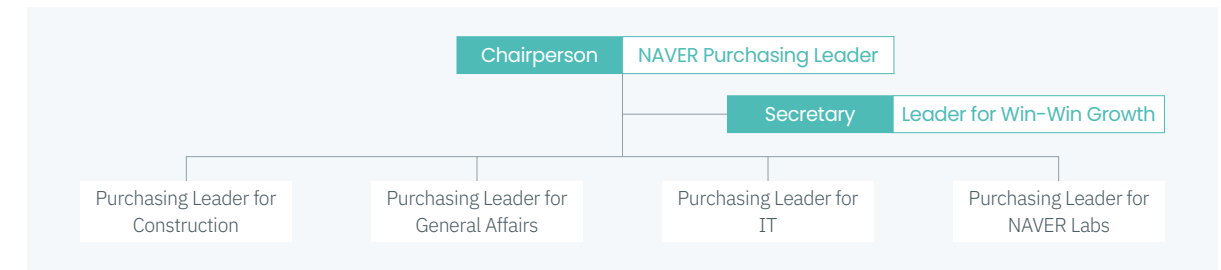


Supply Chain ESG Management

Supply Chain Management and Oversight

- The ESG Committee within the BOD reviews and deliberates on the performance of supply chain ESG activities
- The Purchasing Evaluation Committee meets once a week under the leadership of the head of NAVER Corporation’s Purchasing Department to review and check major issues related to fair trade and shared growth, across NAVER and its subsidiaries’ supply chains
- NAVER Corporation’s relevant departments such as Win-Win Growth and Legal also support fair trade risk management and respond to major issues associated with partners

Management and Oversight System*



* Includes NAVER and its major subsidiaries

NAVER’s Purchasing Partners



SUPPLY CHAIN ESG MANAGEMENT AND MUTUAL GROWTH

Promoting Fair Trade

- Operate e-procurement systems throughout the entire transaction process to ensure reasonable and fair transactions with purchasing partners
- Prevent corruption among purchasing partners by adopting the Four Major Practices for Compliance with the “4 Code of Conduct to Comply with Subcontract-related Laws and Regulations” set out by the Fair Trade Commission of Korea
- Listen to our purchasing partners to improve and enhance supply chain management continuously via various direct communications channels such as “Voice of Partners” (VoPs)

Activities for Fair Trade

Classification	Details
Operation of an electronic purchasing system	 • NAVER selects its business partners through a bidding process in order to prevent verbal orders/unfair contract cancellations, and operates an electronic purchasing system for the entire process ranging from bidding to signing contracts and making payments with the goal of ensuring transparency and fairness.
Compliance with government guideline	 • NAVER has adopted and complies with the “4 Code of Conduct to Comply with Subcontract-related Laws and Regulations” enacted by Fair Trade Commission in order to establish reasonable and fair subcontract transaction practices (signing of contracts, selection and management of purchasing partners, internal deliberation committee, issuance of documents and their preservation).
Operation of channels to listen to purchasing partners' opinions	 • NAVER operates the Voice of Partners (VoP) system through which it conducts surveys among partners and bidders to listen to their opinions. • NAVER operates partner programs and the Partners Line, which is a channel to collect requests and suggestions for mutual growth from its purchasing partners • NAVER operates a dispute mediation channel through which our partners can apply to resolve a problem related to purchasing contracts. • NAVER operates the Corporate Ethics Consultation Center, a window for reporting violations of corporate ethics, such as employee misconduct and unreasonable demands

Summary of VoPs in 2023

 2,211 No. of surveys conducted	 1,117 No. of responses	 6 No. of complaints¹⁾	 6 (100%) No. of responses and countermeasures
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¹⁾ Among the responses, 6 cases (approximately 0.5%) were identified as complaints; 5 of them were found to have no issues after investigation and 1 case was acted upon.

Supply Chain ESG Risk Management

- Have a Supply Chain ESG Management Policy in place to manage and reduce supply chain ESG risks, and the policy is continuously reviewed to enhance the management system
- Select “Green Partners¹⁾” among purchasing partners every year based on transaction size and number of transactions to assess and act upon major ESG risks in NAVER’s supply chain annually
- Examine the ESG risks of partners (including prospective partners) at various stages of the transaction process, such as selecting purchasing partners and signing contracts
- Plan to increase the number of ESG risk assessment subjects or the “Green Partners” by 150% in 2024 in order to further improve our supply chain ESG risk management

NAVER Supply Chain ESG Risk Management System

	Request for Proposal/ Quote	Order/ Contract	Procurement/ Delivery	Renewal Review
				
	STEP 1. Partner selection	STEP 2. Contract signing	STEP 3. Post-transaction/delivery	
Target	• Prospective purchasing partners wishing to register for new transactions	• Those subject to existing/new transaction contract execution	• Those selected as NAVER Green Partners ¹⁾	
Purpose	• Review of ESG-related compliance before signing contracts • Assessment on ESG risk level as part of the selection criteria	• Agreement on the ESG practice direction of purchasing partners following the contract execution	• Focused status check on key purchasing partners who require management from an ESG perspective and are expected to play a role in spreading positive impacts within the supply chain	
Tool	• ESG assessment checklist for prospective partners	• Sustainable management practice agreement	• ESG risk assessment for NAVER Green Partners	
Methodology	• Conducting ESG self-assessment when registering at NAVER's PATH(Partner Agreement Transaction Hub) platform	• Adding the agreement to the contract upon the contract execution	• Risk inspection after selecting a green partner every year • Due diligence when material issues are identified	

¹⁾ Green Partners: Key purchasing partners selected based on annual transaction amount, number of transactions, and overall impact on the supply chain in general; Green Partners play an important role not only in NAVER’s business activities but also in spreading positive impacts for sustainability across NAVER’s supply chain

SUPPLY CHAIN ESG MANAGEMENT AND MUTUAL GROWTH



STEP 1. Partner selection

ESG Assessment Checklist for Prospective Purchasing Partner

- Aimed at assessing ESG risks of prospective partners at the partner selection stage
- Companies that register themselves to be NAVER's Purchasing Partners conduct an ESG assessment checklist that is consisted of items related to ESG-related regulations, NAVER's Code of Ethics (Integrity Code), and the Sustainable Management Practice Agreement via NAVER's PATH (Partner Agreement Transaction Hub), a partner registration and management system
- Prospective purchasing partners that are found to be free of legal violations and demonstrate high level of ESG management at the ESG assessment checklist are given priority consideration to be NAVER's "Fair-trade Partners" for the next year if selected as purchasing partners

Areas of ESG Risk Assessment for Purchasing Partners

Human Rights Management Prohibition of forced labor and child labor Humane treatment Working conditions and labor rights Human rights impact management of products and services	Health and Safety Management Industrial safety Health and safety education and training	Environmental Management GHG reduction Circular economy	Ethical Management Operational transparency Protection of personal information



STEP 2. Contract signing

The Sustainable Management Practice Agreement

- Purchasing partners sign the Sustainable Management Practice Agreement with NAVER to understand and align themselves with the directions and objectives of NAVER's supply chain ESG management
- Signing of the agreement is required for all types of contract, including new agreements and renewals with purchasing partners

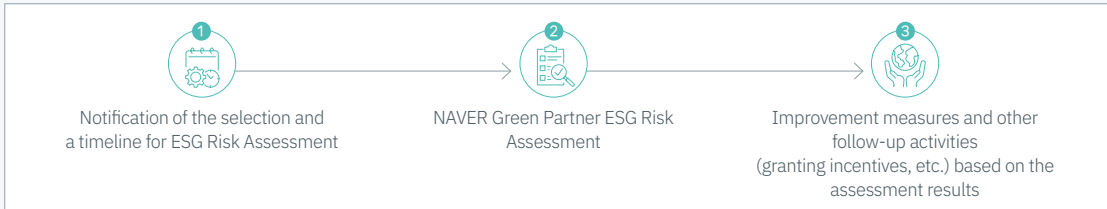


STEP 3. Post-transaction/delivery

NAVER Green Partner Annual ESG Risk Assessment

- Strive to prevent ESG risks stemming from NAVER's supply chain proactively and help its purchasing partners to build their capacity to address ESG issues
- Select key suppliers as "NAVER Green Partners" based on their annual transaction volume, transaction frequency, and overall impact on the supply chain
- Conduct the annual NAVER Green Partner ESG Risk Assessment to monitor and manage potential/actual ESG risks in supply chain on a regular basis

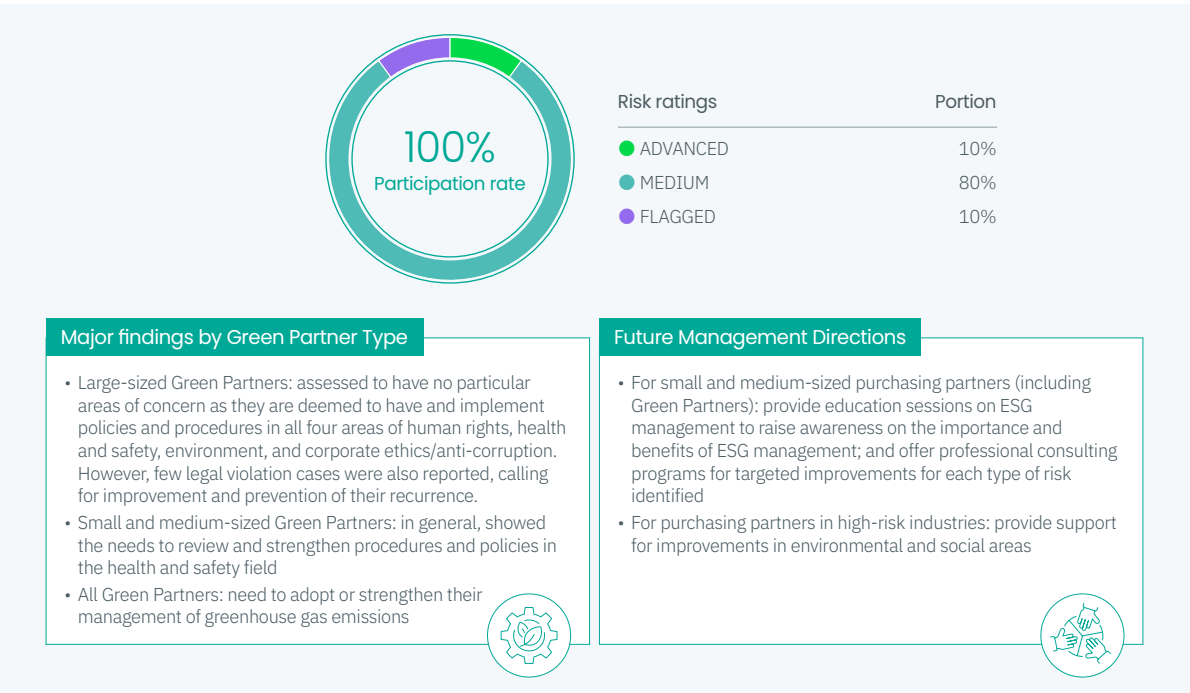
Selection of Green Partners



NAVER Green Partner ESG Risk Assessment

- Designed to diagnose potential and actual risks in the four areas of sustainability: Human Rights, Health and Safety, Environment, and Ethics and Anti-corruption, and take action on risk areas where identified
- Continue to discuss risk improvement measures and monitor their improvement status year-round using diverse methods such as closed dialogues, written inquiries, visits, and on-site inspections for Green Partners that are rated as "FLAGGED" and demonstrate significant risks in terms of sustainability
- Offer incentives such as priority consideration when selecting Fair-trade Partners to small and medium-sized Green Partners with the rating of "ADVANCED"
- Offer free professional third-party ESG consultation services to some of the "MEDIUM" rated small and medium-sized Green Partners to provide customized, effective, and detailed improvement measures
- Extra points are given to purchasing partners that demonstrate ability to manage their ESG risks effectively in bidding that includes sustainability in the evaluation criteria

Results of the 2023 Regular ESG Risk Assessment of NAVER Green Partners



SUPPLY CHAIN ESG MANAGEMENT AND MUTUAL GROWTH

Win-Win Growth Support for the Supply Chain

Assisting Purchasing Partners in Fulfilling Their Social Responsibilities

ESG Education for Purchasing Partners

- Provided an education session on the overview and importance of ESG management, as well as NAVER's supply chain ESG risk management and support programs system for 62 purchasing partners on NAVER Partners Day held in October 2023

Key Content of the Education

- Basic concepts of ESG, background, and importance
- ESG management cases of current NAVER purchasing partners and positive business outcomes from ESG management
- NAVER's 7 ESG Management Strategy and future directions
- NAVER's supply chain ESG management system and support programs for purchasing partners



Efforts for Anti-corruption throughout Supply Chain

- Conduct a continuous VoP (Voice of Partners) survey on all purchasing partners to monitor the transparency and fairness of various stages of transaction process (such as partner selection, contract terms, contract termination, etc.) between NAVER and its purchasing partners
- Consistently develop and diversify due diligence methods for purchasing partners with high corruption risks and strengthen anti-corruption measures in general; for instance, in 2024, a criterion on “anti-corruption related legal violations” is to be added to the Green Partner ESG Risk Assessment item

Health and Safety Management for Purchasing Partners

- Operate health and safety programs and regular inspections to create a healthy and safe working environment for the employees of our purchasing partners

Health and Safety Activities for Purchasing Partners



Cooperation to ensure the health and safety of purchasing partners' employees

- Form and operate a health and safety cooperative council
- Conduct joint health and safety inspections on purchasing partners' worksites



Inspections to prevent serious accidents at purchasing partners' workplaces

- Establish a health and safety management system and monitor its operation
- Establish measures to prevent recurrence in the event of a disaster and monitor the progress
- Implement management measures necessary to fulfill the obligations outlined in the health and safety laws and regulations



Health and safety assessments on purchasing partners

- Evaluate the health and safety capabilities of the purchasing partner regarding the project before signing the contract
- Identify improvement measures and share feedback upon discovering deficiencies

Fostering Environmental Competence of Purchasing Partners

- Introduced mandatory climate-related disclosures and NAVER's plans to implement an internal carbon pricing system to major purchasing partners that manufacture and supply NAVER's work-related devices
- Held 14 virtual and in-person meetings with 7 pairs of suppliers and manufacturers to educate them on the basic concepts of GHG Scope 1, 2, and 3 emissions and share the components and status of NAVER's Scope 3 emissions
- Facilitated mutual understanding between NAVER and its purchasing partners, who will serve as data providers before initiating NAVER's internal carbon pricing system

SUPPLY CHAIN ESG MANAGEMENT AND MUTUAL GROWTH

Win-Win Growth Support Program for Purchasing Partners

- Provide competent support programs for purchasing partners in various areas including management, education, welfare, and sales support, with a focus on enhancing the self-sustainability of small IT companies that comprise majority of NAVER's supply chain and on strengthening the welfare benefits for the employees of our partners

Win-Win Growth Support Program

Management support

- 100% cash payment within 10 business days from the date of issuance of the invoice (as of 2023, 6.9 days on average including holidays)
- Payment of transportation expenses and a participation fee for bidding participants
- Free online consulting services on such issues as labor and laws
- Forming a win-win growth fund of KRW 17.2 billion and providing loans at a lower interest rate than the market interest rate (providing KRW 16.1 billion to 46 companies as of December, 2023)
- Providing professional management consulting service, including ESG-based innovation, to help Fair-trade Partners to achieve productivity innovation (partners selected once a year; 10 partners were selected for support in 2023)
- Providing a free online ESG self-assessment service and a field ESG consulting service for small and medium-sized Fair-trade Partners who have difficulties in practicing ESG management (participated by 19 companies as of December, 2023; on constant operation)
- Helping partners expand overseas sales channels by introducing overseas services and supporting direct contracts with subsidiaries abroad
- Participating in supplier-led events and consultations to support small and medium-sized purchasing partners in developing their domestic market shares, and signed agreements with local governments and public institutions for online support programs for SMEs
- Participating in the private-government joint technology development program organized by the Ministry of SMEs and Startups (support for business expenses related to technology development of small and medium-sized purchasing partners)
- Supporting technology escrow fees for partners that signed Fair Trade Agreement
- Supporting the operation of an online recruitment channels and participation in various job fairs to support talent recruitment of purchasing partners
- Offering a discount for remote work system



Education support



- Providing regular online training courses (including legally imperative trainings) to employees of purchasing partners (197 companies in 2023, cumulative number of trainees: 17,025¹⁾)
- Providing SME partners with an education program on business management through the NAVER Business School (350 courses in 2023; cumulative number of trainees: 1,196,127¹⁾)

Welfare support



- Offering welfare programs (health checkup etc.) at the same prices as NAVER employees
- Providing support items for funerals
- Supporting meals for the employees of partners temporarily residing at NAVER's workplace (amounts to KRW 340 million on average)

¹⁾ Includes double-counting

Win-Win Growth with Purchasing Partners

- Became the first internet platform to receive the highest rating in the Win-Win Growth Index evaluation by Korea Commission for Corporate Partnership for seven consecutive years from 2016
- Selected as Best Practice in implementing the Fair Trade Agreement in 2023 for improving payment terms, significantly shortening the payment cycle for purchasing partners

Awards



Ranked the highest
for 7 years in a row

Win-Win Growth Index
evaluation in 2023



Selected as
Best Practice

For the implementation of
the Fair Trade Agreement in 2023

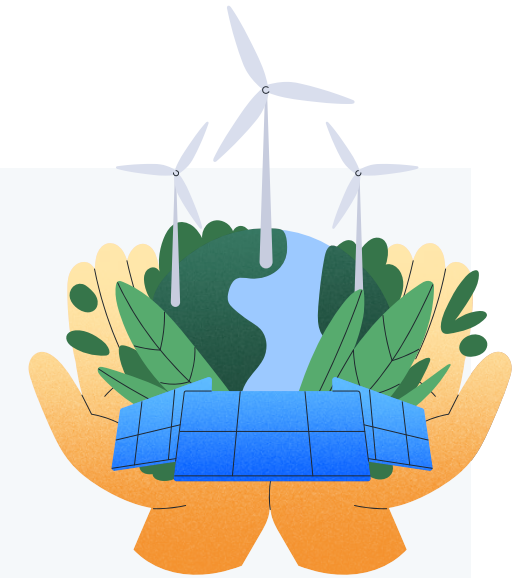


SUPPLY CHAIN ESG MANAGEMENT AND MUTUAL GROWTH

CASE STORY

Partners Day with NAVER's Purchasing Partners

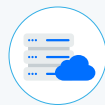
- Partners Day was held again in October 2023 to facilitate active communication and interaction with NAVER's purchasing partners after a temporary suspension from 2018 due to COVID-19
- Held as a two-day event at NAVER Connect One and GAK Chuncheon and 60+ Fair-trade Partners of NAVER participated
- The 2023 Partners Day was organized under two themes: "Reunion" to build stronger ties between NAVER and its partners and "ESG" to promote NAVER's supply chain ESG management
- NAVER gifted each participant with a Win-win Growth Partner Certificate and eco-friendly products to raise partner's awareness of NAVER's commitment to healthy partnership as well as ESG management
- The event consisted of various sessions and programs dedicated to share NAVER's future directions for ESG management and age-long commitment to mutual growth with its partners



REUNION



NAVER Win-win Growth programs



Tour of NAVER Connect One and the Data Center Gak Chuncheon



2023 Win-win Growth Partner Certificates



ESG



Sharing of NAVER's direction towards supply chain ESG management and the partners' role in it



Exemplary cases and significance of ESG management practices for SMEs



Introduction of NAVER's ESG activities and partner support programs



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

APPROACH

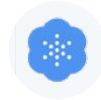
NAVER supports the sustainable success of diverse SMEs, creators, and local communities that flourish on NAVER's platform. To this end, NAVER contributes to the development of local communities through Corporate Social Responsibility activities in four areas – enhancing the capabilities of SMEs and creators, spreading knowledge and cultural contents to local communities, supporting digital literacy for vulnerable groups, and providing a donation and funding platform. In particular, NAVER actively helps SMEs and startups seize new opportunities by utilizing our advanced technology and know-how. Moving forward, NAVER will continue to carry out unique and diverse support programs based on digital technology and online platforms in response to the changing digital environment and in line with social demands.



2024 KPI

Elevating support programs to help continued growth of SMEs

- Regularizing SME brand building program and programs catered to each growth stage of SMEs
- Diversifying mutual growth programs for SMEs by expanding “Flower Ambassador” activities



Expanding educational support for the underprivileged

- Operating the “Let’s Play Software” program for the underprivileged
- Running education programs for women with career breaks through Junior NAVER School
- Providing education targeting female learners through “Boost Camp”



Promoting donations through online platforms

- Achieving target transaction value of KRW 59.7 billion (2% growth YoY)
- Expanding donations through new technology infrastructure (donation kiosks)

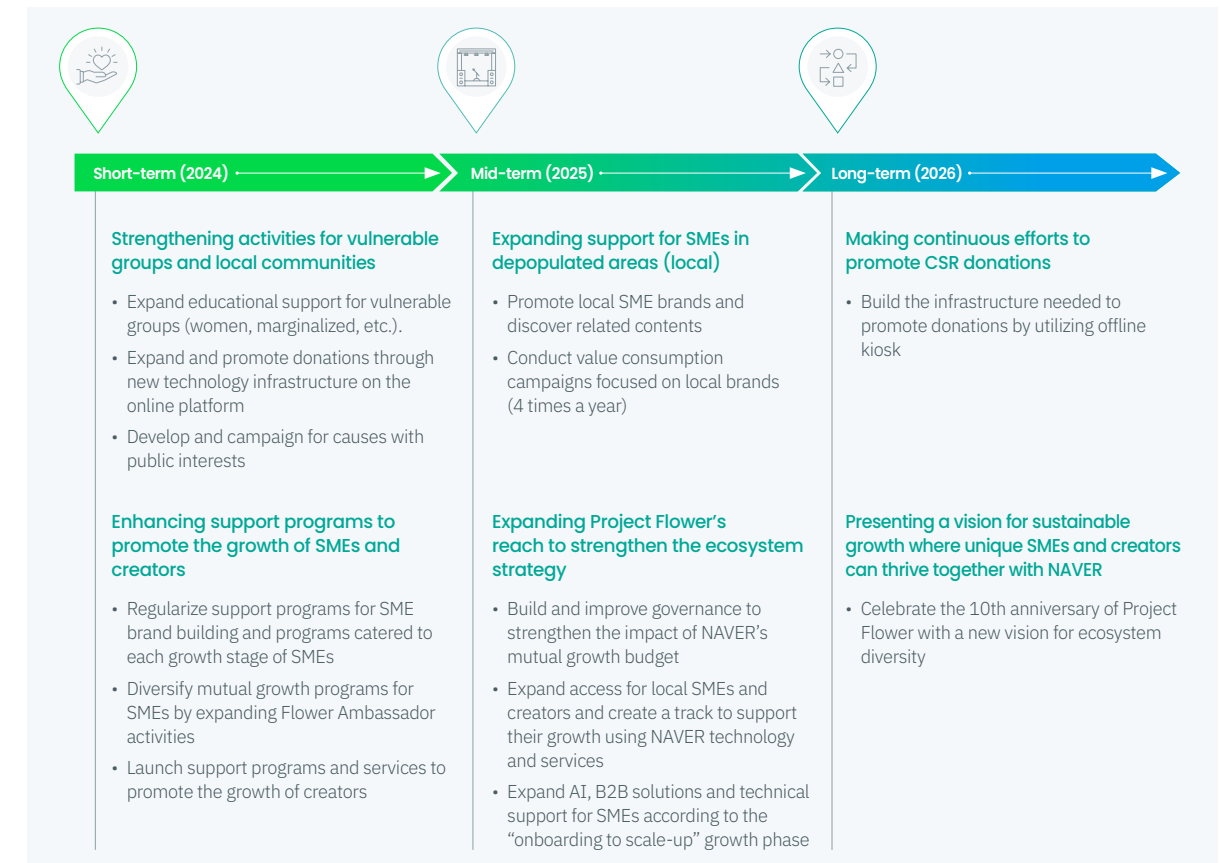


Management System for Promoting Corporate Social Responsibility (CSR) and Contributions to Local Communities

Policy Document

- Established and disclosed NAVER's Corporate Social Responsibility (CSR) policy; and developed and publicly announced mid- to long-term roadmap

Roadmap



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Fountain Fund

- Designed to index not only donations but also the social impact created through technology, services, and business
- Created in 2017, Fountain Fund consists of a Public Service Platform for donations and a Business Platform for CSR efforts made through NAVER's businesses

Size of the Fountain Fund



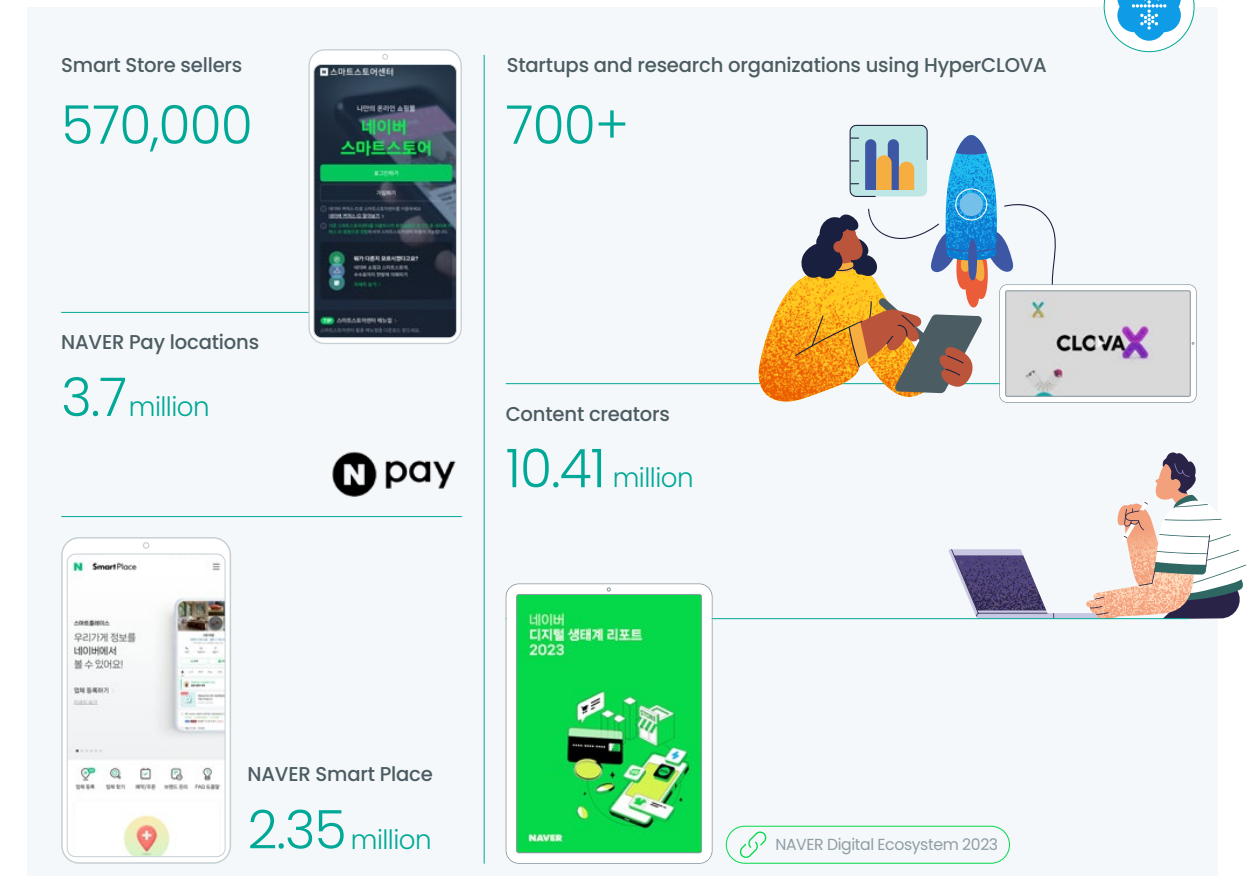
* As of 2023 year-end

Enhancing the Capabilities of SMEs and Creators

Project Flower

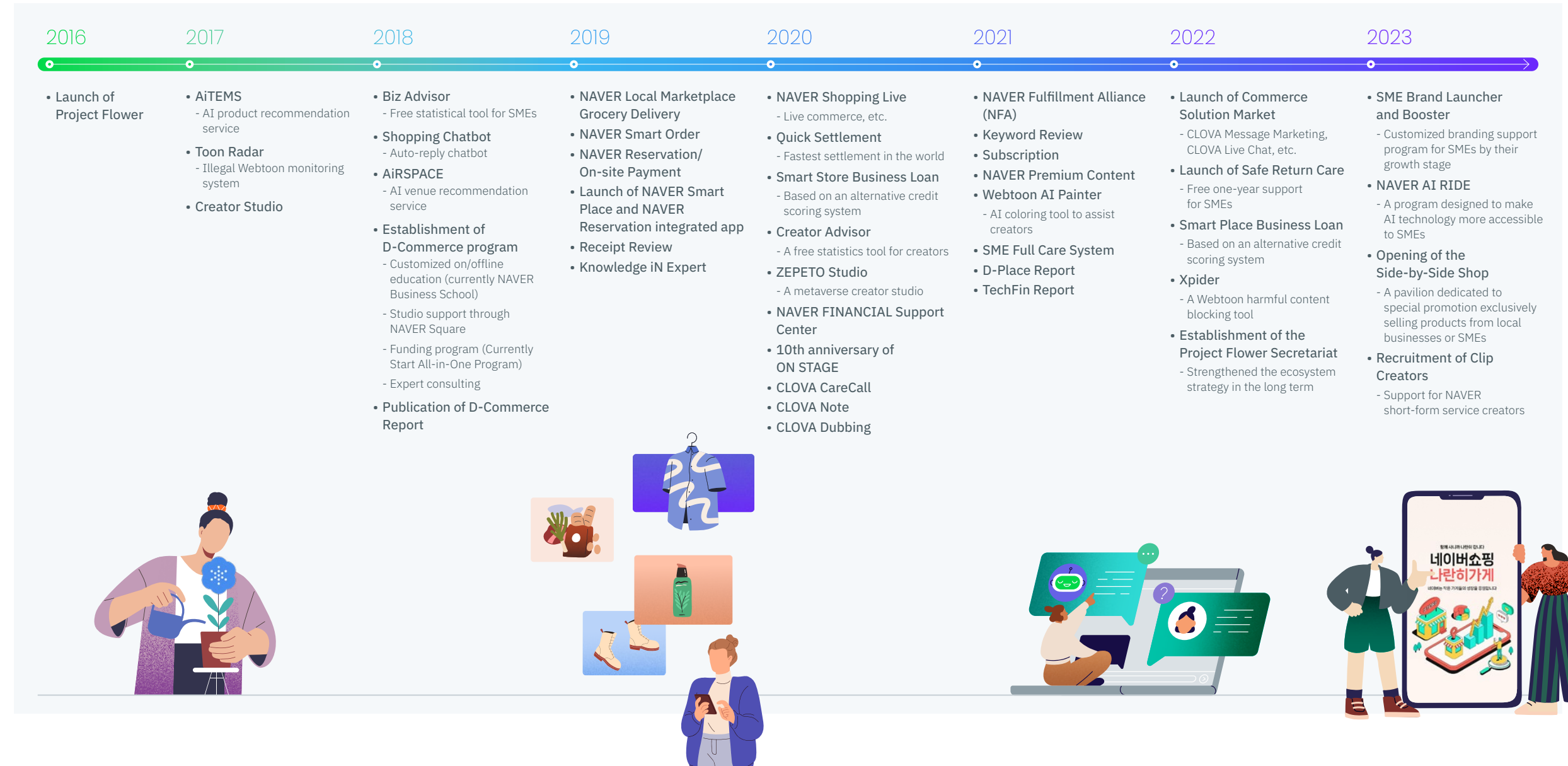
- Since its launch in 2016, the program has provided a wide range of solutions to help SMEs and creators improve their online business and financing.
- Project Flower expands the existing programs focused on “digital on-boarding” of SMEs to “scale-up.”

Project Flower Performance (2023)



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Key Milestones of Project Flower



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

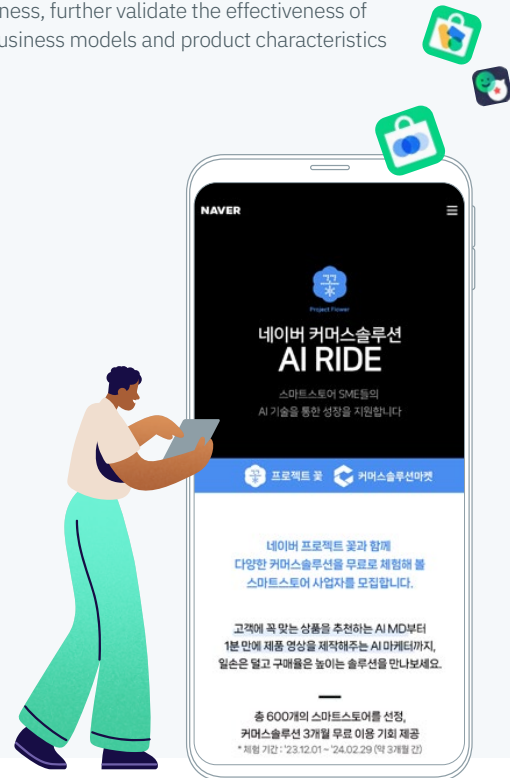
Major Programs of Project Flower

AI RIDE to Increase SMEs' Access to Technology and Boost Their Productivity

- A program designed to make technology more accessible to SMEs and creators so that they can use the AI solutions provided by NAVER according to their business situation
- Plan to expand our technology ecosystem by collaborating with various startups developing AI solutions that will be useful in the business world

Key Contents

- “NAVER Commerce Solution AI RIDE,” launched at the end of October 2023, helps Smart Store sellers who may be unfamiliar with AI to experience AI-specific solutions in the commerce solutions market.
- Help sellers enhance their ability to use AI technology for business, further validate the effectiveness of each solution, and provide solutions tailored to each seller’s business models and product characteristics

AI RIDE


Brand Launcher and Brand Booster Presenting Brand Growth Roadmap for SMEs

- Present a new brand growth roadmap to help SMEs at different stages of growth and help them achieve scale-up through Brand Launcher and Brand Booster

Key Contents

• Brand Launcher

- Designed to identify SMEs that can grow as brands, to verify their market-fit, and to prepare them to scale up their business for sustainable growth
- 30 SMEs participated in the program in 2023.

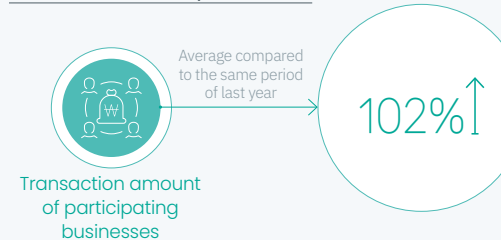
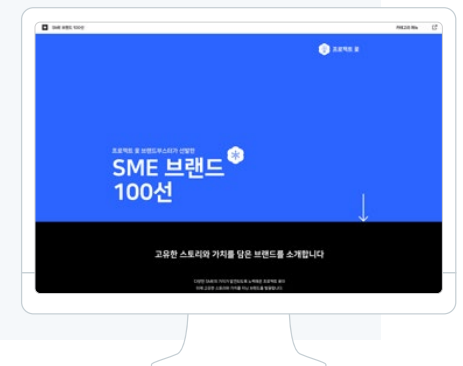
Social value creation performance



• Brand Booster

- Designed to help businesses that plan and develop products on their own or have brand trademarks or other brand IPs, to maximize their growth by enhancing brand recognition based on their uniqueness
- Over 100 businesses participated in the first phase.

Social value creation performance


**브랜드
런처**


CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Flower Ambassadors and NAVER Asks, NAVER Answers – Project Flower Employee Communities

- Conduct internal community activities, such as Small Brand and Open Meetup Day, on a regular basis to work in unison to create an ecosystem of diversity, in addition to Flower Ambassador and NAVER Asks, NAVER Answers – our employee communities to support SMEs and creators
- Plan to continue expanding programs that attract the interest and voluntary participation of NAVER employees with diverse skills and experiences

Key Contents

• Flower Ambassador

- A community of employees who are interested in Project Flower and SMEs in general, and volunteer their free time to create an ecosystem in which entrepreneurs can thrive

• NAVER Asks, NAVER Answers

- A regular event in which NAVER executives, employees, and external experts gather to share new insights on Project Flower, thereby enhancing NAVER's connection with business owner, and to discuss the future direction of NAVER as a platform for sustainable growth



D-Commerce Program

- The D-Commerce Program comprises various support systems for small business owners that conduct their business via the NAVER platform, with the aim of helping them to achieve sustainable growth. The results of analysis are communicated to users through the annual D-Commerce Report and D-Place Report.

• Start All-in-One

- Start Zero commission
- Growth points
- Safe Return Care (Free of Charge)

• Financial support

- Smart Store quick settlement
- Free service for 100% settlement the day after delivery
- Smart Store business loans
- Up to KRW 40 million of support can be provided via the business funding support service
- Policy support fund inquiries and tailored recommendations
- NAVER Business Finance Center
- Insurance guide for business owners



NAVER D-Commerce Report 2023



NAVER Business School

- NAVER Business School and NAVER Square, on/off line education platforms for SMEs and creators, have helped 1.9 million people in digital transition over the past decade.
- Provide a total of 320 courses in various educational content areas, such as NAVER AI, Smart Store, Shopping Live, advertising, Smart Place, blog, and influencer
- NAVER Square, a base for offline education, opened a series of locations, starting with Yeoksam Square in 2013, followed by Busan, Gwangju, Jongno, and Hongdae Squares, and provide offline education and studios for SMEs and creators free of charge.
- Approximately 1.3 million subscribers as of the 2023 year-end

Key Contents

• Short Clip Speech School

Live Commerce Capacity Building Program

- The monthly average sales difference before and after participating in the program has increased more than 3-fold.
- The live broadcasts attracted 7.5 million views.
- The live broadcasts generated over KRW 250 million in total sales.

• Clip Creator School

Creator Fostering Program

- Integrated online and offline training, practical exercises, and 1:1 feedback provided to about 100 creators
- Content views increased by an average of 4.2 times compared to those before participating in the program.

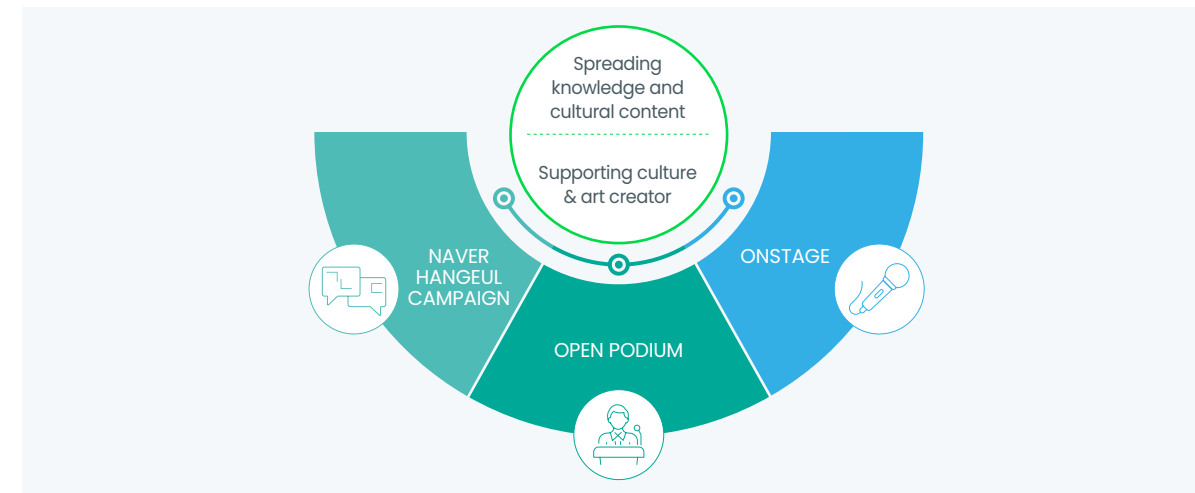


CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Sharing Knowledge and Cultural Contents

Overview of NAVER Culture Foundation

- A non-profit public interest organization that supports creators and creates diverse cultural experiences for users via NAVER's online platform
- Contribute to expanding users' cultural experiences and diversity by archiving culture and knowledge into high-quality digital content based on the value of "discovering hidden cultures and connecting them to new ones"
- In 2023, projects and campaigns such as ON STAGE, a unique underground music channel and K-Music support project in Korea, Open Town Hall Meeting, a cultural science lecture project where contemporary scholars and the public meet, and NAVER Hangul Campaign, a program that promotes the value and importance of Hangul were carried out.

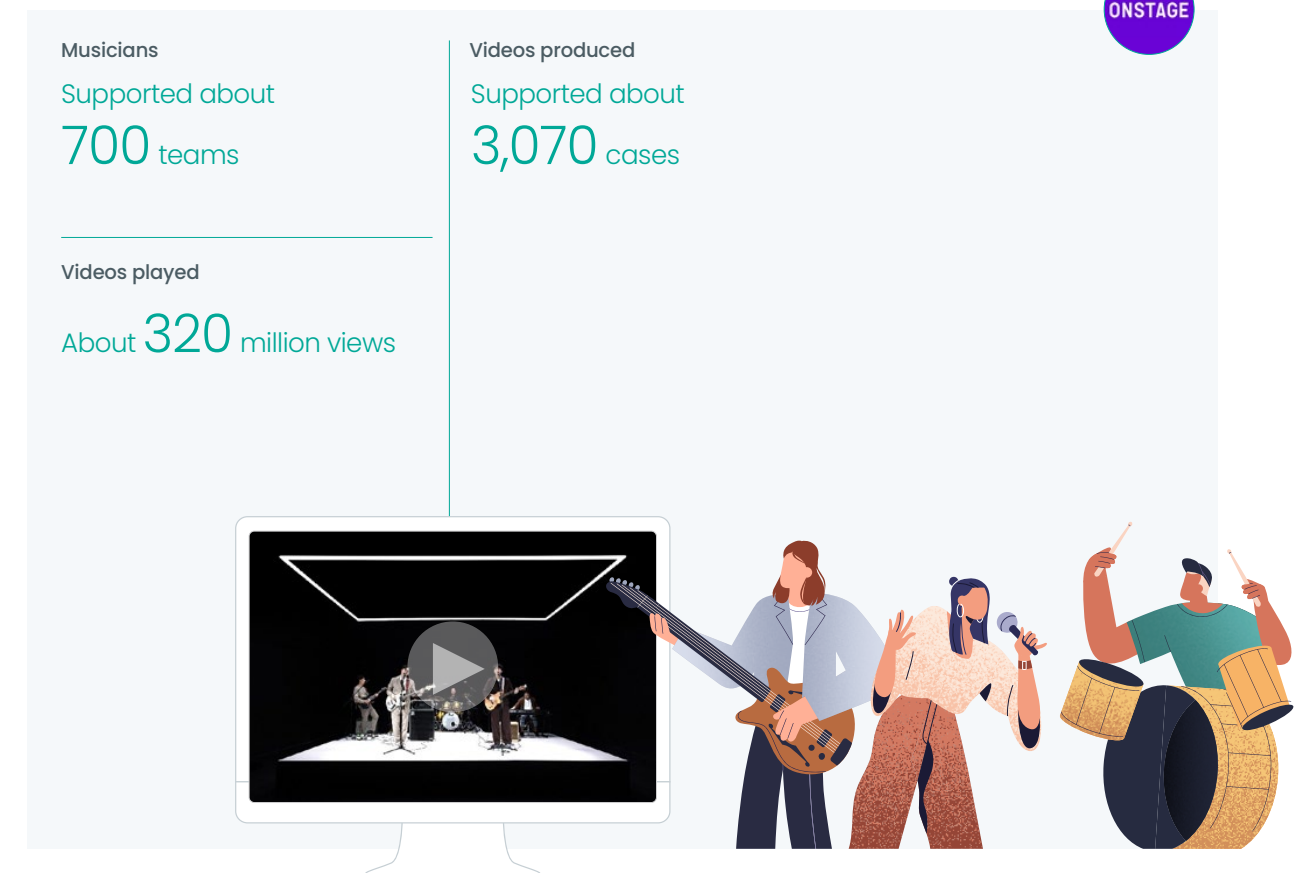


Major Projects of NAVER Culture Foundation

ON STAGE

- A K-Music support project which ran from 2010 to 2023, introduced hidden music and musicians, serving as a music channel that supports indie musicians by discovering and promoting their talents and creative activities
- Fulfilled its role in the evolving music ecosystem, and then concluded its activities in November 2023

Achievements of ON STAGE (2010-2023)



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Open Town Hall Meeting

- A cultural and scientific lecture project that examines a wide range of social issues which have emerged over the past decade, and each year invites intellectuals from different fields to participate in intellectual discourse
- The theme of the 2023 lecture was “Today’s World,” which included up-to-date content and took a fresh look at today’s societal agenda, and a quiz promotion that lowered the entry barrier in order to make the humanities accessible to all, resulting in 335,000 participants and 25,000 shares.
- Have contributed to the spread of deep intellectual discourse across the generations as an archive of the humanities, with 451 essays archived

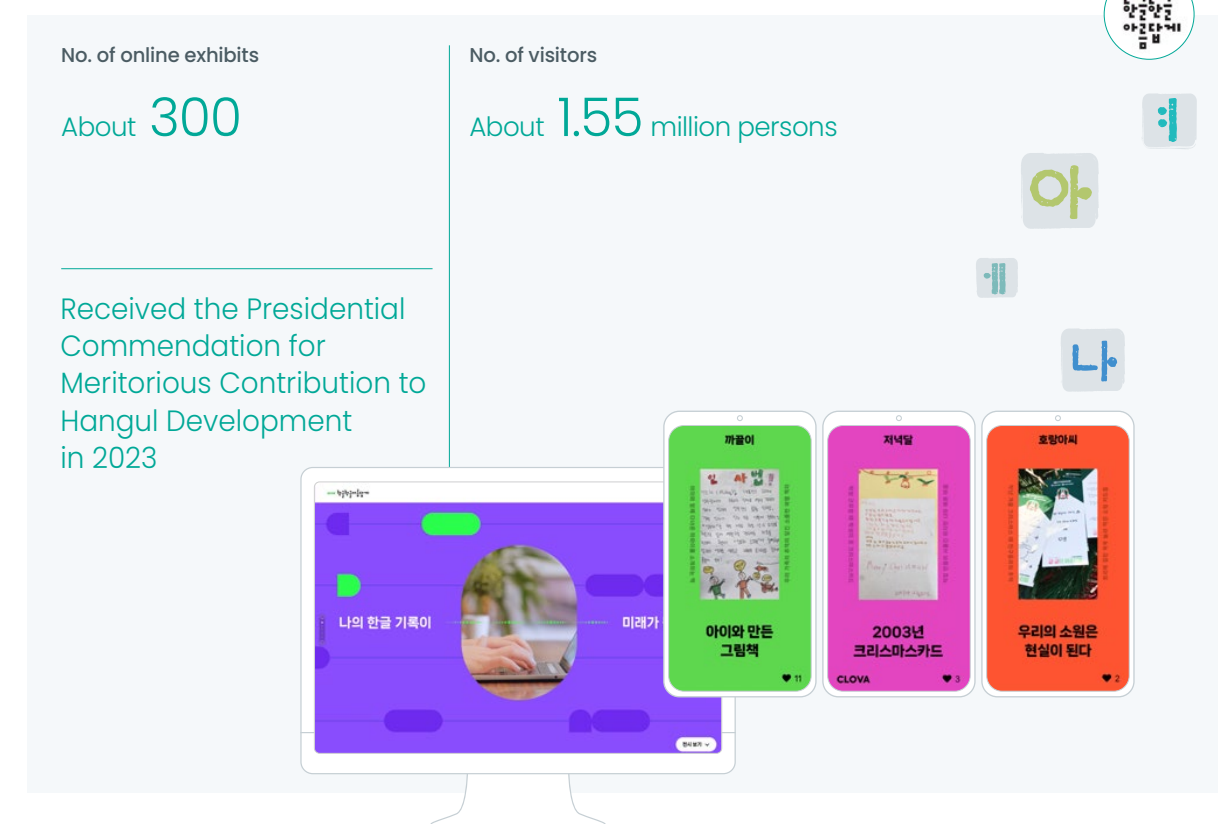
Achievements of Open Town Hall Meeting (2014–2023)



NAVER Hangul Campaign

- Promote the excellence of Hangul, and have contributed to the growth of the digital Hangul ecosystem by distributing 160 fonts free of charge for 15 years
- NAVER received the Presidential Commendation for Meritorious Contribution to Hangul Development on Hangul Day in 2023 in recognition of its contribution to expanding the digital Hangul ecosystem via the use of IT technologies, including its free distribution of the Nanum, MaruBuri, and Clova handwriting-style fonts, and its execution of various campaigns aimed at raising awareness of the meaning and value of Hangul.
- Celebrating the 15th anniversary of the campaign in 2023, organized an online exhibition of personal Hangul records, and historic or rare Hangul records, etc.

15th Anniversary Event of NAVER Hangul Campaign (2023)



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Digital Literacy

Overview of NAVER Connect Foundation

- An independent nonprofit organization established to further NAVER's public education initiatives, including the provision of educational models and platforms that utilize digital technology to ensure everyone has access to the best educational opportunities
- Provide software education for people of all backgrounds and ages, from toddlers to adults, and contribute to the digital competence of future generations by helping individuals continue to grow and develop through lifelong education, thereby fostering the talents needed in the corporate workplace
- Published the NAVER Software Edu Review, a review of the past ten years, in 2023 to publicize the Foundation's CSR activities and promote software education



Major Projects of NAVER Connect Foundation

Education for Future Generation

- Since 2014, even before the implementation of compulsory software education, the NAVER Connect Foundation has been promoting the importance of software education and contributing to closing the education gap for future generations through various public interest projects ranging from the “Let’s Play with Software” campaign to “Junior NAVER” programs for infants and young children, etc.

Program	Description	Cumulative number of beneficiaries	Support program for vulnerable groups and underserved areas		
			Program	Significance	Achievements (2023)
Let's Play with Software	• Provide diverse education for easy learning of the basic concepts of AI and data • Provide videos with different levels of difficulty, teaching materials and contents on diverse subjects so that anyone can easily and conveniently learn and teach software	• No. of beneficiaries (teachers): 36,740 • No. of beneficiaries (students): 27,530	• Open Class	• It increased the capacity of afterschool instructors to teach software in support of public education.	• No. of career-interrupted women benefited from the program: 3,427
			• Mentoring College Students	• SW was taught to students in underprivileged areas lacking educational opportunities outside the Seoul and Gyeonggi areas.	• No. of beneficiaries: 4,350
Entry	• Online platform for software education • Provide various tools for learning, creation, sharing, and collaboration	• Monthly active users: 1 million • Subscribed users: 4.17 million	• 10th Anniversary Donation Event	• A variety of events highlighting the past decade have been hosted, ranging from an entry developer conference to an entry user-generated software media art exhibition. • The event provided PCs and IT training to residential facilities for people with developmental disabilities, local children's centers, and vulnerable groups	• No. of beneficiaries: 140
Junior NAVER	• Enable users to learn and experience the basic knowledge needed to understand AI and software • Provide contents and interactive problem-solving sessions customized to children at various age • Provide safe and beneficial contents to infants and toddlers	• Monthly active users: 420,000 • Number of downloads of the Junior NAVER School app: 200,000	• Chit-chat Junior NAVER School	• It helped closing the education gap that begins in early childhood (math, logic, AI, social skills, etc.)	• No. of beneficiaries: 188

CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Adult SW Education

- Contribute to the employment and entrepreneurship of people from all walks of life by helping them to acquire practical skills in technology areas that are in high demand among companies, such as AI and data science, as part of NAVER's variety of programs for adults that focus on intensive learning of core skills and knowledge in the IT field

Program	Description	Cumulative number of beneficiaries	Support program for vulnerable groups and underserved areas		
			Program	Significance	Achievements (2023)
Boostcamp (Web and mobile, AI Tech)	- Training program designed to provide a self-directed learning experience to help the participants build the experiences and skills needed to be a developer - Connects graduates with various IT companies to help them start their careers as developers	No. of graduates: 2,297 (Web and mobile: 1,018, AI Tech: 1,279)	• Web and Mobile	• Training for software developers needed in the field (web and mobile)	- No. of graduates: 175 - No. of employed or self-employed individuals: 27
			• AI Tech ^{1) 2)}	• Contribute to society by training AI engineers, who are in short supply in the IT field	- No. of graduates: 384 - No. of employed or self-employed individuals: 58
Boost Course (integrated with former Edwith)	An online practical skills enhancement program in which the participants can improve their practical skills and capabilities with core technologies in IT fields such as AI, data science, the fundamentals of computer science, web, and mobile through hands-on practice	- No. of participants: 520,000 - No. of graduates: 85,467	• Coaching Study	- Provide a learning campaign, Coaching Study, to help software beginners start their education easily - Make a long-term contribution to increasing the percentage of women, who are relatively excluded from the software field	- No. of graduates: 2,284 - No. of female graduates: 1,119

¹⁾ The 6th class of Boostcamp AI Tech is included, which ran from November 2023 to April 2024.

²⁾ Number of employed or self-employed individuals from the 5th class of Boostcamp AI Tech.

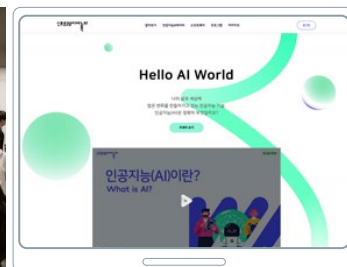
Education for All

- Provide IT training and share skills through multiple channels to make IT training and skill sharing accessible to all

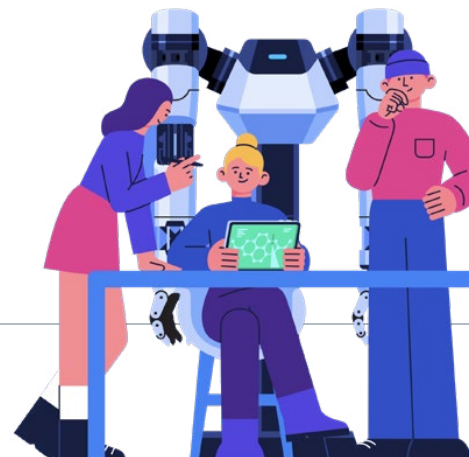
Program	Description	Achievements (2023)
Software Edu Festival	- A festival for sharing information about software and artificial intelligence education, providing the latest trends in software education and information on education, both online and offline. - Software Edu Festival has evolved into an event designed to help general public learn about SW and AI with ease, while providing practical educational resources and guidance for educators.	- No. of participants: 15,219 - Number of expert speakers: About 30 (Various lecture sessions and events on the topics of AI, ChatGPT, etc.)
KHAN Academy	- An online education service that enables anyone to access world-leading education, free of charge; NAVER Connect Foundation became the fifth official partner (first in Asia) of KHAN Academy in 2016. - Provide learning management systems (LMS), video lectures, practice problems, etc., thus enabling complete learning	- Monthly active users: 130,000 - Subscribers: 830,000 (cumulative)
Education data disclosure	- NAVER Connect Foundation's educational service data and research funding support - Publicly share Boost Camp AI learning data for anyone to experience and practice	- Number of researchers provided with educational data: 61 - Number of AI learning data provided: 317



Boostcamp Networking Day



Let's Play with Software



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

GIVING

Overview of Happybean

- An online platform where people can find NAVER's public interest projects in one place. It was launched as a donation platform in July 2005 and has since been expanded to include a variety of public interest services for users and public interest organizations to participate, such as funding, Empathy Shop, Shall We Go and Good Action campaigns.
- Carry out CSR activities, unique to NAVER, by realizing the value of connection through NAVER's technology platform

Key Milestones of Happybean


[Current Status of Happybean](#)

Accumulated Number of Happybean Beneficiaries

Children & Youth 513,000 persons	Seniors 562,000 persons	People with Disabilities 146,000 persons	Multicultural 45,000 persons	Global Community 722,000 persons
Families & Women 83,000 persons	Civil Society: 69,000 persons	Animals 125,000 units	Environment 27,000 times	Others 182,000 persons

* As of December 2023 since the beginning of data collection in 2018

Major Projects of Happybean

- Provide various public interest services for users and public interest organizations through an online platform

Donations

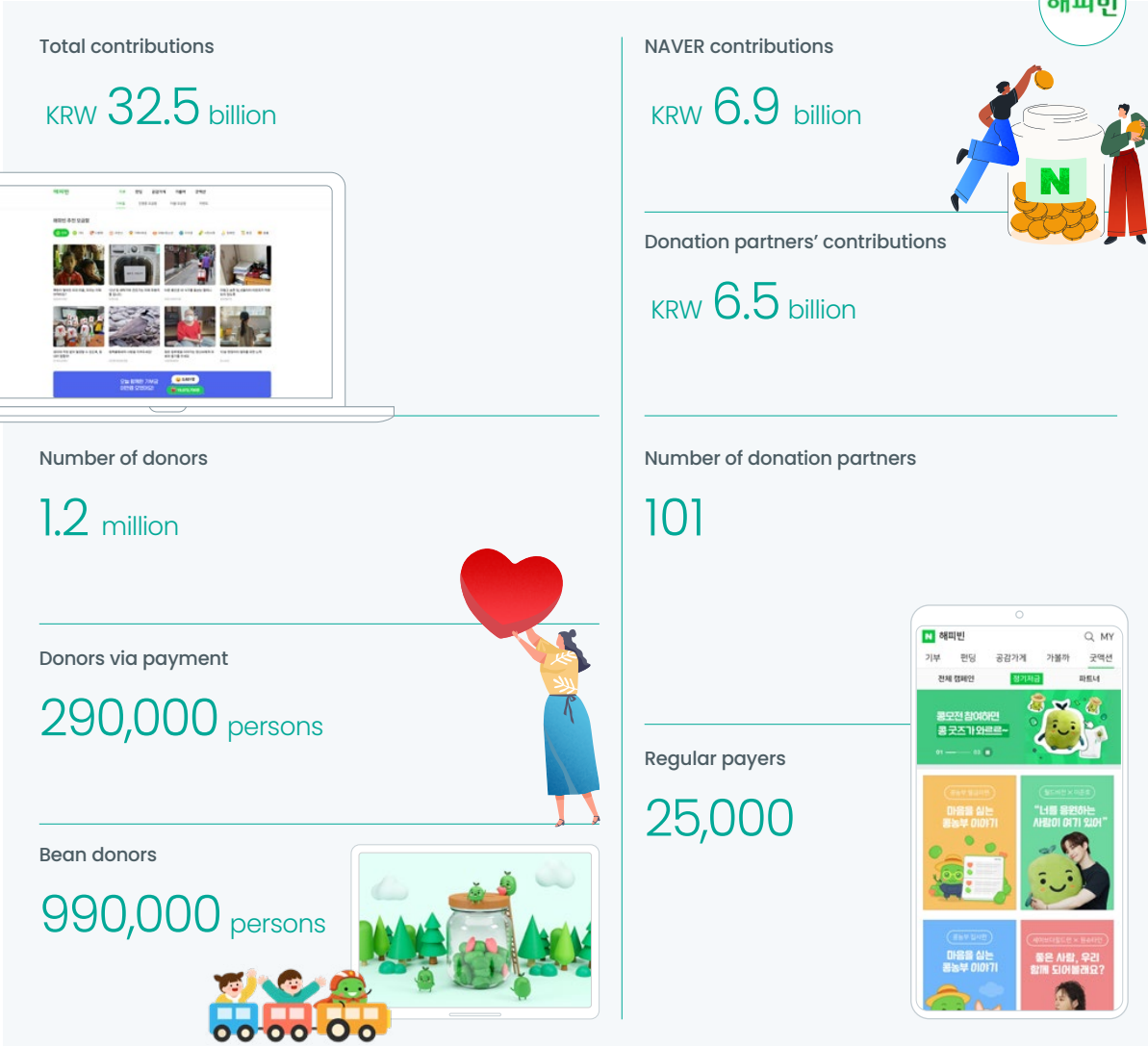
- Happybean's first public service based on various donation targets and themes, contributes to the creation of social value, such as a culture of easy donation, through the platform.
- Contribute to enhancing the credibility of donation activities by continuously improving the Happylog platform, which allows users to access information about individual charitable organizations with ease
- Conduct various promotions, such as "collecting donation beans for free" to gather Happybean donation items through NAVER services and "double donation," whereby NAVER and other sponsor companies match the donations made by users
- Introduced a regular savings system to promote regular donations beyond one-time giving; and provide specialized social contribution consulting, including recommending public interest organizations aligned with the direction of CSR activities and managing fund distribution

National Disaster Recovery Support in 2023



CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

Happybean Donations in 2023



* As of December 2023

Funding

- Introduce meaningful products from public interest organizations, social ventures, and creators working to solve social problems through our funding service, and cover all platform fees incurred in the process

Outcome of Happybean Funding

Classification	Unit	Pdrformance
Total for 2023	Funding contributions	KRW billion 5.6
	No. of funding participants	Person 65,770
	No. of funders participated	Person 330
	No. of funds opened	Account 416
Cumulative total	Funding contributions	KRW billion About 28.7
	No. of funding participants	10,000 Persons About 52

Empathy Store

- Support for creating and promoting brand webpages through the Empathy Store service so that project organizers can continue to meet users in the NAVER Smart Store even after funding ends
- Realize fair trade, eco-friendliness, and job creation through a total of 255 empathy stores covering a wide range of products including fashion goods, food, household and detergent products, travel and culture (as of 2023 year-end)

Shall We Go

- A campaign where users can participate in public interest projects and various events organized by social enterprises or cooperatives, both online and offline, through the NAVER booking service
- A total of 345 public interest organizations and social ventures have partnered with “Shall We Go,” and 857 Good Stores with focus on eco-friendliness, local, etc. have been registered (as of 2023 year-end)

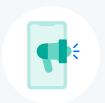
Good Action

- A campaign to promote a company's CSR activities in an interactive way by creating a webpage where users can participate in various ways, such as donating, clicking to show their support, and writing comments
- The campaign webpage allows participation actions suitable for a company's fundraising activities and rewards all user participation with donation beans, making it possible to contribute just by learning about the campaign.

CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

CASE STORY

Creators' Day for Clip Creators



- Held the Clip Creators' Day event at 1784 in January 2024 by inviting outstanding participants from the first group of Clip Creators to conclude the activities of 2023 and hold an awards ceremony



- Unveiled the business vision and revenue programs of the Clip service, with the aim of strengthening bonds with the creators. It also featured engaging programs that could be enjoyed by all attendees.



- The awards ceremony featured a year-end awards format for 2023, with a total of 76 winners across 4 categories: 16 winners of the G.O.A.T. Awards and 60 winners of the Special Awards (Likes, Subscriptions, Open Talk)



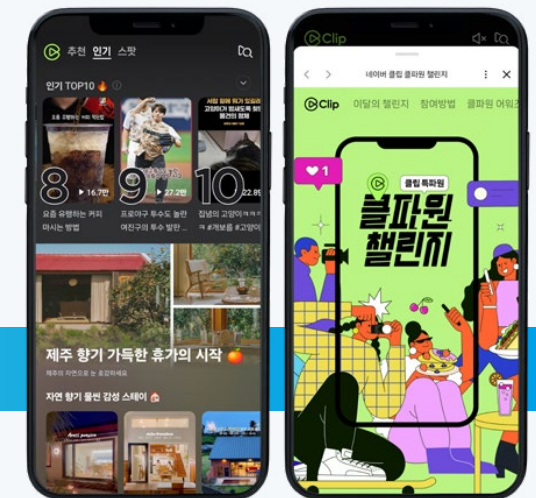
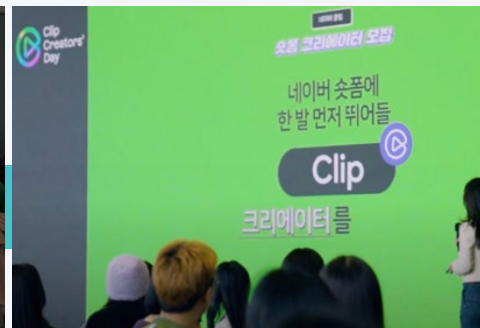
- To ensure balanced participation across 5 activity categories, influential creators that could represent each category attended the event (a total of 122 attendees).



- Following the event, a satisfaction survey of the attendees yielded positive feedback, with a satisfaction rate of 96%.



- The participating creators uploaded numerous video contents (a total of 74) on their Clip channels, disseminating details of the event to users.



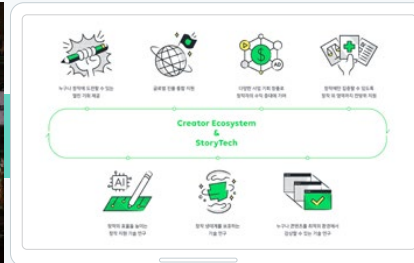
CONTRIBUTING TO SOCIETY AND LOCAL COMMUNITIES

CASE STORY

NAVER Webtoon – “WEBTOON with”



- A program designed to support the creative ecosystem, with the focus on four main areas: providing open creative opportunities, support for global expansion, diversification of creator revenue, and technology to support the creative ecosystem
- Through NAVER Webtoon’s Challenge Comics (webtoons) and Challenge League (web novels), anyone can publicly share their work and have an opportunity to debut as professional artists.
- With the promotion of creative spaces for amateurs, works such as Tower of God (by SIU), True Beauty (by Yaongyi), Lookism (by Park Tae-jun), and the web novel The Remarried Empress (by Alpha Tart) have evolved into big hit titles, gaining international popularity among readers.
- Support authors to diversify their revenue streams by not only selling content but also generating advertising revenue, adapting content into videos or publications, and expanding IP business opportunities
- Developed and applied the ToonRadar, which detects illegally replicated images and thus safeguarding the content on the NAVER Webtoon platform, as part of our efforts to protect authors’ copyrights with our technology
- The “WEBTOON with” initiative encompasses activities that span the entire creative ecosystem. It strengthens the competitiveness of NAVER Webtoon while serving as a robust foundation to support the ongoing development of creators’ creative activities.



NAVER FINANCIAL – Financial Services for Win-Win Growth



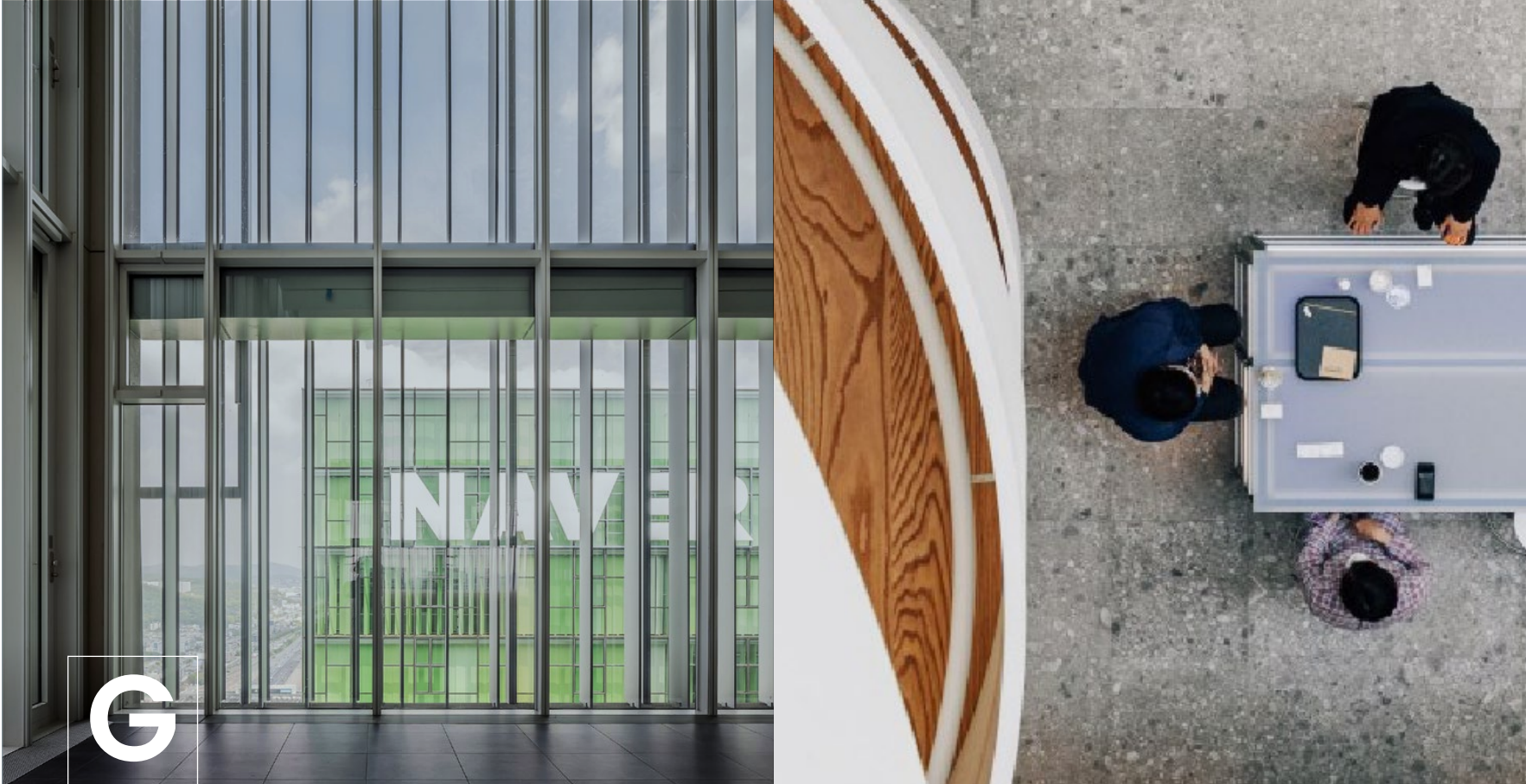
QUICK SETTLEMENT

- NAVER Pay’s quick settlement service enables 100% of the payment to be made free of charge on the next day of shipping, thereby helping small business owners to improve their cash flow. This service also contributes to fostering a symbiotic ecosystem within the online commerce industry by promoting the adoption of similar services throughout the industry.
- Approximately 89% of the Smart Store sellers who use the quick settlement service and about 85% of the order-based franchisees are small and medium-sized merchants (as of the 2023 year-end).
- The quick settlement service was selected as an excellent case of the “win-win and collaborative new financial product” by Financial Supervisory Service (FSS) in September 2023, while NAVER Pay was selected as an “excellent organization for win-win and collaboration promotion” by FSS in January 2024.

LOAN COMPARISON AND SWITCHING SERVICES

- NAVER Pay launched its loan comparison service in October 2022, which provides users with information on numerous credit loan products from some 60 affiliated financial institutions, thus enabling them to find the most favorable rates and limits (as of April 2024).
- Reduce users’ interest burden by sequentially launching loan switching services in line with the financial authorities’ infrastructure development: credit loan transfer service (May 2023), mortgage loan comparison service (January 2024), rent transfer service (January 2024)





G

GOVERNANCE

We continue to practice and communicate for the advancement of governance as we move towards a salubrious future by paving the way guided by good corporate ethics where all employees work with honesty and integrity.

MAINTAINING AND FURTHER IMPROVING TRANSPARENCY OF CORPORATE GOVERNANCE
STRENGTHENING BUSINESS ETHICS AND RISK MANAGEMENT



ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

APPROACH

NAVER discloses the responsible management activities of the management and the Board of Directors in detail to establish sound and transparent corporate governance, and communicates its practices and achievements in advancing corporate governance. In particular, we maintain a transparent shareholding structure, including a diverse and decentralized shareholder composition, and strive to ensure that corporate growth leads to enhanced value for our stakeholders, including shareholders. We are committed to communicating with shareholders and investors through various channels, and endeavor to enhance shareholder value and improve the structure of the board of directors to build global level of corporate governance.

2024 KPI

Continuing to improve the BOD's operational effectiveness

- Reviewing the compliance and effectiveness of the BOD and its committees



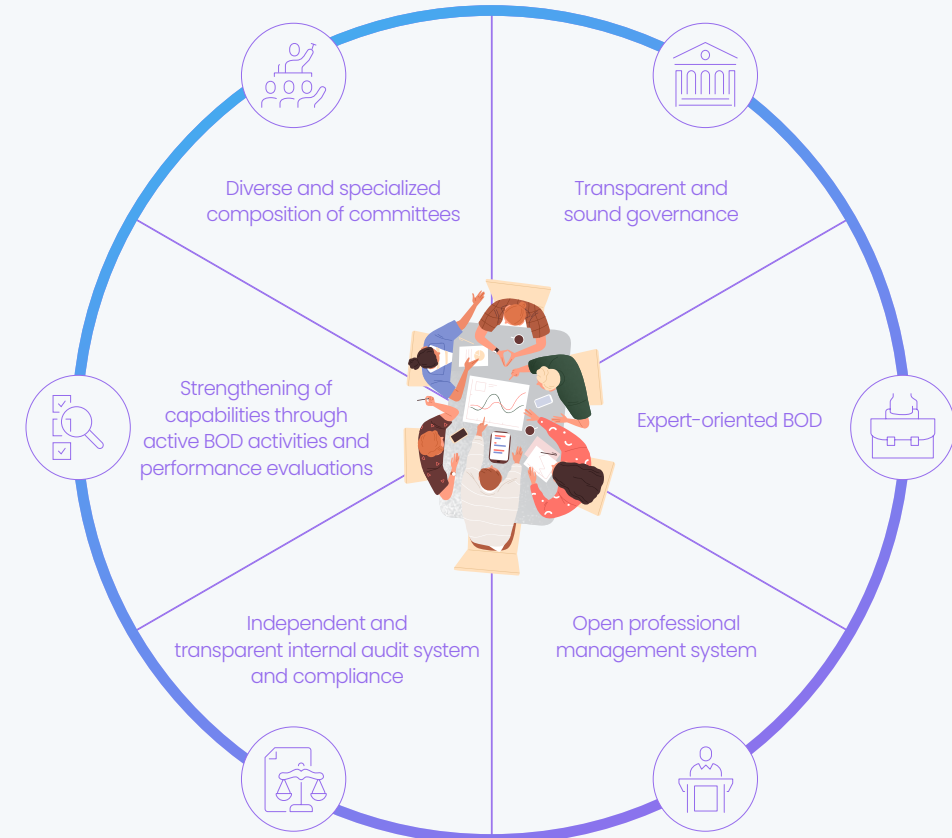
Enhancing transparency in corporate governance disclosure

- Advancing disclosure and calculation standards for individual remuneration of inside directors
- Strengthening leadership succession process



Advancement of Corporate Governance

- Established the Corporate Governance Charter in March 2021
- Disclosed differences between the Korea Institute of Corporate Governance and Sustainability's (KCGS) "Code of Best Practices for Corporate Governance" and the status of NAVER's governance
- Specified corporate governance policies and six characteristics in the 2023 Corporate Governance Report and clarified NAVER's commitments and practices



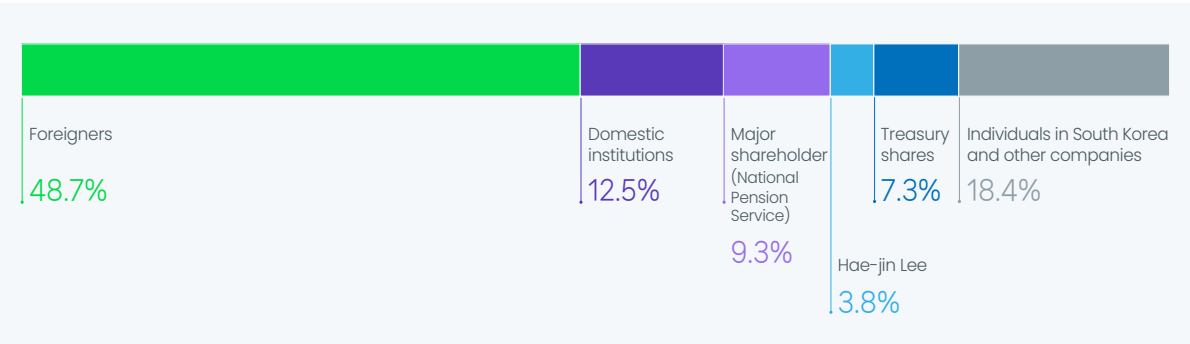
ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

Enhancing Shareholder Value

Share and Capital Structure

Shareholder Composition

- NAVER's major shareholder is the National Pension Service, and approximately 49% of the shareholders are foreigners as of December 2023.
- All shares issued are common shares, with equitable voting rights based on the number of shares.
- Total number of shares authorized for issuance is 300,000,000 shares (par value of 1 share: KRW 100)
- As of the end of December 2023, the total number of issued shares is 162,408,594 shares; the number of treasury shares is 11,794,852 shares; and the number of shares with voting rights is 150,613,742 shares, accounting for 92.74% of the issued shares.



Types of Shares and Voting Rights

Classification		Unit	Number of shares	Note
Total number of shares issued	Common shares	Share	162,408,594	
	Class shares	Share	-	-
No. of shares without voting rights	Common shares	Share	11,794,852	Treasury shares ¹⁾
	Class shares	Share	-	-
No. of shares with voting rights	Common shares	Share	150,613,742	
	Class shares	Share	-	-

¹⁾ Disposed of 632,024 treasury shares for the exercise of stock options and the issuance of stock grants as part of the employee stock compensation plan in 2023. Additionally, 1,640,491 treasury shares were retired to enhance shareholder value.

Share Price Change

Classification	Unit	2021	2022	2023
Highest (KRW)	KRW	465,000	376,000	234,500
Lowest (KRW)	KRW	285,500	158,500	178,300
Year-end (KRW)	KRW	378,500	177,500	224,000
KOSPI Index ¹⁾	Point	2,977.65	2,236.40	2,655.28
Market Capitalization	(KRW million)	62,092,547	29,118,713	36,379,525

¹⁾ As of year-end

Protecting Shareholder Rights and Interests

- In compliance with the “Code of Best Practices for Corporate Governance”, a general shareholders’ meeting is resolved to be convened at least 4 weeks in advance, and sufficient information on the agenda is notified and announced in writing or electronically. We also support shareholders to exercise their voting rights after thoroughly reviewing the agenda, and actively encourage proxy voting.
- Have implemented electronic voting and proxy system since 2021 to improve shareholder convenience and held AGM avoiding the peak shareholders’ meeting dates

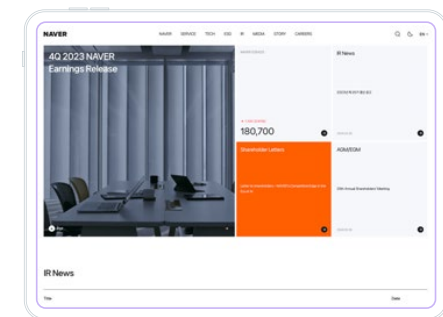
ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

Investor Relations

- Communicate with domestic and overseas shareholders and investors through various channels based on the IR policy to enhance shareholder value and trust
- Plan to strengthen shareholder-friendly operations by increasing the participation of outside directors in major IR events to listen to shareholders' opinions and actively reflect them in the BOD activities

Shareholder Communication Channels

Channel	Description
Website	IR page provided in Korean and English
Reports	- Annual report - Corporate governance report - Audit reports, etc.
IR meeting	- Investors' meetings with departments - Meetings with the top executives and BOD members
CEO Letter to Shareholders	Published and sent in 2023; "Efforts to Establish Transparent Corporate Governance" and "NAVER's Competitive Edge in the Era of AI"
NDR (Non-Deal Roadshow)	NDRs in Korea and abroad
Analyst Day	Introduction of business direction and strategy to analysts
Investor Day	Executives share the corporate vision and strategy with investors
Other events	Participation in Corporate Day and conferences organized by securities firms


[Investor Relation Page on the NAVER Website](#)

Shareholder Return Policy

Shareholder Return Plan

- Publicly announced the new three-year shareholder return policy and plan in May 2023

Three-Year Shareholder Return Plan

Classification	Description	Achievements
Dividend policy	Plan to pay cash dividends of 15-30% of two-year average consolidated free cash flow (FCF)¹⁾ based on the goal of maintaining the mid-to long-term debt ratio (Debt/EBITDA) at 2.0-2.5x, taking into account our operating environment (including our debt-to-equity ratio and borrowing repayment plans)	2022 special quarterly dividend payout: approx. KRW 62.4 billion (Dividend per share: KRW 415)²⁾ 2023 year-end dividend payout plan³⁾: approx. KRW 119 billion (Dividend per share: KRW 790)
Using treasury stock	Separate from the shareholder return plan, we have announced a plan to enhance shareholder value by retiring 1% of the issued shares annually over the next three years, starting from 2023, using existing treasury shares.	Completed the retirement of 1,640,491 existing treasury shares in November 2023

¹⁾ Consolidated FCF = operating income + non-cash expenditures - income taxes paid - CapEx on a consolidated basis for the year

²⁾ Due to the delay in establishing a new shareholder return policy, the 2022 year-end dividend was paid as a special quarterly dividend.

³⁾ Approved at the AGM in March 2024 and paid out on April 17, 2024

Dividend

Classification	Unit	2021	2022	2023	
				Quarterly Dividend	Year-End Dividend
Net income ¹⁾	KRW million	1,524,755	1,092,158		1,414,313
Cash dividend	KRW million	76,292	137,072	62,398 ²⁾	118,985 ³⁾
Cash dividend per share	KRW	511	914	415	790
Payout ratio ¹⁾	%	5.0	12.6	4.4	8.4

¹⁾ Based on separate financial statements

²⁾ As the shareholder return policy for 2022-2024 was decided and announced in May 2023, the year-end dividend for 2022, amounting to approximately KRW 62.4 billion, was paid as a special quarterly dividend in August 2023.

³⁾ Paid in April, 2024

ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

Executive Succession and Compensation

Leadership Succession

- The BOD defines the roles and qualifications required for top executives, and recommends and qualifies candidates with the requisite competencies and qualities.
- The Leadership & Compensation Committee¹⁾ within the BOD is responsible for the management succession process, and thus manages the succession of top management on an annual basis based on a systematic four-step succession policy prepared with reference to global benchmark practices.

¹⁾ Management and development of the executive candidate pool was tabled at the third meeting of the Leadership & Compensation Committee in 2023

Executive Succession Procedure



Executive Performance Evaluation and Compensation

- Evaluate comprehensively executives' performances based on the mid-to long-term goals set by the Leadership & Compensation Committee¹⁾ within the BOD, as well as the current year's goals and initiatives
- Set criteria for evaluating the executives' performance based on the KPIs for each business unit to ensure that the vision of the business unit is reflected in the executives' management goals

¹⁾ The compensation system of inside directors was approved at the third meeting of the Leadership & Compensation Committee in 2023

Calculation of Inside Directors' Remuneration

Earned income	Salary	Decided by the Leadership & Compensation Committee in consideration of the roles and the value of the job performance of each inside director
	Bonus	SHORT-TERM PERFORMANCE • Target Incentive¹⁾: Determined by the Leadership & Compensation Committee based on quantitative indicators (operating revenue, EBITDA) and non-quantitative indicators (tasks to discover future growth engines of the company)
	Profit from exercise of stock options	MID- TO LONG-TERM PERFORMANCE • Restricted stock unit (RSU)²⁾: Scaled in consideration of the expected role and contribution to the company's growth
	Other earned income	MID- TO LONG-TERM PERFORMANCE • Stock options: Provided in consideration of the expected role and contribution to the company's growth within the budget approved by the board of directors
Retirement income		Paid according to the welfare standard
		Paid based on personnel regulations for executives, etc. and executive severance pay regulations

¹⁾ A target amount is set within a maximum of 150% of the base salary, taking into account the importance and difficulty of the work, and then remuneration is paid within 50-150% of the target amount depending on organizational and individual performance.

²⁾ Remuneration is paid within 0-150% depending on the percentile of relative stock price growth (1st-4th quarters of the previous year) compared to the KOSPI 200 companies, with payments divided into 30%, 30%, and 40% per year for a total of three years from the date of the contract.

CEO-to-Employee Compensation Ratio

CEO remuneration (Increase rate of remuneration)	Average of total remuneration of employees ¹⁾ (Increase rate of average total remuneration)	Ratio of CEO's remuneration to the average of total employee remuneration (Ratio of increase rate ²⁾)
KRW 1,349 million (22.6%)	KRW 119 million (-11.2%)	11.3 (-2.0%)

¹⁾ Average of employee remuneration excluding registered directors' remuneration

²⁾ Ratio of increase rate of the CEO's remuneration compared to the increase rate of the average total remuneration of employees

ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

Transparent Operation of the BOD

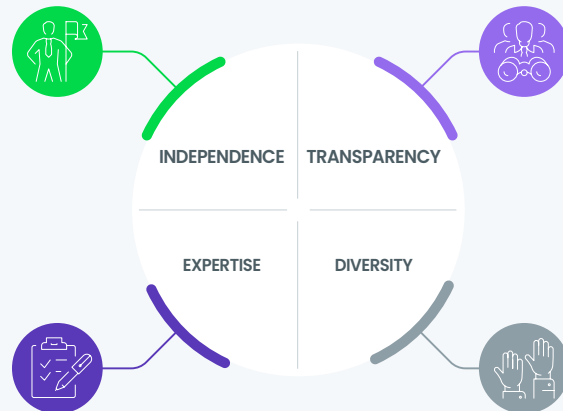
Board of Directors (BOD)

BOD Composition and Characteristics

- Strengthened independence of BOD by setting a principle of filling the majority of the BOD with outside directors whose independence has been verified by the Outside Director Nominating Committee (since 2012, when the total assets first exceeded KRW 2 trillion)
- Secured the independence of the BOD by separating the roles of the BOD's chairman and the CEO and enhanced the transparency of the BOD's role in the top executives management and oversight
- Established five specialized-committees within the BOD based on the BOD's Operating Regulations, all of which are fully composed of non-inside directors except the ESG Committee
- Two female directors (29%) out of a total of seven directors, with a diverse age range (40s to 60s)

- Ensure BOD independence by separating the roles of the CEO and the Board Chairman
- Compose the majority of the BOD with outside directors
- Restrict the exercise of voting rights of a director with a conflict of interest in a BOD voting items

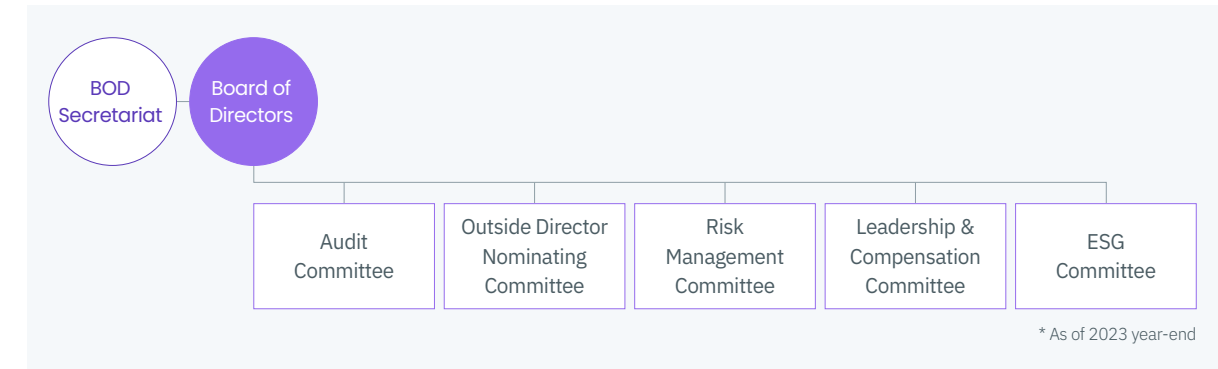
- All directors are appointed by a resolution at the AGM
- All committees, excluding the ESG Committee, are composed of only outside directors and an other non-executive director



- Appoint experts who have extensive knowledge and industry experience in diverse areas that are necessary for corporate management, including finance, law, and accounting
- Prohibit persons who have difficulty in performing duties or who can influence management of a listed company negatively; in case of concurrent position, must receive BOD approval

- When choosing a candidate, no restrictions are placed based on race, gender, age, religion, disability, nationality, region, political inclination, etc.

The Board Organization



Functions by Committee

Audit Committee	• Supervise the work of directors and the management • Select, supervise, and evaluate outside auditors • Other matters stipulated in the Articles of Incorporation or internal regulations in relation to audit work
Outside Director Nominating Committee	• Establish, examine, and complement the principles of outside director appointment • Recommend candidates for outside directors who will be appointed at the AGM • Manage a pool of outside director candidates and verify them on a regular basis
Risk Management Committee	• Establish basic principles and strategies regarding company-wide integrated risk management • Diagnose reasons of risk after occurrence of risks and discusses measures to be taken for improvement
Leadership & Compensation Committee	• Matters related to determination of compensation for the management and payment method • Matters related to designing and operating of a compensation system for the management, and evaluating the adequacy of the design and operations • Matters related to the decision-making process regarding compensation policy
ESG Committee	• Make decisions on ESG-related management • Major ESG risk management such as climate change response • Deliberate the social contribution agenda



ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

BOD Composition and Skills Matrix (BSM)

		Byun Dae-gyu	Jung Do-jin	Rho Hyeok-joon	Byun Jae-Sang	Samuel Rhee	Choi Soo-yeon	Chae Seon-ju
Gender		Male	Male	Male	Male	Male	Female	Female
Classification		Other Non-executive Director (Chairman of the Board)	Outside Director	Outside Director	Outside Director	Outside Director	President & CEO	Inside Director
Date of Birth		Mar. 1960	Jan. 1969	Sep. 1970	Jun. 1963	Jul. 1972	Nov. 1981	Jun. 1971
Term		Mar. 2017-Mar. 2026 Reappointed (2)	Mar. 2019-Mar. 2025 Reappointed (1)	Mar. 2022-Mar. 2025	Mar. 2024-Mar. 2027	Mar. 2024-Mar. 2027	Mar. 2022-Mar. 2025	Mar. 2022-Mar. 2025
Current Position		• President & CEO, Humax Holdings • Chairman of the Board of Directors, Humax	• Professor of Accounting, Chung-Ang University Business School • Outside Director, Hanwha Aerospace	• Professor, Seoul National University School of Law	• Advisory, Mirae Asset Life Insurance	• Co-Founder & Chairman, Endowus	• President & CEO, NAVER Corporation	• External/ESG Policy Representative, NAVER Corporation
Committee (●: Chair ○: Member)	Audit Committee		●	○	○			
	Outside Director Nominating Committee	●	○			○		
	Risk Management Committee			●	○	○		
	Leadership & Compensation Committee	○	○			●		
	ESG Committee			○	●			○
Education		• Ph. D. in Control and Measurement Engineering	• Ph.D. in Accounting, Kentucky University	• Ph.D. in Law, Seoul National University • Northwestern University School of Law, LL.M.	• BA in Public Law, Seoul National University	• Royal Holloway, University of London • Stanford Graduate School of Business & NUS Business School	• Bachelor of Science in Mass Communication/Earth Environmental System Engineering, Seoul National University • M.A. in Graduate School of Law, Yonsei University • Harvard Law School LL.M	• B.A. in Business Administration, Incheon National University
Careers and Expertise	Careers	• President & CEO, Humax • Outside Director, SK Telecom • Outside Director, POSCO • Vice President, The National Academy of Engineering of Korea	• Assistant Professor, West Texas A&M University • Team Leader of Accounting Administration Department, Financial Supervisory Service • Member of Evaluation Team for Management Performance of Public Corporation or Quasi-Governmental Institution, Ministry of Strategy and Finance • Member, Accounting Oversight Deliberation Committee, Financial Services Commission • Member of International Public Sector Accounting Standards Board (IPSASB) • Member of Listing Committee, Korea Exchange • Member of Deliberative Committee on National Accounting System, Ministry of Strategy and Finance	• Judge, Seoul Southern District Court • Assistant Professor, Dankook University, College of Law • Visiting Scholar, Harvard Law School	• CEO & Executive Vice President, Mirae Asset Securities • CEO & President, Mirae Asset Securities • President, Mirae Asset Life Insurance • President, Mirae Asset Daewoo • CEO & President, Mirae Asset Life Insurance	• Morgan Stanley Group • CIO & CEO for Asia, Morgan Stanley Investment Management Co • Independent Director, Far East Orchard Ltd	• Communications and Marketing, NAVER Corporation (Formerly NHN) • Attorney, Yulchon LLC • Head of Global Business Support, NAVER Corporation	• Head of Public Relations, NAVER Corporation • Head of Talents Development Division, NAVER Corporation • Head/Director of Communication Group, NAVER Corporation • Chief Communication & Culture Officer, NAVER Corporation
	Laws, policy, risk management		●	●			●	
	Corporate management, finance, financial management	●	●		●	●	●	
	Industry and economy	●			●	●	●	●
	ESG			●	●			●
Communication and stakeholder response						●	●	●
Conflict of interest with NAVER		-	-	-	-	-	Executive	Executive

* As of April 2024

** 1 person (Other Non-executive Director Byun Dae-gyu) was reappointed in 2023; 2 persons (Outside Director Byun Jae-Sang and Outside Director Samuel Rhee) were appointed in 2024; and 2 persons (Outside Director Lee In-moo and Outside Director Lee Keon-hyok) resigned in 2024

ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

Appointment of Directors

- When appointing outside directors, thoroughly check their qualifications under the relevant laws and submit the Confirmation of the Qualifications of the External Directors and the Confirmation of the Qualifications of the Audit Committee to the Korea Exchange
- Confirm in detail the director's ownership of shares in other companies, the status of his/her shares in the company and its affiliated companies, and his/her past employment with NAVER and its affiliated companies
- Continue to analyze and check conflicts of interest between the director and NAVER and its affiliates to prevent conflicts of interest from arising

Appointment Process for Outside Directors



Criteria of disqualification for outside director

1. Directors, executive directors and employees who are engaged in the regular business of the relevant company; or directors, auditors, executive directors and employees who have engaged in the regular business of the relevant company within the latest two years
2. The largest shareholder, his/her spouse, lineal ascendants and lineal descendants
3. Directors, auditors, executive directors and employees of the corporation, in cases where the largest shareholder is a corporation
4. Spouse, lineal ascendants and lineal descendants of directors, auditors and executive directors
5. Directors, auditors, executive directors and employees of a parent company or a subsidiary company of the relevant company
6. Directors, auditors, executive directors and employees of a corporation which has a significant interest in the relevant company, such as a business transactional relationship like a significant customer or supplier of the company
7. Directors, auditors, executive directors and employees of another company where directors, executive directors and employees of the relevant company serve as directors and executive directors



Operations of the BOD

- Strictly follow the guidelines of the Articles of Incorporation and the BOD Operating Regulations, and hold regular BOD meetings as well as extraordinary BOD meetings as and when required
- As the Company's highest permanent decision-making body, the BOD is composed of directors with expertise and experience in their respective fields.
- To support the outside directors in the performance of their duties, the BOD Secretariat and each relevant department¹⁾ provide them with necessary information, resources, and external trainings.

¹⁾ BOD (BOD Secretariat), Outside Director Nominating Committee (BOD Secretariat), Risk Management Committee (Risk Management Working Group, Compliance Department), Audit Committee (Audit Department), Leadership & Compensation Committee (Leadership Channel), ESG Committee (Green Impact)

BOD Operations in 2023

Training for outside directors	• 10 training sessions for outside directors on business strategy, ESG, and financial environment
BOD attendance rate of outside directors	• 98% average attendance rate of outside directors at board meetings (75% or more of all individual outside directors)
No. of BOD meetings held	• 12 meetings of the BOD (11 regular meetings and 1 extraordinary meeting), at which it managed 26 resolutions and 21 reports

Board of Directors Operating Regulations

BOD Operation Results in 2023

Classification	Number of meetings held	Number of agenda items ¹⁾	Outside director's attendance rate ²⁾
BOD	12	26(47)	97.9%
Audit Committee	9	8(27)	97.2%
Outside Director Nominating Committee	3	0(3)	88.9%
Risk Management Committee	6	2(12)	90.0%
Leadership & Compensation Committee	3	3(5)	100.0%
ESG Committee	4	3(7)	100.0%

¹⁾ Figures in brackets are number of agenda items including reports

²⁾ Average attendance rate of outside directors by each BOD or committee meeting

ESTABLISHING A SOUND AND TRANSPARENT CORPORATE GOVERNANCE

BOD Resolutions in 2023

No.	Meeting date	Agenda items	Approval status
1	01.02	Disposition of treasury stock to pay stock grants	Approved
2	02.02	Reporting of the fourth quarter 2022 results and approval of the annual financial statements	Approved
		Granting of stock options to top executives	Disapproved
		Convocation of the 24th AGM	Approved
		Amendment of the Operating Regulations of the BOD and committees	Approved
4	03.22	Appointment of a BOD chairperson	Approved
		Changes to the composition of the BOD committees	Approved
		2023 business plan and business strategy direction	Approved
		Payment of RSUs granted in 2022	Approved
5	04.05	Transactions with affiliated companies	Approved
		Contribution of donations to the Foundation in 2023	Approved
		NAVER's in-kind investment to Wattpad ¹⁾	Supplemented
6	05.03	Participation in Snow's paid-in capital increase	Approved
		NAVER's in-kind investment to Wattpad	Approved
		Sale of beneficiary certificates at Pangyo TechOne Tower	Approved
		Planning of the company's health and safety program	Approved
7	06.07	Participation in the paid-in capital increase of NAVER LABS	Approved
8	07.03	Disposition of treasury stock to pay stock grants	Approved
9	08.02	Authorization of quarterly dividend under the shareholder return policy	Approved
10	09.06	Payment guarantee for the financing of NAVER J.Hub	Approved
		Issuance of JPY-denominated corporate bonds	Approved
11	10.31	Authorization to retire treasury stock	Approved
		Amendment of the Audit Committee Operating Regulations	Approved
12	12.20	Issuance of NAVER bonds	Approved
		Amendment of the Operating Regulations of the BOD and the Risk Management Committee ²⁾	Approved
		Cancellation of the 2023 stock option grants	Approved

* The 3rd meeting is omitted from the table as it included report agenda only

¹⁾ Resubmitted after reviewing certain conditions with the unanimous consent of all directors

²⁾ Approved with modifications to certain words and phrases in the original proposal in accordance with the intent of relevant laws and regulations

BOD Evaluation and Compensation

- The performance evaluation of the BOD, including outside directors, is conducted on a regular basis once a year, and includes a questionnaire-based evaluation of the BOD and each director.
- The performance evaluation of the BOD includes evaluation of the annual activities of the committees, discussion on improvement directions together with the BOD chairman and outside directors, and reflecting them in the operation of the BOD and outside directors.
- Remuneration is paid to the directors and auditors within the limits of remuneration approved by the general meeting of shareholders and in accordance with the standards set by the BOD and the Leadership & Compensation Committee within the BOD, taking into account the duties and performance of the directors and auditors.
- The remuneration of outside directors is paid as a fixed salary, and the level of remuneration is determined based on the level of legal responsibility imposed on each director as well as the level of remuneration provided in the similar-sized companies in the same or similar industries to ensure that the remuneration is in accordance with social norms.

Overview of Director Remuneration Payments in 2023

Classification	No. of people	Total remuneration ^{1),2)} (KRW million)	Average remuneration per person (KRW million)
Registered directors ³⁾	3	2,754	918
Outside directors ⁴⁾	-	-	-
Audit Committee members	4	445	111

¹⁾ A proposal to lower the limit of the directors' remuneration to KRW 8 billion was approved at the 2023 AGM, and a proposal to maintain the limit at KRW 8 billion, at the 2024 AGM

²⁾ The amount of income under the Income Tax Act received by registered directors, outside directors, and Audit Committee members who served or resigned in 2023, in their capacity as registered executives

³⁾ Excluding outside directors and Audit Committee members

⁴⁾ Excluding Audit Committee members

CORPORATE ETHICS AND ANTI-CORRUPTION

APPROACH

NAVER is committed to establishing an ethical management and anti-corruption management system based on corporate ethics and to fulfilling its ethical and social responsibilities to maintain and foster healthy relationships with various stakeholders. To this end, NAVER is focusing on establishing an ethical and compliance-centered governance structure and institutionalizing an anti-corruption and compliance system, thus effectively managing corruption risks. In addition, it has established the corporate ethics code (Integrity Code) and is fulfilling its responsibility toward all its stakeholders by ensuring that all employees of NAVER adhere to it, thereby consolidating its reputation as a trusted company.

2024 KPI

Advancing anti-corruption system

- Renewing the certification for the Anti-Bribery Management System (ABMS)
- Inspecting and improving the ABMS



Internalizing corporate ethics among employees

- Management of the Integrity Code training completion rate
- Diversification of the Integrity Code training



Corporate Ethics and the Anti-Corruption Management System

Corporate Ethics and Anti-Corruption Management and Oversight

- The department dedicated to corporate ethics, established as an independent organization directly under the CEO, is responsible for investigating and inspecting suspected violations of corporate ethics, and reports the facts and the results of its work directly to the CEO and the Audit Committee within the BOD.
- The Anti-Corruption Officer, directly under the Policy/RM Representative, is in charge of the anti-corruption management system (ISO 37001), and reports the operational status and results of the system to the CEO and the Risk Management Committee within the BOD at least once a year.

Corporate Ethics Code



- The Integrity Code, NAVER's corporate ethics code, sets forth the responsibilities of the community, the company's standards for preventing conflicts of interest, and the principle of mutual respect among employees, etc.
* Available in three languages: Korean, English, and Japanese
- NAVER has all its full-time employees, contract workers, dispatched workers, interns, and all employees of its affiliates sign a pledge of compliance to the Code annually.
- The Integrity Code was revised in 2023 by defining the standards for external activities, adding a political neutrality code and enhancing the partnership code.

Anti-Corruption System

- Established an "Anti-Corruption Management Policy" in 2021, and then revised it to include contents related to compliance and disclosed it as an "Anti-Corruption and Compliance Management Policy"
- Promote advancement through annual certification audits of the anti-bribery management system (ISO 37001)



NAVER's Anti-Corruption and Compliance Management Policy

1. NAVER complies with all the compliance obligations, including domestic and foreign laws and internal regulations applied to business activities.
2. NAVER strictly prohibits all acts of corruption, including receiving or demanding money and goods from business stakeholders, giving bribes, or making improper solicitation.
3. All employees of NAVER should comply with all internal regulations currently in operation under this policy and the anti-corruption and compliance management system. All employees of NAVER will strictly abide by and regularly sign an anti-corruption and compliance management pledge.
4. NAVER appoints an anti-corruption and compliance officer to ensure independent authority and grant necessary rights and responsibilities.
5. NAVER establishes and encourages the use of a reporting system for corruption prevention and compliance management in times of suspected or actual compliance violations, including acts of corruption. NAVER will also provide protection measures for reporters acting in good faith to allow employees to participate in corruption prevention and compliance activities without any burden.
6. NAVER takes measures such as disciplinary actions under company regulations when employees of NAVER violate compliance obligations, including acts of corruption, or fail to take reasonable measures to prevent such acts even after recognizing the possibility of a violation.
7. All employees of NAVER's management fully supports the efficient operation of the anticorruption and compliance management system.

CORPORATE ETHICS AND ANTI-CORRUPTION

Corporate Ethics Reporting and Counseling

- Operate “Business Ethics Consulting Center” where anyone can consult on and report NAVER employees’ violations of business ethics, acts of corruption, violations of the relevant laws such as the Fair Trade Act, unfair demands based on abuses of one’s position, receipt of money, entertainment and conveniences bribery, complaints related to payments, leakage of confidential information, and other irregularities and forms of misconduct

NAVER Business Ethics Consulting Center

Characteristics	- Available 24/7 through the NAVER website - Both employees and third parties can report issues and receive counseling. - Reports can be submitted in Korean or English, anonymously or in one’s name. - Reporters can check the results of processing in real time on the website.
Handling Process	1. Reporting - Reports can be submitted via online, mail, or e-mail (contents described according to the 6W principle). - Anonymous/named reporting is possible. The content and the whistleblower’s personal ID are encrypted and stored on the server (personal information is destroyed within six months of achieving the purpose of its collection and use) to protect the anonymity of reporter. 2. Fact-finding Investigations - A fact-finding investigation is conducted on each reported matter. - Additional data may be requested in the event of obvious false reporting or when basic facts are not verified. - Human rights of investigation participants are fully considered and protected. 3. Disciplinary Process - The HR Committee is convened and disciplinary action is deliberated in accordance with the employment rules and the related regulations based on the results of the investigation. - External experts verify the appropriateness of disciplinary deliberations. 4. Announcement and Notification - Persons subject to disciplinary action are notified of the results of the disciplinary review. - The results are also notified in-house (except when there is concern about corporate confidentiality or violations of the human rights of the persons subject to discipline).
Follow-up measures	- NAVER conducts independent investigations of reported issues under the responsibility of the Compliance Officer. - Disciplinary actions based on the outcome of an investigation are reviewed by the HR Committee according to the Integrity Code, employment rules, and relevant regulations. To ensure that fair disciplinary measures are taken, the appropriateness of the measures is verified through a procedure involving external experts.
Protection of whistleblowers	- NAVER operates a whistleblower protection program to ensure that anyone can safely seek counseling and report issues via email or mail. - Counseling and reports are handled confidentially, thus ensuring that the identity and the details of reports filed by whistleblowers are thoroughly protected, even in cases where a report is submitted under the whistleblower’s name.
Performance	21 cases were reported in 2023, and all of them were handled according to the internal process

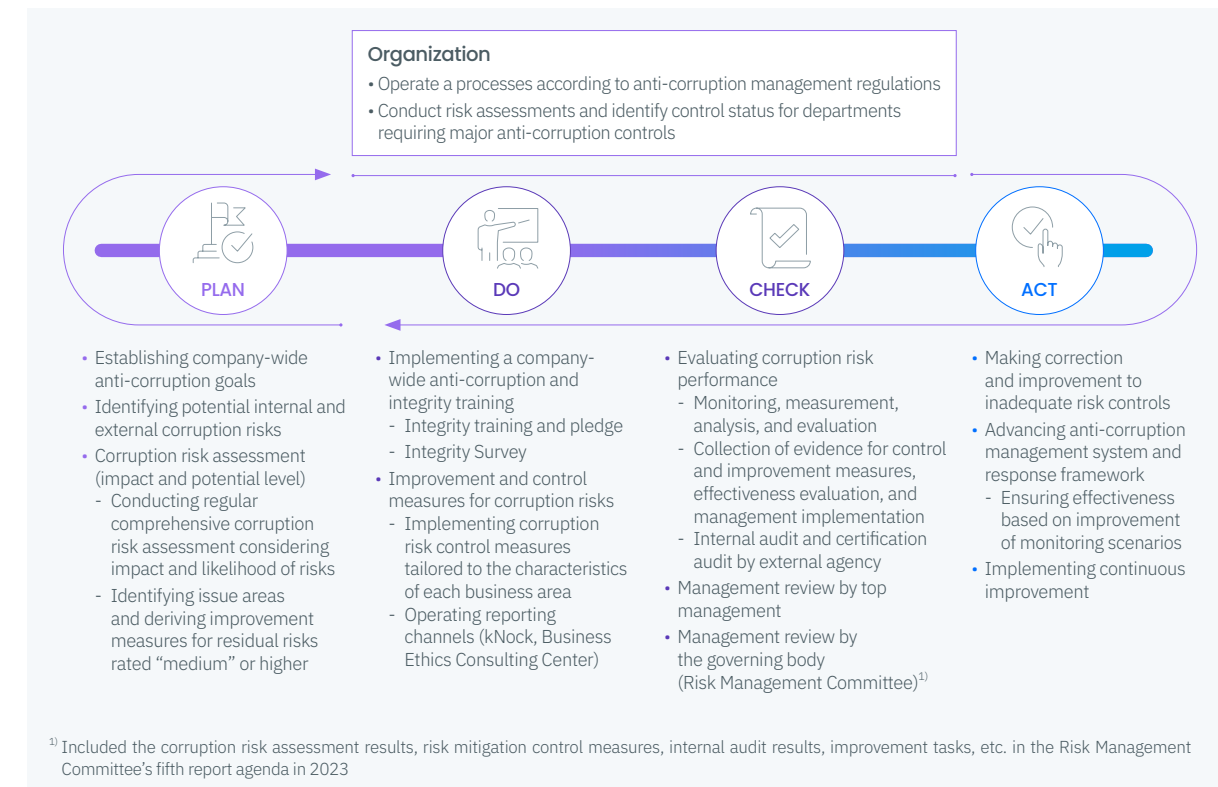
Strengthening the Anti-Corruption Management System

Advancing the Anti-Corruption Management System

- Obtained the ISO 37001 certification, an anti-bribery management system standard established by the International Organization for Standardization (ISO), for the first time in 2021, and conduct post-certification audits every year
- The scope of the ISO 37001 standard is limited to “bribery,” but NAVER has expanded the scope to include “Corruption”¹⁾ in order to practice more active ethical management.
- Conduct annual corruption risk assessments to reduce actual corruption risks and raise awareness among its employees

¹⁾ “Corruption” here is defined as the acceptance or demanding of money or valuable gifts from stakeholders, bribery, or improper solicitations

NAVER Anti-Corruption Risk Response System

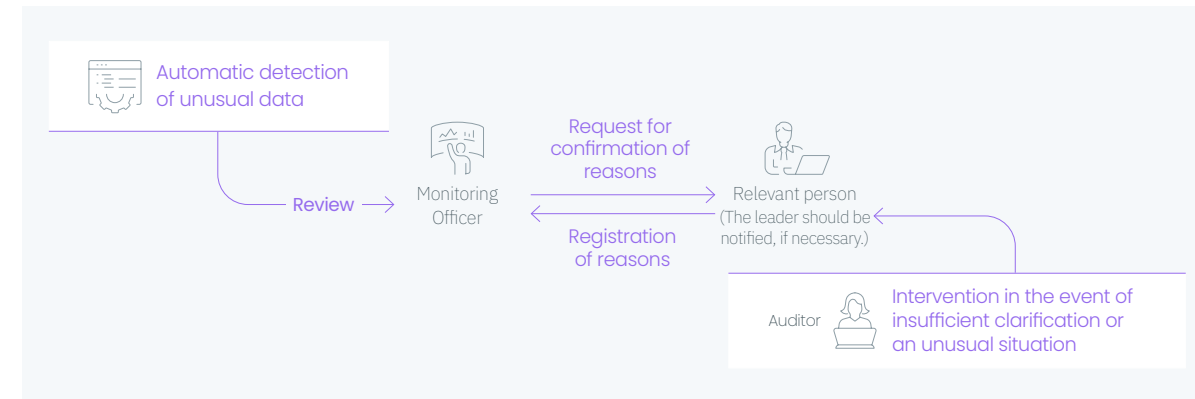


CORPORATE ETHICS AND ANTI-CORRUPTION

Internal Audit and Diagnosis

- Have put in place a system to prevent and reduce potential and actual corruption risks, as well as the Self-Check System, a corruption risk prevention system, as a part of the overall system
- The Self-Check System, which is operated as a full-time monitoring system, monitors abnormal cases in the system across personal, management support, business, and technology from time to time, notifies members via email whenever any abnormal data are detected, provides opportunities for clarification, and if necessary, adequate actions are taken.

Self-Check System Operation Process



- Conduct annual survey to identify risk areas of ethical management across all of NAVER's business sites as well as a regular audit of ethical standards once a year, and report the audit results and follow-up actions to the Audit Committee on a regular basis

Actions Taken against Violation of Internal Ethical Regulation

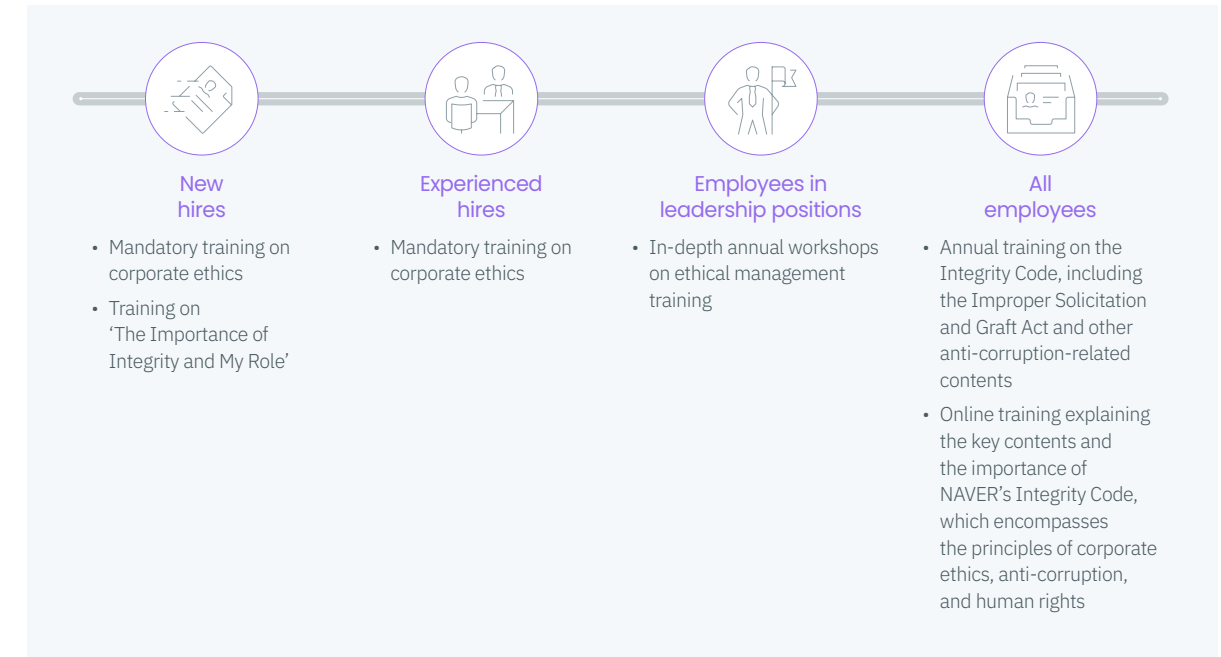


Internalizing Corporate Ethics

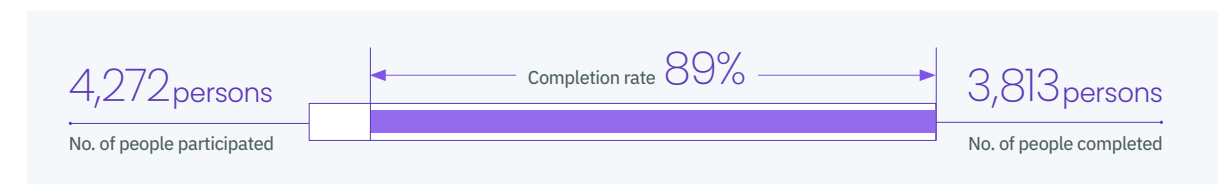
Employee Corporate Ethics and Anti-Corruption Training

- Require all full-time employees, contract workers, dispatched workers, interns, and all employees of its affiliates to sign a pledge to comply with the Integrity Code every year

Anti-Corruption and Integrity Training for Employees



Employee Training Status



STRENGTHENING COMPLIANCE AND FAIR TRADE

APPROACH

NAVER strictly complies with all laws and regulations in all regions and countries in which it conducts its business in order to enhance the stability of its operations and create a win-win ecosystem by adhering to fair trade practices. Based on a compliance management system that meets international standards, it has established an effective control system and is implementing risk mitigation activities to avoid violating laws. NAVER also introduced a Fair Trade Compliance Program. In addition, it has conducted annual training on compliance and fair trade for employees, and it will continue to upgrade the Compliance and Fair Trade Management System by conducting detailed inspections of all the fair trade-related laws and regulations as well as developing checklists for voluntary self-inspection.



2024 KPI

Applying for and obtaining a rating in the Fair Trade Compliance Program (CP) evaluation



Enhancing the effectiveness assessment of the Fair Trade Compliance Program

- Conducting risk assessments for the CP and enhancing the assessment of its effectiveness



Enhancing the Compliance Management System

- Obtaining a certification for post-audit of the Compliance Management System



Compliance and Fair Trade Management System

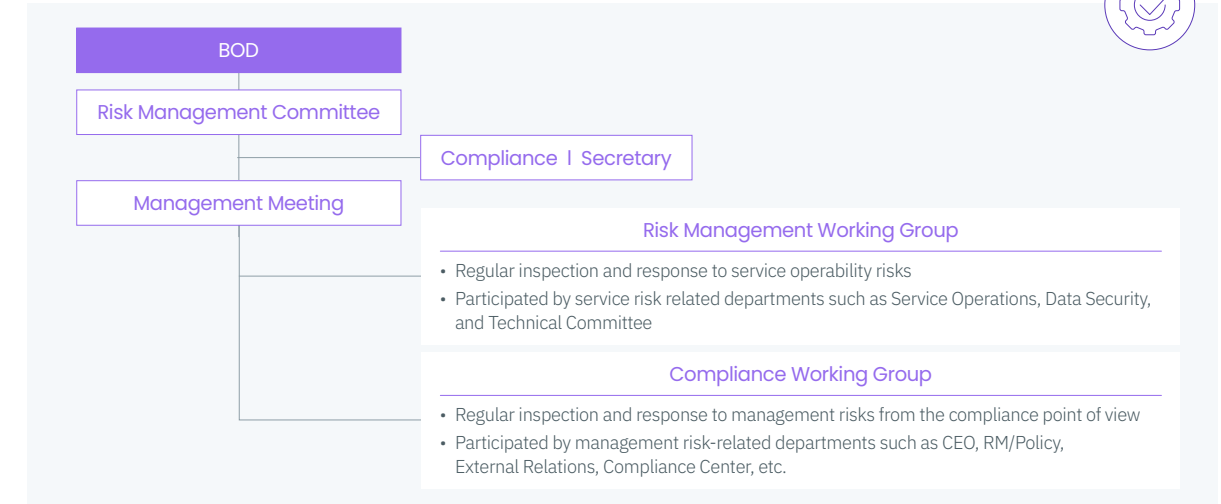
Compliance and Fair Trade Management and Oversight

- Established a department dedicated to compliance (Compliance Center) after the review of the ESG Committee within the BOD in 2021
- The department manages various fair trade and compliance risks under the Compliance Officer, directly under the Chief of RM/Policy; and directly report on compliance activities as the secretary of the Risk Management Committee within the BOD
- The Compliance Officer reports the status and results of the operation of the compliance system, including the Compliance Program (CP) and the Compliance Management System (ISO 37301), directly to the CEO and the Risk Management Committee within the BOD at least once a year.

Compliance Management System

- Introduced CP and established compliance regulations that reflect not only the requirements of the Fair Trade Commission Manual but also NAVER's circumstances
- Operate a Risk Management Working Group and a Compliance Working Group to manage and control compliance risks under the leadership of the Fair Trade Compliance Manager; and have established a management system that allows the Compliance Center to directly report compliance management issues to the Risk Management Committee within the BOD

Management and Oversight



STRENGTHENING COMPLIANCE AND FAIR TRADE

Strengthening the Compliance Management System

Operation of the Compliance Management System

- Obtained ISO 37301 certification, a compliance management system standard, in 2023



KEY ACTIVITIES

- Identify various laws and regulations applicable to NAVER services and business activities; and assess the risks for each service and business on an annual basis
- Implement control measures for such risks; and monitor and check whether the control measures are operating properly
- Provide training on various laws and regulations related to compliance to employees
- Review and analyze the enactment and amendment of laws and regulations or major policy changes by the government and shared them with employees
- Operate internal and external reporting channels to allow anonymous reporting of violations of relevant laws

Compliance Management System Process

- Established a compliance management system to control and prevent risks of legal violations and operate an effective control system to reduce the risk of legal violations

Compliance Management Process



Fair Trade Compliance Program (CP)

CP Activities

- Performed various activities to upgrade the CP in 2023



KEY ACTIVITIES

- Identified compliance risks and controlled the related risks based on the compliance control standards and the fair trade compliance regulations
- Proactively conducted internal fact-finding surveys and improved the contract signing process in line with the revision of the Subcontracting Act in 2023
- Sent compliance newsletters and notifications to all employees on regulatory trends related to fair trade and the enactment or revision of fair trade-related laws and regulations
- Distributed the 2023 revised version of the Fair Trade Compliance Handbook, which reflects new and revised laws and regulations and FTC guidelines, to all employees
- Held a “Fair Trade Compliance Practice Declaration Ceremony” at which the CEO announced NAVER’s declaration of CP management
- Recognized the contributions of departments that proactively implemented “dark pattern” compliance and their fulfillment of subcontracting law disclosure obligations by presenting them with the CP Excellent Implementation Department Award
- The Compliance Officer directly reported CP-related matters, including CP performance, to the Risk Management Committee within the BOD
- Identified areas of improvement in CP operations based on the review by external experts

CP Training

- Conducted training for all employees, managerial positions, and relevant departments

Name of training program and activities	Relevant laws and/or company rules	Participants	2023 Performance
Live and online training on fair trade law, with the focus on video search cases	Fair Trade Law	Employees in the relevant jobs	- No. of training sessions: 1 - No. of persons who completed the course: 115
Understanding the CP and fair trade trends	Fair Trade Law and CP	Senior leaders	- No. of training sessions: 1 - No. of persons who completed the course: 123
Understanding the CP and rating system	Fair Trade Law and CP	Employees in the relevant jobs	- No. of training sessions: 1 - No. of persons who completed the course: 216
Training on the Integrity Code	NAVER's company rules, laws prohibiting improper solicitation and bribery, etc.	All employees	- No. of training sessions: 1 - No. of persons who completed the course: 4,272
Compliance notifications and newsletters	Introduction to new and revised laws and regulations	All employees	No. of training sessions: As needed

INTEGRATED RISK MANAGEMENT

APPROACH

NAVER has established an company-wide integrated risk management system and is proactively responding to various risks in order to minimize potential risks that may arise in the course of its business operations. Through rigorous risk management by relevant departments equipped with the requisite expertise, it identifies and controls potential risks from the economic, social and environmental perspectives in advance. Meanwhile, it adheres faithfully to the tax laws in all the countries in which it operates, following such principles as “accurate and faithful tax reporting and payment” and “contributing to society by supporting national finances.” Moreover, it operates an independent and qualified audit body and strives to ensure fairness and transparency in its accounting information by undergoing regular audits by independent external auditors.

2024 KPI

Securing continuity and reliability of NAFER services and strengthening the response to failures

- Establishing an external regulatory compliance framework
- Improving disaster and emergency response capabilities through expanding the availability of core services
- Establishing an effective system for securing service availability



Enterprise Risk Management System

Risk Management Process

- Maintain a sustainable level of risk management by designing a risk management process that can diagnose and manage risks in three dimensions, considering the services provided and the core values of the platform



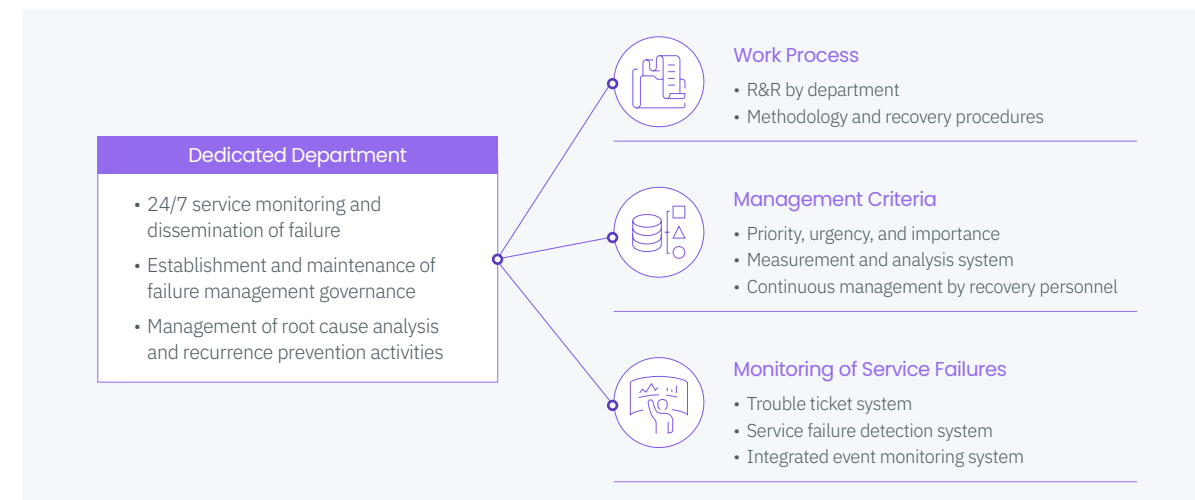
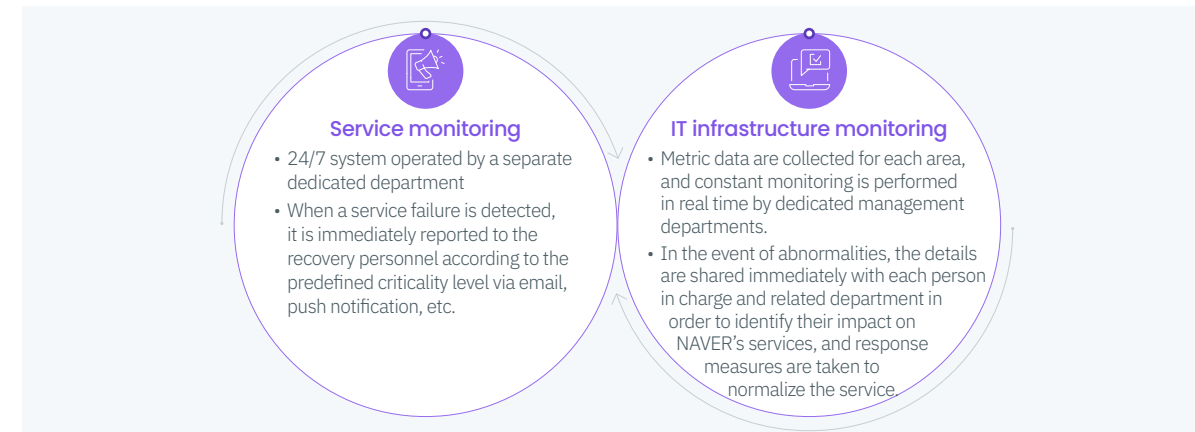
INTEGRATED RISK MANAGEMENT

SERVICE RISK MANAGEMENT

Monitoring and Incident Response

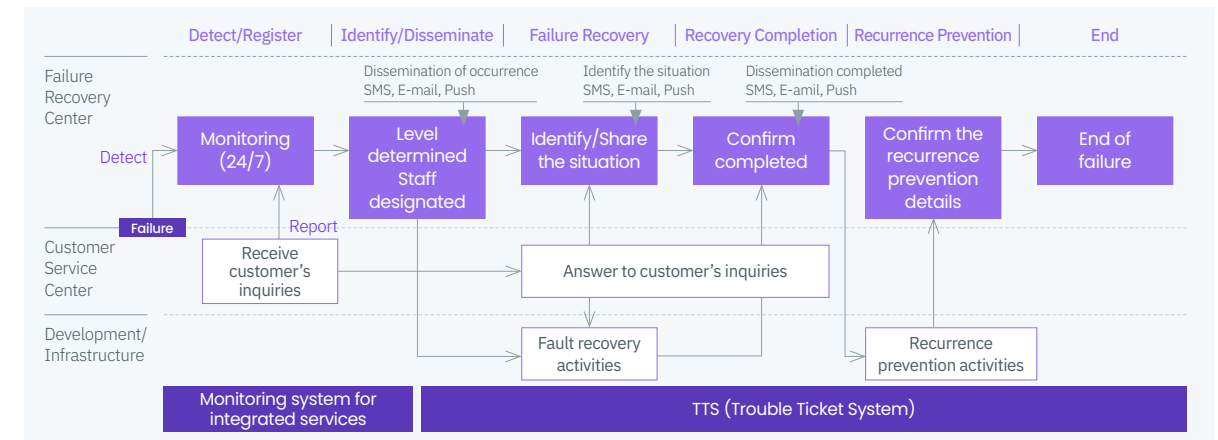
- Operate a service and IT infrastructure monitoring systems to ensure a rapid response in the event of a failure

24/7 Monitoring System



- Operate a failure response process that enables immediate response and rapid recovery when signs are detected through monitoring

Failure Response Process



Configuration of Uninterrupted Service and Infrastructure

- Configuration of data center facilities to ensure reliable service provision

Stable Facility Configuration

- Established a new hyper-scale data center in Sejong City to stably and securely operate future AI and digital-twin technologies
- Applied a special-grade earthquake-resistant design to the data center so that it can withstand earthquakes of magnitude 9.0
- Ensure stability and availability by forming critical infrastructure facilities, such as power, machinery, and firefighting, in a structure of at least N+1
- Secure backup infrastructure facilities in case of unexpected functional failures during operation; and be prepared for rapid fault recovery in the event of accidents such as function failures
- Operate our own and leased data centers in a decentralized manner across various regions, including the Seoul metropolitan area, Gangwon-do, Sejong, and Gyeongsangnam-do, in consideration of IT service changes, traffic increases, and service redundancy
- Enhance the safety of data centers by making proactive investments in and managing infrastructure facilities; and strengthen the continuity of data center services through internalization of the related technical capabilities



INTEGRATED RISK MANAGEMENT

- Apply service redundancy technologies to increase service availability and ensure service continuity

- **IDC (Internet Data Center) High Availability Network Architecture**
 - Design of a network with a multiplexed structure that enables highly available distributed services, data transfer, and backup
 - Support for secure connectivity not only for user traffic but also for inter-data center connections through a multi-hundred-gigabit-scale DCI (Data Center Interconnection) and internet-connected networks
- **CSLB (Cloud Scale Load Balancer) Architecture**
 - Technology for enhancing service continuity through stable and efficient distribution of large-scale traffic within a data center
 - Supporting the redundancy and scale-out of load balancers to stably handle large-scale traffic
- **nFront**
 - A platform that provides application-based load balancing and secure sockets layer (SSL) offloading
 - Process SSL certificates collectively and handle SSL connections on behalf of clients
 - Distributed across different IDCs, plays a role in protecting services from IDC disruptions, malicious traffic, and surges in request volumes
- **Cloud DB for MySQL Automatic Failover**
 - Automatically replaced by the standby master DB to provide a stable service if the master DB fails
- **GSLB (Global Server Load Balancing)**
 - DNS-based (domain name service) load balancing technology
 - Continuously monitor server operation and load status; and if a server is deemed non-operational, it redistributes network traffic or reroutes connections to functioning servers, supporting stable service provision

- Configuration of redundancy systems for services and infrastructure

Service Redundancy Criteria

- Recovery Service: Ensures that services can be restored within a certain period, although real-time services may not be guaranteed during IDC disruptions
- Continuous Service: Ensures real-time continuity for all or some services during IDC disruptions.

Recovery Service		Continuous Service	
LEVEL 1	• In the event of a domestic IDC failure, the service is made available through recovery operations.	LEVEL 5	• With domestic IDC redundancy, the service is available on a limited basis for some features or to some users.
LEVEL 2	• In the event of a domestic IDC failure, new infrastructure is put in place to allow resumption of the service within days.	LEVEL 6	• With domestic IDC redundancy, all required features of the service are continuously available.
LEVEL 3	• In the event of a domestic IDC failure, service can be resumed within hours.	LEVEL 7	• With overseas (global) IDC redundancy, global continuous service becomes feasible.
LEVEL 4	• In the event of a domestic IDC failure, services can be resumed within hours to days via an overseas IDC.		

Service Redundancy Configuration

- Established the Data Disaster Recovery TF (DDR TF), which manages service redundancies, in 2023 in order to check the redundancy and data distribution of major services and data, and to implement a redundancy certification system for each service
- Established seven levels of redundancy standards based on the duration of service interruption and the scope of affected functions, and a service-infrastructure redundancy system so that each service can be recovered automatically or manually in the event of an emergency depending on the level
- In terms of service continuity, NAVER is currently achieving level 5 through IDC redundancy in Korea and is promoting activities to achieve level 6, where all functions required by the service can be provided continuously.

Business Continuity Plan and Inspection

- Operate a business continuity plan to minimize damage and quickly restore services and operations in the event of a disaster and other emergency situations

Business Continuity Plan (BCP)

- Include crisis response departments and their roles, crisis alert stages and issuance, a situation dissemination process, and a cooperation system with suppliers and other related organizations to facilitate a quick response in the event of an emergency
- Set detailed disaster response action manuals for 10-crisis situations (fire, earthquake, major snowfall, terrorism, wind and water damages, epidemic, power sector, war, electronic intrusion, office power related)
- Detailed regulations not only for situation-specific response manuals but also for emergency contact lists, reporting systems, and individual action guidelines by role
- Conduct BCP simulation drills at least twice a year, centered on NAVER Cloud departments, in order to verify the objectives of the BCP and execute them more effectively – the drills are conducted according to the scenarios and manuals produced for each situation, including the issuance of crisis alert steps, the dissemination of information, reporting, and decision-making

- Enhance operational reliability by establishing and operating the data center’s own disaster and calamity response inspection system

Disaster and Emergency Inspection System of Data Center

- Review and improve vulnerabilities and areas for improvement through regular monthly inspections of the data center
- Set in place a response system to prioritize emergency recovery by service and infrastructure in the event of a disaster, thereby allocating emergency recovery resources such as materials and manpower
- Check the effectiveness of the disaster recovery system by conducting data center self- simulation drills at least three times a month based on the assumption of the occurrence of an actual disaster, and by conducting a joint public-private fire drill at least once a year
- Set in place a process through which NAVER promptly identifies the cause of a failure in cooperation with its partners, in the event of a failure or abnormal operation of data center facilities, and establishes measures to prevent failure and recurrence

INTEGRATED RISK MANAGEMENT

Responsible Tax Management

Tax Management Principles

- Proactively review tax issues arising from overall business activities and fulfill tax compliance obligations and tax cooperation

NAVER's Tax Management Practices



1. Compliance with Tax Filing and Payment Obligations and Proactive Risk Review

NAVER ensures compliance with its tax filing and payment obligations as required by the tax laws and regulations, and identifies and reviews issues arising during the tax filing process at an early stage.

2. Thorough Review of Arm's Length Pricing for Related Parties

NAVER thoroughly reviews arm's-length pricing issues between its overseas subsidiaries, thereby ensuring a qualified basis for review by an external expert, and continuously monitors various transactions to ensure that the company does not unintentionally violate any laws or regulations.

3. Fulfillment of Global Tax Obligations

NAVER faithfully fulfills its tax compliance obligations under foreign laws, such as submitting BEPS-related tax returns under the 2017 legislation and paying the global minimum tax under the 2023 legislation.

4. Fulfillment of Tax Cooperation

NAVER fulfills its responsibilities and obligations as a taxpayer by actively cooperating with the tax authorities on tax-related matters.

Transparency of Tax Burden

- Enhance tax burden transparency by disclosing detailed tax-related information through annual reports
- Comply with the reporting obligations after a final review by internal and external tax experts to ensure proper application of the tax laws and regulations as well as the protection of stakeholders

Tax Risk Management

- Closely monitor tax-related regulations, which are revised annually, and quickly adapt to changes
- Fulfill NAVER's obligations as a taxpayer, including seeking assistance from external tax experts or inquiring with the tax authorities when any existing laws are unclear due to the nature of the IT industry
- Procedures for tax risk management are carried out in accordance with the tax-related laws and regulations; all decisions are made according to the laws; and qualified grounds and evidence to prove the facts of such transactions are managed as guided by the laws and regulations.

Transparent Accounting Audit

Audit Organization

- Established the Audit Committee in accordance with the Commercial Act; specify its operations, authorities and responsibilities in the Audit Committee Operating Regulations
- The Audit Committee is composed entirely of outside directors, including financial and accounting experts and legal experts who meet the experience requirements of the relevant laws, to ensure their expertise and independence.
- The Audit Committee regularly invites external experts to provide training on the current status of the internal accounting control system and trends in Audit Committee operations so as to enhance the expertise of the Audit Committee members.
- The Compliance Officer performs the role of independently monitoring and reporting to the BOD on whether management and employees comply with the laws and regulations and properly conduct company management, ensuring that all employees of NAVER comply with the compliance control standards.

External Auditor

- Evaluate external auditor candidates based on criteria such as independence, compliance with regulations, industry expertise, and experiences to ensure the independence and expertise of external auditors
- Hold quarterly meetings involving the Audit Committee and the external auditor to review the audit history and quality
- In 2023, EY Hanyoung Korea served as the external auditor and provided an audit opinion of "unqualified" with no other matters raised for the 25th fiscal year (2023)

Business year	Auditor	Classifications	Details	Service fee (KRW million)
25th (2023)	EY Hanyoung	Audit	Review of interim financial statements, audit of separate and consolidated financial statements, audit of internal accounting system	2,932
			Tax consulting services	20
		Non-audit	Tax consulting services	18
			Tax consulting services	50
			Issuance of foreign bonds and comfort letter services	171
			Consulting service on ESG voluntary disclosure and strategy	315

INNOVATION AND SUSTAINABILITY AT SCALE

Scaling the Future – ESG Value of Our Innovation and Technology

NAVER has grown through constant innovation during challenging paradigm shifts in the IT industry. By continuously taking on new challenges amid the waves of change, we have connected diverse services and partners with our users. The connections created in the NAVER's platforms in turn enabled us to establish a unique "winning loop" that fuels platform development, thereby securing NAVER's distinctive moat. In addition, we have consistently invested over 20% of our revenue in R&D, building advanced technological capabilities that are shaping a new future on a different scale.

At NAVER, we use technology to change the world. We want our world-class technologies to be everyday tools that everyone can use. Our technology is also a tool that our partners can utilize on their path to growth and development. We aim to protect the environment with our technology and energy that is both environment- and people-friendly. In this way, NAVER is making a difference by adding the value of sustainability to the technology that is most demanded by the world.

1784 – TESTBED FOR A SMART BUILDING

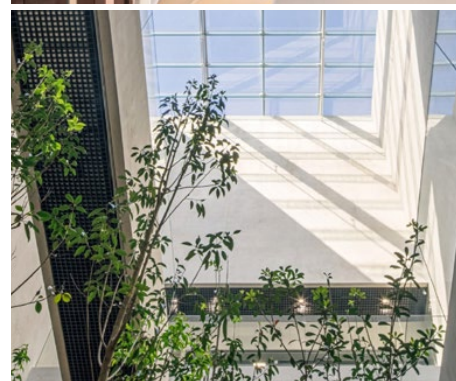
To lead technological change and turn experiments for the future into reality, NAVER has established a vast, unprecedented testbed, called “1784.” As NAVER’s new office building completed in 2022, the building itself serves as a testbed for a smart building.

The building’s name, 1784, represents not only the street number (178-4) where it is located but also the year the Industrial Revolution began. It reflects NAVER’s determination to use 1784 as a testbed to experiment, take on challenges, and create a new tomorrow, just as the Industrial Revolution changed human life. With a total floor area of 165,000 square meters, 8 basement floors, and 28 floors above ground, it is the largest testbed in the world that provides an effective workplace for a total of 5,200 employees and about 100 robots that perform various services and tests every day. In turn, the building also serves to accumulate data for a future space in which humans and robots will work together.

Being the world’s first robot-friendly building makes 1784 even more special; for instance, Roboport is the world’s first robot-only elevator that proposes an efficient vertical method of transportation for large-scale robots in skyscrapers; also, Rookie, a robot that serves daily tasks for employees at NAVER, moves across all floors of the building. 1784 is a place where robots are no longer perceived as industrial tools in factories but as assistants that can help humans in everyday life. Since NAVER is the only organization with such a vast amount of data on robotics research, many other organizations around the world are taking note of the ingenuity and sustainability of the smart building systems demonstrated at 1784. As technology, people, and robots become increasingly connected and come together around a single space, we are accelerating our global challenges towards the future.



1784 – The Testbed



Gak Sejong – TESTBED FOR A SMART CAMPUS

In the rapidly expanding digital era, NAVER is shaping a future of unparalleled innovation on an unprecedented scale by establishing its second data center, GAK Sejong, as a smart campus testbed.

Opened in 2023, GAK Sejong is a hyperscale data center built to manage data more securely, an ability that is the core competence of the future. The data center also aims to create new values with technologies in utilizing data. Covering an area the size of 41 soccer fields, GAK Sejong can operate a total of 600,000 servers, about six times the capacity of GAK Chuncheon, NAVER’s first data center, built in 2013.

GAK Sejong aims to be world-class not only in scale but also in the level of safety. Upgraded with cutting-edge technology as well as the know-how of GAK Chuncheon, which has operated without interruption, disasters, or accidents for the past 10 years, GAK Sejong is designed to withstand an earthquake of magnitude 9.0, serving as a data fortress that can protect data from fire and other disasters.

Today, the meaning of data goes well beyond merely a record. Rather, it has become the power source of the future. To properly manage and secure this critical asset and the associated competitive advantage, GAK Sejong has been built as a robust, hyperscale data center with world-class computing power, data management, and operational knowledge. As NAVER’s new engine of tech convergence, it will help us to scale a new future.



Future Loaded – Data Center GAK Sejong

Rookie, a Smart Assistant for Daily Life

NAVER is leading the way in preparing for a world in which robots become an inseparable part of our lives. This grand experiment began at 1784, where 5,000 people work and coexist with more than 100 robots named "Rookie," performing services and research every day. Rookie is an autonomous service robot powered by 5G brainless robotics technology, which provides face-to-face services include delivery of parcel, lunchbox, café products, convenience store goods, and personal items. 5G brainless robotics technology utilizes the ultra-low latency characteristics of 5G communications to allow the cloud to take over the role of the robot's brain. Ever since successfully demonstrating the technology for the first time in the world at CES 2019, NAVER has been showcasing the technologies and solutions needed for large-scale cloud robots in the future space by introducing Rookies to 1784 in earnest.

ROOKIE, MAKING A SMART MOVE

1m/s	MAXIMUM SPEED	2 m/s
Up to 15 kg	TRANSPORT LOAD	Up to 400 kg
107 cm	HEIGHT	131 cm
Parcel, lunchbox, beverage delivery	SERVICE	Transportation of servers and other heavy assets
Human-friendly navigation ¹⁾	AUTONOMOUS DRIVING	Predictable navigation ²⁾

GaRo and SeRo, Paving the Way for the Future of a Data Center

NAVER is preparing for the new generation of data centers with robots. We are focusing on robots as a technology that will enable sustainable operational innovation in data centers, and the transformation has already begun at GAK Sejong. The core asset of a data center is the server, and in a hyperscale data center, the movement of server assets must be fast and uninterrupted. GaRo, an autonomous transportation robot, and SeRo, an asset management automation robot, are improving data center management efficiency by moving autonomously and recording their movements in real-time through ARC, a cloud-based multi-robot intelligence system, and ARM-System, a robot service platform supporting tasks at the data center. As such, NAVER is converging unseen, novel technologies and accumulating vast amounts of data at GAK Sejong.

GARO & SERO, MOVING THE FUTURE FORWARD



¹⁾ Moving naturally while maintaining a psychological safety distance between humans and robots based on reinforcement learning

²⁾ Moving with maximum efficiency by adjusting speed and motion based on the presence of obstacles or pedestrians

1784

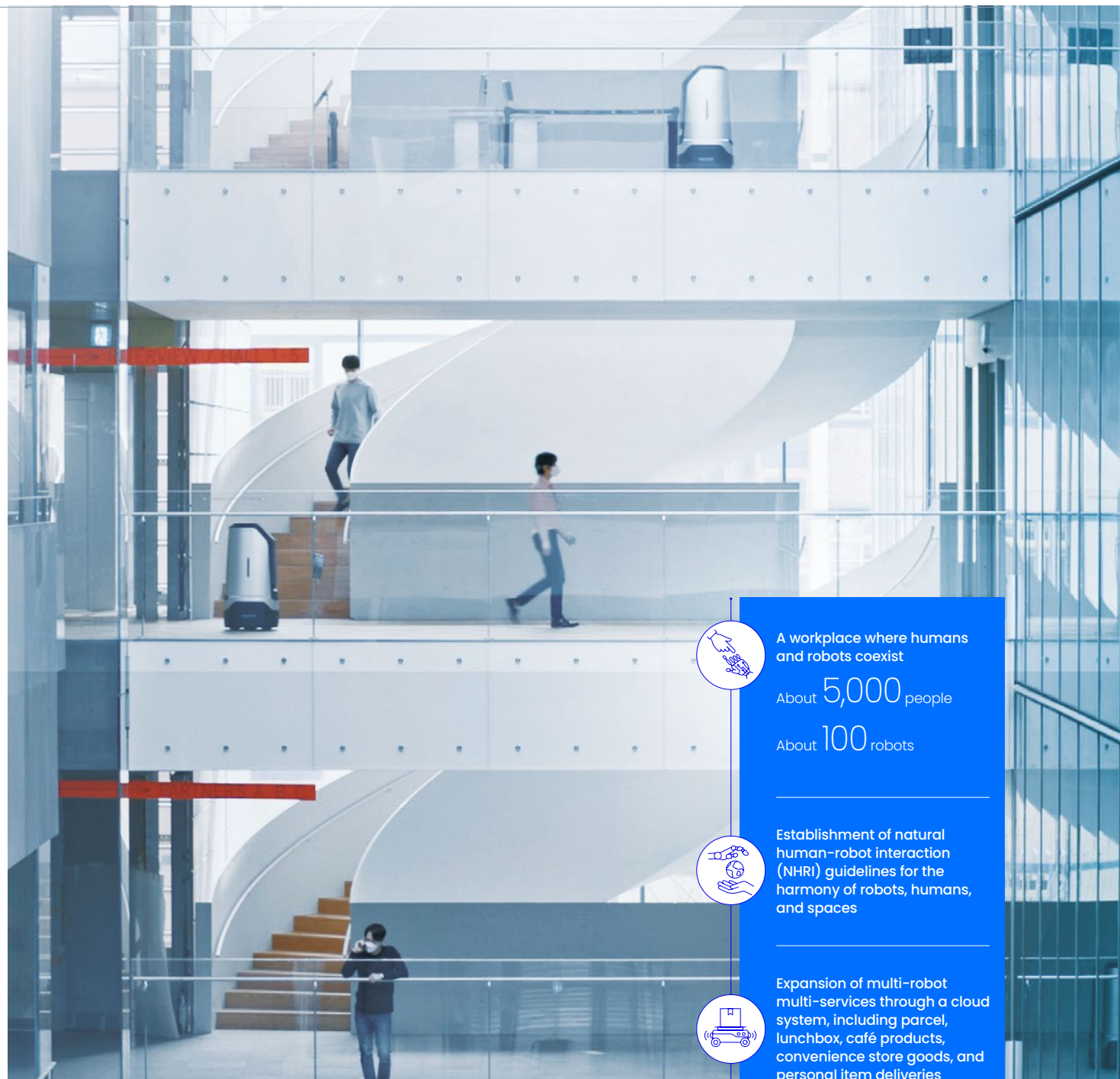
Turning Innovation and ESG into Reality

Human-Robot Collaboration

NAVER IS SETTING A NEW STANDARD FOR EVERYDAY LIFE WHERE HUMANS AND ROBOTS COEXIST AT 1784.

1784 is home to more than 100 service robots called Rookie. These robots are equipped with human-friendly robot interaction principles, such as optimal appearance design, socially acceptable driving behavior, and intuitive communication, to ensure that people feel comfortable during their encounters with the robots.

Furthermore, in 2023, yet another form of human-robot collaboration took place as the new robot delivery service was launched at the convenience store in 1784. Through this service, NAVER HANDS' employees with developmental disabilities work together with Rookie for product delivery. From this form of interaction, NAVER is validating the collaboration between robots and human workers in everyday spaces, with a particular focus on interactions between robots and people with developmental disabilities. At 1784, such continuous research and validation cases accumulate knowledge and know-how for the coexistence of robots and humans. By developing and validating innovative technologies and designing user-centered experiences, NAVER is enhancing the value of 1784 as an advanced base for smart city solutions aimed at the global market, emphasizing the value of time saved by robots.



A workplace where humans and robots coexist

About 5,000 people

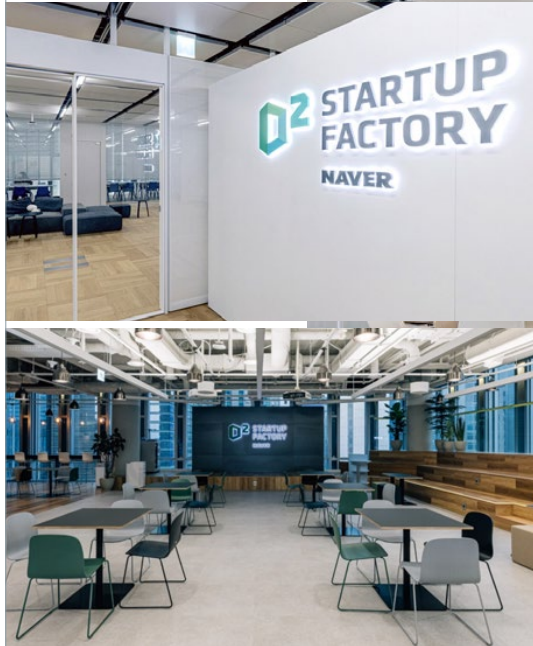
About 100 robots



Establishment of natural human-robot interaction (NHRI) guidelines for the harmony of robots, humans, and spaces



Expansion of multi-robot multi-services through a cloud system, including parcel, lunchbox, café products, convenience store goods, and personal item deliveries



Since 2015, NAVER D2SF has been strategically investing in early-stage startups in such fields as AI, spatial computing, healthcare, robotics, and mobility. The goal is for high-growth potential startups to share technology and industry trends with NAVER and its affiliates, explore opportunities for collaboration, and create synergies together. In particular, the dedicated space for tech startups, “NAVER D2SF@Bundang” at 1784, is a space where startups and NAVER can experiment together and collaborate.

At NAVER D2SF@Bundang, startups are focused on developing their own products while frequently meeting with various NAVER organizations to discuss opportunities for collaboration. They also use the infrastructure of 1784 as a testbed to build references. For instance, the 3D engine technology startup NdotLight developed a web-based 3D design studio in collaboration with NAVER, while the 3D motion startup MOVIN built a unique 3D dataset using the infrastructure at 1784. The food tech startup Beyond Honeycomb operated a robotic chef solution store in the 1784 F&B space, providing lunch menus to NAVER employees for about a year. During this period, the startup collected around 50,000 data points each month to enhance its technology. Using the references gained at 1784, it successfully secured B2B clients and attracted Series A investments. In this way, 1784, a realization of NAVER’s management philosophy, is not only realizing NAVER’s potential but also that of the startups.

Collaboration with Tech Startups

**NAVER IS CREATING NEW FUTURE BY
CONNECTING WORLD-CHANGING IDEAS
TO TECHNOLOGY AND TURNING THEM
INTO REALITY AT 1784.**

Support for startups
since 2015

Invested in **107** teams

Identified **206** collaboration agenda



Have been conducting student tech startup
competitions every semester since 2016 to discover
and invest in student startups

22 % of the total portfolio is from student startups



Crowdworks, an investee in 2017,
has grown through AI data
collaboration with NAVER

Listed on **KOSDAQ** in 2023



Website of NAVER HANDS

Cooperation Transcending Disability

1784 IS A SPACE OF COEXISTENCE AND DIVERSITY FOR ALL MEMBERS OF TEAM NAVER INCLUDING NAVER HANDS

The robot delivery service CBT conducted at the in-house convenience store in 1784



The plant shop located on the 4th floor of 1784



Inside 1784, there are cafes, a convenience store, and a plant shop where employees perform their tasks in a slightly slower but meticulous manner. These are the employees of NAVER HANDS, a standard workplace for people with disabilities established in December 2020 by NAVER and its subsidiaries¹⁾. As of December 2023, 54 employees with developmental disabilities work at 1784 and other buildings where NAVER and its subsidiaries are located.

NAVER HANDS provides stable employment to enable individuals with developmental disabilities to achieve true social independence. At 1784, NAVER HANDS employees feel pride in participating in society, while NAVER employees experience a better society built on coexistence. In December 2023, the successful completion of the closed beta test (CBT) for the robot delivery service involving NAVER HANDS employees reaffirmed the value of 1784 as a space for coexistence and collaboration.

¹⁾ NAVER Cloud, Works Mobile, Snow, NAVER Webtoon, NAVER FINANCIAL, NAVER I&S.

GAK Sejong

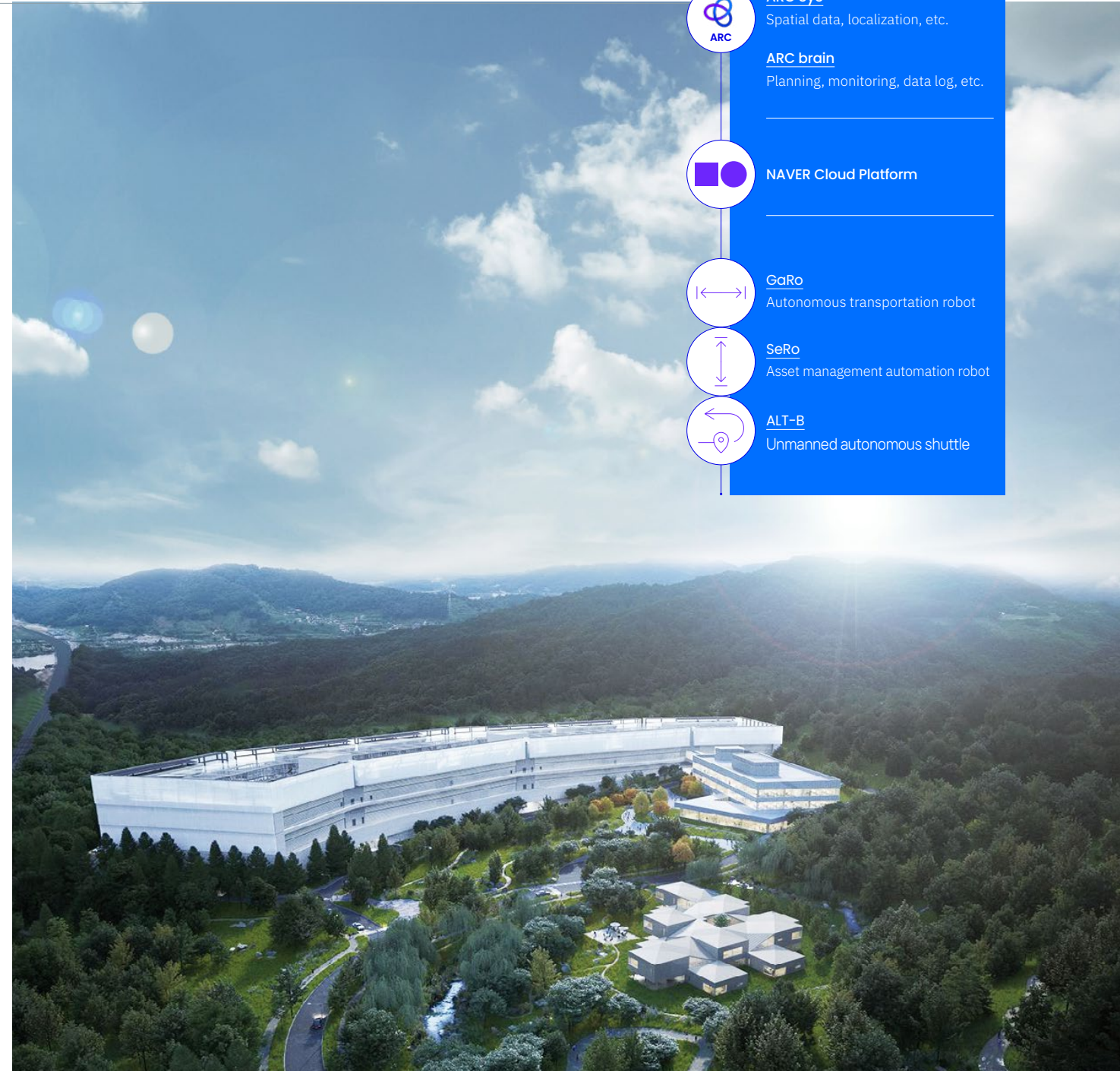
Future Loaded, Frontloading ESG

To securely store and reliably manage data, which is a company's core resource and valuable personal information, NAVER utilizes cloud-based robot technology. In environments that demand new operational methods, the robots at GAK Sejong navigate the extensive campus to perform high-precision, heavy-duty tasks such as server equipment intake and IT infrastructure asset management, thereby maximizing the operational efficiency of the data center.

While robots perform tasks either autonomously or under human control, people can focus on more critical tasks to ensure the uninterrupted, accident-free, and hazard-free operation of the data center. In the expansive smart campus of 1784, where diverse technologies are horizontally integrated, NAVER is preparing for the near future of data centers and beyond, aiming toward the smart cities of the future.

Human-Robot Coexistence

ROBOTS OPERATING IN GAK SEJONG PRESENT CORE TECHNOLOGY FOR THE FUTURE OF DATA CENTERS



ARC eye

Spatial data, localization, etc.



ARC brain

Planning, monitoring, data log, etc.



GaRo

Autonomous transportation robot



SeRo

Asset management automation robot



ALT-B

Unmanned autonomous shuttle

At Data Center GAK Sejong, various types of robots fulfill different roles. The autonomous transport robot GaRo, the asset management automation robot SeRo, and the autonomous shuttle ALT-B are all connected to the cloud-based ARC system to perform their tasks. SeRo focuses on IT warehouse management, while GaRo handles transportation between warehouses and server rooms, and ALT-B is responsible for transporting workers between buildings. These robots at GAK Sejong not only coexist with humans but also collaborate with heterogeneous robots, opening up a new future for the data center.



SeRo – Asset Management Automation Robot

SeRo is dedicated to the safe and efficient management of servers, which are crucial assets in the data center. SeRo receives assets transported by GaRo to the IT warehouse, where it loads and records them. Servers are also core assets in the data center and are primarily located in server rooms, but idle or new assets are stored in the IT warehouse. SeRo automates the management of the intake and outflow of such assets in the data center.

SeRo can safely insert and retrieve assets through precise control without humans, and when collaborating with GaRo to exchange assets, human intervention is unnecessary. SeRo can also collaborate with humans efficiently and safely through Robostations. In this way, SeRo autonomously manages server asset intake, outflow, and data logging, while also collaborating with both robots and humans to ensure uninterrupted, automated asset management in the data center 24 hours a day, 7 days a week.



GaRo – Autonomous Transportation Robot

GaRo is designed to transport heavy server equipment and assets throughout the data center. Located on a massive site covering 294,000 square meters, navigating GAK SEJONG entails a considerable round-trip distance of 850 meters between its operation and server buildings. GaRo autonomously transports assets weighing up to 400 kg at speeds of up to 2 m/s, automating the movement of server assets within the facility. GaRo is equipped with predictable navigation technology, which automatically adjusts its speed and motion based on its surroundings and human presence.

While GaRo normally moves on its own without the intervention of an operator, it can switch to the “power-assist mode” for manual maneuvering when needed, expanding its task versatility. In this way, GaRo is making data center management more efficient by transporting itself and collaborating with people and other robots.



ALT-B – Unmanned Autonomous Shuttle

ALT-B is an unmanned, autonomous shuttle that connects GAK Sejong’s key locations. It helps employees to move comfortably and safely around GAK Sejong’s vast area, which is the size of 41 soccer fields and involves a round trip of more than one kilometer. It is equipped with full-stack autonomous driving technology independently developed by NAVER and controlled by the ARC system based on NAVER’s cloud platform.

The kiosks installed at each stop make it convenient to call ALT-B at any time, and the in-vehicle interface design allows for quick access to necessary information. ALT-B combines autonomous driving, AI, and cloud technology, making it the most innovative space and infrastructure imaginable.



The name of NAVER's data center, "GAK," originates from the "Jang-Gyeong-Gak" structure that protected the cherished artifact of Korea, Tripitaka Koreana, for over half a century. Just as our Korean ancestors used nature and science-based methods such as wind, charcoal, salt, and lime powder to manage and protect the vast records of their times, NAVER aims to preserve and proliferate the value of data by utilizing nature-friendly technologies.

In fact, for the past decade, the keyword that has run through the history of the data center GAK is "eco-friendliness." At GAK Sejong, NAVER has taken the eco-friendly initiative from its first data center, GAK Chuncheon, to the next level by constructing its second data center with technologies that utilize natural energy. Through this eco-friendly data center, NAVER is not only protecting the value of data but also the global environment.



Human-Nature Coexistence

**FROM CONSTRUCTION AND OPERATION,
NAVER HAS CONSISTENTLY PURSUED THE
VALUE OF SUSTAINABILITY AT GAK SEJONG.**



From the beginning, GAK Sejong was built with sustainability in mind. We believe that great technology can only last as long as it works with nature, so we have actively sought ways to minimize adverse impacts on nature in all our operations. As a result of these efforts, GAK Sejong has received the LEED Platinum certification – the highest level for a data center under the international green building certification system, LEED.

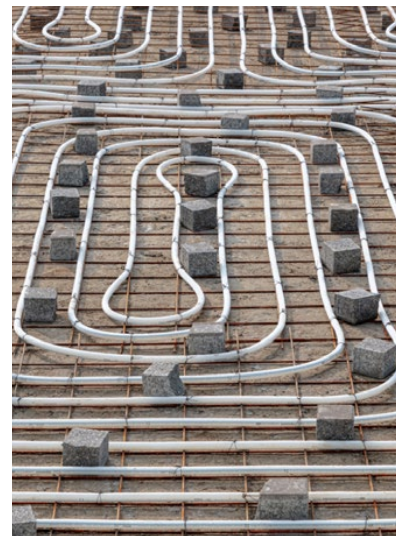
Environment-friendly Design

The structure of the data center GAK Sejong symbolizes the coexistence of nature and technology. It is designed in an optimal form in which it maintains its areas without disrupting the flow of nature. The master plan emphasizes the use of eco-friendly materials and strives to minimize environmental destruction by adhering to the principles of conservation and restoration of the surrounding greenery. In addition, the architecture remains harmonious with nature by maximizing the utilization of natural energy sources such as external air, rainwater, and solar energy, while employing construction methods that reduce NAVER's impact on the environment.

A Building Inspired by the Nature

GAK Sejong utilizes the northwesterly breeze that blows through the Buyongsan Valley to save electricity for cooling its server rooms. To cool down hot server rooms, data centers usually use air conditioners, which require a lot of power. However, GAK Sejong uses its own air conditioning system, NAMU (NAVER Air Membrane Unit), to cool down its hot server rooms with natural breezes. NAVER also operates a “snow melting” system that utilizes warm air (waste heat) generated after cooling the servers in the server room to prevent snow from freezing on the roads inside the data center in winter.

GAK Sejong secures electricity from the solar power facilities installed on its buildings, and uses geothermal heat, a renewable energy source, to provide cooling and heating for its operations as well as the accommodation buildings. It also collects rainwater and reuses it for landscaping, and expects these efforts to reduce the amount of electricity consumed by all its operations by approximately 13,000 MWh per year, and to reduce its carbon emissions by 6,000 tons.



ECO-FRIENDLY DESIGN

Data center architecture built for the environment



HYBRID COOLING SYSTEM

A server-room cooling system that utilizes outside air and is tuned to climate conditions



ENERGY RECYCLING

Recycling server-room waste heat as well as rainwater and solar power, etc.



RE100 & EV100

First Internet platform company in the world to join both initiatives



SUSTAINABILITY ALL GEARED TOWARDS HUMANITY

A sustainable technology hub for humanity, beyond an outpost of smart city solutions

NAVER is making a bold move to execute large-scale experiments using 1784 and GAK Sejong as its testbeds. These two locations, which embody our management philosophy and core values, are the outposts of NAVER's global smart city solutions and rallying points for technology for people. NAVER is transforming the technology for tomorrow into the one for today, and by adding ESG value to its technology, it is bringing a sustainable future into the present.

APPENDIX.

Financial Performance Indices	➤
ESG Performance Indices	➤
SASB Index	➤
GRI Index	➤
United Nations Index	➤
GHG Verification Statement	➤
Third Party's Assurance Statement	➤
Awards and Membership	➤



FINANCIAL PERFORMANCE INDICES

Statements of Financial Position

(Unit: KRW)

NAVER Corporation and its subsidiaries	December 31, 2023	December 31, 2022	December 31, 2021
Assets			
I. Current assets	7,028,076,457,880	6,439,570,710,743	5,527,878,425,552
Cash and cash equivalents	3,576,456,533,329	2,724,168,321,708	2,781,395,543,827
Short-term financial instruments	808,248,060,681	1,216,410,034,221	673,555,739,311
Financial assets at fair value – profit or loss	697,743,584,418	745,584,919,599	461,932,777,511
Financial assets at fair value – other comprehensive income	-	-	24,254,505,540
Trade and other receivables	1,724,145,643,626	1,540,471,078,134	1,454,660,666,688
Inventories	14,811,319,796	8,651,839,041	6,139,904,767
Other current assets	181,397,740,106	194,039,763,315	124,296,250,629
Current tax assets	16,471,207,827	10,244,754,725	1,643,037,279
Assets held for sale	8,802,368,097	-	-

(Unit: KRW)

	December 31, 2023	December 31, 2022	December 31, 2021
II. Non-current assets	28,709,750,506,515	27,459,472,178,393	28,163,128,331,488
Property, plant and equipment	2,741,621,328,149	2,457,820,240,295	2,111,261,659,613
Right-of-use-assets	691,832,707,701	738,710,004,475	290,462,942,745
Intangible assets	3,445,599,901,744	1,481,423,637,125	932,152,347,274
Investment property	53,430,246,000	-	-
Long-term financial instruments	13,755,872,000	14,255,722,000	14,255,722,000
Financial assets at fair value – profit or loss	2,227,335,975,392	2,427,610,041,051	2,407,725,020,317
Financial assets at fair value – other comprehensive income	1,378,247,811,941	1,354,122,792,627	2,099,232,986,626
Investments in associates and joint ventures	17,588,864,100,100	18,541,286,921,720	20,090,304,016,842
Deferred tax assets	381,436,175,332	265,767,603,355	98,430,685,422
Trade and other receivables	97,199,883,555	76,754,808,757	46,387,217,185
Other non-current assets	90,426,504,601	101,720,406,988	72,915,733,464
Total assets	35,737,826,964,395	33,899,042,889,136	33,691,006,757,040



FINANCIAL PERFORMANCE INDICES

Statements of Financial Position

(Unit: KRW)

NAVER Corporation and its subsidiaries	December 31, 2023	December 31, 2022	December 31, 2021
Liabilities			
I. Current liabilities	6,305,568,632,198	5,480,633,710,849	3,923,319,146,652
Trade and other payables	1,838,187,891,754	1,245,664,499,219	992,675,127,701
Financial liabilities at fair value - profit or loss	454,823,038,561	71,905,225,561	-
Short-term borrowings	333,041,315,118	261,430,486,390	342,638,765,222
Current portion of long-term borrowings	192,923,826,668	1,119,968,812,396	118,683,053,242
Current portion of bonds payable	249,962,199,849	-	-
Current tax liabilities	334,267,425,429	349,087,471,196	515,246,293,598
Provisions	6,128,374,012	5,450,342,335	6,657,331,759
Lease liabilities	234,727,100,710	193,376,317,267	105,615,989,665
Other current liabilities	2,661,507,460,097	2,233,750,556,485	1,841,802,585,465
II. Non-current liabilities	5,194,259,516,644	4,968,086,697,836	5,740,311,261,113
Trade and other payables	102,531,973,265	69,639,961,691	118,079,924,927
Financial liabilities at fair value - profit or loss	249,253,989,426	684,617,869,427	508,994,104,631
Long-term borrowings	993,600,442,662	328,034,313,380	1,552,014,025,878
Debentures	1,655,718,953,449	1,704,518,276,546	1,636,827,463,521
Net defined benefit liabilities	607,892,193,638	577,397,964,363	554,264,628,196
Provisions	14,704,327,970	17,784,624,686	8,918,100,642
Lease liabilities	518,909,669,133	589,253,964,655	205,661,717,226
Deferred tax liabilities	1,051,478,119,905	985,870,669,008	1,155,139,324,751
Other non-current liabilities	169,847,196	10,969,054,080	411,971,341
Total liabilities	11,499,828,148,842	10,448,720,408,685	9,663,630,407,765

(Unit: KRW)

NAVER Corporation and its subsidiaries	December 31, 2023	December 31, 2022	December 31, 2021
Equity			
I. Equity attributable to owners of the Parent Company	23,206,042,240,996	22,744,095,607,040	23,535,637,694,902
Share capital	16,481,339,500	16,481,339,500	16,481,339,500
Capital surplus	1,242,632,248,504	1,556,453,389,615	1,490,214,367,768
Other components of equity	(2,597,430,397,696)	(2,474,526,129,371)	(1,051,465,837,344)
Retained earnings	24,544,359,050,688	23,645,687,007,296	23,080,407,824,978
II. Non-controlling interests	1,031,956,574,557	706,226,873,411	491,738,654,373
Total equity	24,237,998,815,553	23,450,322,480,451	24,027,376,349,275
Total liabilities and equity	35,737,826,964,395	33,899,042,889,136	33,691,006,757,040

FINANCIAL PERFORMANCE INDICES

Statements of Comprehensive Income

(Unit: KRW)

NAVER Corporation and its subsidiaries	December 31, 2023	December 31, 2022	December 31, 2021
I. Operating revenue	9,670,643,576,585	8,220,078,708,810	6,817,599,707,250
II. Operating expenses	(8,181,823,306,977)	(6,915,414,298,267)	(5,492,121,536,133)
III. Operating profit	1,488,820,269,608	1,304,664,410,543	1,325,478,171,117
Other income	206,488,339,818	310,571,804,200	52,722,438,756
Other expenses	(401,005,659,917)	(375,658,237,080)	(232,866,247,091)
Interest income	101,111,135,020	59,164,658,931	20,004,490,256
Finance income	502,205,185,394	619,735,977,200	765,693,953,525
Finance costs	(682,767,513,153)	(931,522,674,095)	(349,334,091,066)
Share of profit of associates and joint ventures	266,544,560,781	96,761,151,453	544,701,156,204
IV. Profit before tax	1,481,396,317,551	1,083,717,091,152	2,126,399,871,701
Income tax expenses	(496,378,555,058)	(410,536,791,065)	(648,668,889,581)
V. Profit from continuing operations	985,017,762,493	673,180,300,087	1,477,730,982,120
VI. Profit of discontinued operations	-	-	14,999,894,577,525
VII. Profit for the period	985,017,762,493	673,180,300,087	16,477,625,559,645 ¹⁾
Profit for the period attributable to: Owners of the Parent Company	1,012,321,527,624	760,260,876,247	16,489,849,771,129
Profit from continuing operations	1,012,321,527,624	760,260,876,247	1,493,472,246,748
Profit of discontinued operations	-	-	14,996,377,524,381
Non-controlling interests	(27,303,765,131)	(87,080,576,160)	(12,224,211,484)
Profit (loss) from continuing operations	(27,303,765,131)	(87,080,576,160)	(15,741,264,628)
Profit of discontinued operations	-	-	3,517,053,144

¹⁾ Following the business integration of LINE and Z Holdings in the first quarter of 2021, related gains of KRW 15.0 trillion (the fair value of investment stocks jointly held by A Holdings and LINE) is reflected as non-cash accounting gains.

(Unit: KRW)

NAVER Corporation and its subsidiaries	December 31, 2023	December 31, 2022	December 31, 2021
VIII. Other comprehensive income (loss):	(260,648,518,805)	(1,388,015,023,214)	(252,564,745,906)
Items that will be reclassified subsequently to profit or loss:	(393,810,457,545)	(1,201,075,972,444)	(190,772,138,482)
Loss on valuation of debt instruments at fair value – other comprehensive income	-	-	(483,039,456)
Exchange differences	151,777,835,412	122,569,353,269	71,043,967,706
Share of other comprehensive loss of associates and joint ventures	(545,588,292,957)	(1,323,645,325,713)	(261,333,066,732)
Items that will not be reclassified subsequently to profit or loss:	133,161,938,740	(186,939,050,770)	(61,792,607,424)
Loss on valuation of equity instruments at fair value – other comprehensive income	31,535,428,016	(484,843,494,849)	(90,787,478,622)
Gain (loss) on disposal of equity instruments at fair value – other comprehensive income	4,928,744,939	(45,127,813,925)	21,602,409,626
Share of other comprehensive income of associates and joint ventures	29,859,125,802	274,285,784,800	9,512,437,761
Remeasurements of net defined benefit liabilities	66,838,639,983	68,746,473,204	(2,119,976,189)
IX. Total comprehensive income (loss) for the period, net of tax	724,369,243,688	(714,834,723,127)	16,225,060,813,739
Owners of the Parent Company	748,831,191,489	(681,315,237,223)	16,233,387,235,875
Non-controlling interest	(24,461,947,801)	(33,519,485,904)	(8,326,422,136)
X. Earnings per share attributable to the equity holders of the Parent Company			
Basic earnings per share			
From continuing operations	6,661	5,007	9,977
From discontinued operations	-	-	100,877
Diluted earnings per share			
From continuing operations	6,576	4,985	9,887
From discontinued operations	-	-	99,973



FINANCIAL PERFORMANCE INDICES

Statements of Changes in Equity

(Unit: KRW)

NAVER Corporation and its subsidiaries	Equity attributable to owners of the Parent Company				Non-controlling interests	Total
	Share capital	Capital surplus	Other components of equity	Retained earnings		
As of January 1, 2023	16,481,339,500	1,556,453,389,615	(2,474,526,129,371)	23,645,687,007,296	706,226,873,411	23,450,322,480,451
Profit (loss) for the period	-	-	-	1,012,321,527,624	(27,303,765,131)	985,017,762,493
Gain (loss) on valuation of equity instruments at fair value – other comprehensive income	-	-	30,594,156,033	-	941,271,983	31,535,428,016
Gain (loss) on disposal of equity instruments at fair value – other comprehensive income	-	-	-	4,928,744,939	-	4,928,744,939
Exchange differences	-	-	153,392,830,409	-	(1,614,994,997)	151,777,835,412
Share of other comprehensive income (loss) of associates and joint ventures	-	-	(514,813,612,066)	-	(915,555,089)	(515,729,167,155)
Remeasurements of net defined benefit liabilities	-	-	-	62,407,544,550	4,431,095,433	66,838,639,983
Dividends	-	-	-	(62,397,685,220)	-	(62,397,685,220)
Retirement of treasury shares	-	-	118,588,088,501	(118,588,088,501)	-	0
Transaction of share-based payment	-	61,712,784,537	113,906,312,734	-	42,522,317,838	218,141,415,109
Transactions with non-controlling interests	-	(375,533,925,648)	(24,572,043,936)	-	307,669,331,109	(92,436,638,475)
As of December 31, 2023	16,481,339,500	1,242,632,248,504	(2,597,430,397,696)	24,544,359,050,688	1,031,956,574,557	24,237,998,815,553

FINANCIAL PERFORMANCE INDICES

Statements of Changes in Equity

(Unit: KRW)

NAVER Corporation and its subsidiaries	Equity attributable to owners of the Parent Company				Non-controlling interests	Total
	Share capital	Capital surplus	Other components of equity	Retained earnings		
As of January 1, 2022	16,481,339,500	1,490,214,367,768	(1,051,465,837,344)	23,080,407,824,978	491,738,654,373	24,027,376,349,275
Profit (loss) for the period	-	-	-	760,260,876,247	(87,080,576,160)	673,180,300,087
Gain (loss) on valuation of equity instruments at fair value – other comprehensive income	-	-	(474,353,140,790)	-	(10,490,354,059)	(484,843,494,849)
Gain (loss) on disposal of equity instruments at fair value – other comprehensive income	-	-	-	(45,127,813,925)	-	(45,127,813,925)
Exchange differences	-	-	63,009,982,513	-	59,559,370,756	122,569,353,269
Share of other comprehensive income (loss) of associates and joint ventures	-	-	(1,048,615,188,657)	-	(744,352,256)	(1,049,359,540,913)
Remeasurements of net defined benefit liabilities	-	-	-	63,510,047,389	5,236,425,815	68,746,473,204
Dividends	-	-	-	(213,363,927,393)	-	(213,363,927,393)
Transaction of share-based payment	-	67,393,043,440	39,825,657,554	-	34,276,350,905	141,495,051,899
Transactions with non-controlling interests	-	(1,154,021,593)	(2,927,602,647)	-	213,731,354,037	209,649,729,797
As of December 31, 2022	16,481,339,500	1,556,453,389,615	(2,474,526,129,371)	23,645,687,007,296	706,226,873,411	23,450,322,480,451

FINANCIAL PERFORMANCE INDICES

Statements of Cash Flows

(Unit: KRW)

NAVER Corporation and its subsidiaries	2023	2022	2021
I. Cash flows from operating activities	2,002,233,273,518	1,453,390,444,990	1,379,905,728,836
Cash generated from operations	2,672,160,565,366	2,298,686,419,871	2,070,030,950,700
Interest received	98,199,175,820	20,673,303,127	26,262,580,497
Interest paid	(129,405,367,641)	(40,173,810,844)	(58,256,588,522)
Dividends received	43,721,525,837	34,753,150,218	54,754,937,073
Income tax paid	(682,442,625,864)	(860,548,617,382)	(712,886,150,912)
II. Cash flows from investing activities	(949,822,085,262)	(1,215,888,095,959)	(13,998,804,731,074)
Net increase (decrease) in short-term financial instruments	409,987,282,416	(574,934,228,334)	(348,046,243,066)
Net increase (decrease) in long-term financial instruments	500,000,000	-	-
Acquisition of financial assets at fair value – profit or loss	(2,693,963,338,618)	(5,151,401,634,229)	(6,449,235,633,165)
Proceeds from disposal of financial assets at fair value – profit or loss	2,718,635,244,975	4,727,172,598,822	6,505,643,614,364
Decrease of financial liabilities at fair value – profit or loss	-	(16,016,168,742)	-
Acquisition of property, plant and equipment	(640,623,697,250)	(700,733,545,914)	(753,942,606,877)
Proceeds from disposal of property, plant and equipment	7,316,798,534	12,203,857,538	6,695,944,177
Collection of lease receivables	6,274,783,190	7,462,366,762	3,773,243,178
Acquisition of intangible assets	(51,637,440,980)	(55,500,428,444)	(51,876,515,767)
Proceeds from disposal of intangible assets	633,805,661	923,978,480	167,684,511
Acquisition of financial assets at fair value – other comprehensive income	(32,121,513,088)	(46,595,632,596)	(509,090,098,200)
Proceeds from disposal of financial assets at fair value – other comprehensive income	75,852,751,999	126,380,427,929	229,335,330,042
Acquisition of investments in associates and joint ventures	(70,943,419,463)	(257,838,142,800)	(1,005,949,593,054)
Proceeds from disposal of investments in associates and joint ventures	604,752,359,248	702,978,746,957	440,573,420,629
Net increase (decrease) in cash due to business combination	(1,283,975,361,775)	4,264,026,832	(692,206,904,793)
Net cash flow from disposal of subsidiaries	(1,059,104,535)	-	(11,244,715,159,430)
Net increase (decrease) in short-term loans	3,268,499,231	(494,633,010)	(115,777,475,728)
Net increase (decrease) in long-term loans	205,778,560	146,412,000	(40,000,000)
Cash inflows (outflows) from other investing activities	(2,925,513,367)	6,093,902,790	(14,113,737,895)

(Unit: KRW)

NAVER Corporation and its subsidiaries	2023	2022	2021
III. Cash flows from financing activities	(110,032,028,405)	(339,465,120,952)	11,642,326,424,402
Proceeds from short-term borrowings	905,385,000,000	139,564,583,333	260,601,900,208
Repayments of short-term borrowings	(1,276,242,190,115)	(358,505,249,749)	(529,248,749,764)
Proceeds from long-term borrowings	835,080,704,000	106,435,416,667	1,598,040,294,214
Repayments of long-term borrowings	(616,872,943,838)	(100,690,379,540)	(2,642,484)
Proceeds from issuance of debentures	176,512,823,880	-	9,403,866,052,933
Repayment of lease liabilities	(204,064,693,090)	(178,551,442,728)	(114,274,687,061)
Increase in financial liabilities at fair value – profit or loss	100,598,886,266	130,504,106,918	386,482,769,394
Disposal of treasury shares	-	-	176,145,173,981
Dividends paid	(62,397,685,220)	(213,363,927,393)	(59,784,555,522)
Exercise of stock options	28,003,591,900	61,406,468,500	39,796,328,200
Cash inflows from transactions with non-controlling interests	6,415,123,730	87,981,692,188	114,530,208,868
Cash outflows from transactions with non-controlling interests	(237,051,042)	(15,572,499,931)	(350,963,263,102)
Cash inflows from other financing activities	586,740,373	3,916,338,007	1,070,216,109,602
Cash outflows from other financing activities	(2,800,335,249)	(2,590,227,224)	(353,078,515,065)
IV. Effects of exchange rate changes on cash and cash equivalents	(90,090,948,230)	44,735,549,802	(87,699,641,884)
V. Net decrease in cash and cash equivalents	852,288,211,621	(57,227,222,119)	(1,064,272,219,720)
VI. Cash and cash equivalents at the beginning of the period	2,724,168,321,708	2,781,395,543,827	3,845,667,763,547
Cash and cash equivalents classified as assets held for sale at the beginning of the period	-	-	2,245,363,413,625
VII. Cash and cash equivalents at the end of the period	3,576,456,533,329	2,724,168,321,708	2,781,395,543,827

FINANCIAL PERFORMANCE INDICES

Subsidiaries

Classification	Company Name	Location	Major Business	Assets (KRW million)	Ownership (%)
Major subsidiaries	NAVER FINANCIAL Corporation	Korea	Electronic financial service	3,757,660	89
	WEBTOON Entertainment Inc	U.S.	Mobile content service (U.S.)	2,125,054	71
	NAVER J.Hub Corporation	Japan	Investment	2,018,991	100
	PROTON PARENT, INC.	U.S.	Company for the purpose of acquisition	1,769,798	99
	NAVER Cloud Corporation	Korea	IT infrastructure service	1,652,883	100
	NAVER WEBTOON COMPANY Corporation	Korea	Mobile service development	958,777	100
	Poshmark, Inc.	U.S.	Commerce platform (North America)	551,183	100
	NAVER France SAS	France	Business development and R&D in Europe	438,836	100
	LINE Digital Frontier Corporation	Japan	Mobile content service	351,286	100
	KREAM Corporation	Korea	Sneakers trading platform	277,119	47
	Snow Corporation	Korea	Mobile platform service	276,771	90
	SB Next Media Innovation Fund	Korea	Investment (Indirect investment fund)	212,405	96
	Works Mobile Japan Corporation	Japan	Works Mobile business in Japan	204,667	79
	eBOOK Initiative Japan Co., Ltd.	Japan	eBook service in Japan	182,268	100
	C-FUND Subfund 3	France	Investment	146,526	100
	NAVER Z CO., LTD.	Korea	Mobile service development	113,800	71
	SVA Soda	Korea	Investment	92,900	100
	C-FUND Subfund 5	France	Investment	90,003	100
Other subsidiaries	NAVER I&S Corp, SVA Content Media Private Equity Fund II, TBT Global Growth Fund I, MUNPIA INC., NAVER LABS Corporation, N Tech Service Corp., Studio N Corporation, NAVER VIETNAM COMPANY LIMITED, NAVER Cloud Asia Pacific Pte Ltd, SpringCamp Early Stage Fund 2, NAVER Cloud Japan Corporation, Wattpad Corporation, SODA inc., Wattpad Webtoon Studios Inc. (Canada), SNOW China Limited., Green Web Service Corp, SpringCamp Early Stage Fund 1, C-Fund, NAVER Z Limited, SpringCamp Inc., C-FUND Subfund 4, InComms Corp, Watong Entertainment Limited, NAVER CLOUD AMERICA INC, NAVER-KTB Audio Contents Fund, Smart Spring Fund, NITService Corp., Cake Corporation, Poshmark Canada Inc., Amuse Co. Ltd., NAVER CHINA CORPORATION, NAVER Cloud Europe GmbH, NW MEDIA CONTENTS INC., Famous Studio Corp., akga Company Inc., CommPartners Corp., C-FUND Subfund 2, Poshmark India Private Limited, Chengdu NCC Technology Corporation, SpringCamp Early Stage Fund 4, Studio JHS Co., Ltd., Yiruike Information Technology (Beijing) Co., Ltd., STUDIO LICO Corp., Wattpad Webtoon Studios Inc. (U.S.), PAP Corporation, Famous Corporation, SNOW China (Beijing) Co., Ltd., ZaiZai Entertainment Corp., Do Ventures Annex Fund, LP,NAVER U.Hub Inc, Naver-Quantum Contents 1 Fund, SpringCamp-KIF Early Stage Fund, SNOW Japan Corporation, SODA Singapore INT PTE, LTD., BootCamp Partnership Limited, NAVER BAND Inc, Beijing Metaverse China Technology Corporation, N Visions Co., Ltd., NAVER WEBTOON COMPANY Corporation, Wattpad Inc, Audiensori Corporation, Broccoli Entertainment Corporation, NAVER Z USA, INC., Naver Cloud Trust Services Corp., Poshmark Limited, Semicolon Studio Corp., NAVER HANDS Corporation, Poshmark Pty Ltd., Monokabu Inc., SPRINGCAMP COLLABORATIVE FUND II, Dongman Entertainment Corporation, M Contents Labs Co., Ltd., Mun Pia Webtoon Culture Industry Special Purpose Company Ltd., SNOW VIETNAM COMPANY LIMITED, Poshmark Online Marketplace Private Limited, SPRINGCAMP COLLABORATIVE FUND I, NAVER Z JAPAN Corporation, NAVER WP I, L.P., WP Technology (UK), Shanghai Binge-reading Jinqui Entertainment Corporation, Namain Corp., SNOW Inc., Wattpad Studios (Cell Phone Swap) Inc, NAVER WP II, LLC, SPRINGCAMP US				

* Criteria for major subsidiaries is based on the status of subsidiaries subject to consolidation in the business report, depending on whether they are major associate companies



ESG PERFORMANCE REPORT

Environment

		Unit	2021	2022	2023
GREENHOUSE GAS (GHG) EMISSIONS (NAVER CORP.)					
Total GHG Emissions ¹⁾²⁾ (market-based)	Total	tCO ₂ e	78,884	86,991	89,505
Scope 1 Emissions	Total		525	893	2,048
	Stationary combustion	tCO ₂ e	415	691	1,799
	Mobile combustion		109	201	249
Scope 2 Emissions (market-based)	Total		78,362	86,100	87,459
	Electricity	tCO ₂ e	77,964	85,218	86,738
	Steam		398	882	721
GHG Intensity (market-based)	Total Emissions Intensity		11.57	10.58	9.26
	Total direct intensity (Scope 1)	tCO ₂ e/ Revenue (KRW billion)	0.08	0.11	0.21
	Total indirect intensity (Scope 2) (market-based)		11.49	10.47	9.04
Total GHG Emissions (location-based) ³⁾	Total	tCO ₂ e	78,884	87,092	90,612
Scope 1 Emissions	Total	tCO ₂ e	525	893	2,048
Scope 2 Emissions (location-based)	Total	tCO ₂ e	78,362	86,201	88,567
GHG Intensity (location-based)	Total	tCO ₂ e	11.57	10.60	9.37

¹⁾ GHG emissions and energy consumption data are summed after truncating decimals of the business site data, at a business site level, leading to possible discrepancies in category totals.

²⁾ Market-based emissions include GHG reductions from renewable energy PPA, according to the conformity assessment for the emissions trading scheme.

³⁾ Location-based emissions are calculated by applying Korea's national GHG emission factor for electricity to the energy consumption, and the difference between location-based and market-based emissions is equivalent of reduction in emissions.

	Unit	2021	2022	2023
Scope 3 Emissions	Total	215,556	209,708	78,706
	1. 2. Purchased goods/ services, capital goods	70,791	83,826	61,348
	3. Fuel- and energy-related activities	6,558	7,137	6,932
	4. Upstream transportation and distribution	0	10	76
	5. Waste generated in operations	132	249	259
	6. Business travel	51	453	1,032
	7. Employee commuting	1,589	2,035	2,288
	8. Upstream leased assets ⁴⁾	42	40	-
	9. Downstream transportation and distribution	4	2	2
	11. Use of sold products	18,419	11,392	6,224
	12. End-of-life treatment of sold products	184	131	125
	13. Downstream leased assets	422	424	419
	15. Investments ⁵⁾	117,364	104,009	-

⁴⁾ The emissions deriving from logistics warehouses under service contracts are now reported under Category 1 (previously reported under Category 8).

⁵⁾ The emissions deriving from consolidated entities are now reported respectively, instead of being reported under NAVER Corp's Category 15 Scope 3 emissions.



ESG PERFORMANCE REPORT

Environment

			Unit	2021	2022	2023
ENERGY CONSUMPTION						
Total Energy Consumption ¹⁾	Total		MWh	177,381	202,218	212,994
Non-renewable Energy Consumption	Total		MWh	175,469	196,728	206,317
	Direct energy consumption	LNG		2,163	3,665	4,953
		Mobile combustion		449	822	1,015
		Diesel	77	86	3,573	
	Indirect energy consumption	Electricity	MWh	169,705	185,596	191,214
		Steam		3,076	6,558	5,562
Energy Intensity	Total Energy Intensity		MWh/ Revenue (KRW billion)	26.02	24.60	22.02
	Direct energy intensity			0.39	0.56	0.99
	Indirect energy intensity			25.34	23.38	20.35
	Renewable energy intensity			0.28	0.67	0.69

¹⁾ Total = Non-renewable energy consumption + Renewable energy consumption

			Unit	2021	2022	2023
Renewable Energy Consumption	Total		MWh	1,911	5,490	6,678
	Geothermal energy	Total	MWh	1,619	4,934	3,810
		1784		1,559	4,929	3,805
		Green Factory		61	5	5
	Solar power	Total	MWh	292	455	457
		1784		22	187	173
		GAK Chuncheon		213	207	203
		GAK Sejong		-	-	25
		Connect One		57	61	56
	Renewable energy PPA agreement	Total	MWh	-	101	2,410
		1784		-	101	2,410
RE100 Achievement Rate			%	0.2	0.3	1.5
Renewable Energy Consumption out of Total Consumption			%	1.1	2.7	3.1



ESG PERFORMANCE REPORT

Environment

	Unit	2021	2022	2023
GHG EMISSIONS REDUCTION				
Total GHG Reductions ¹⁾	tCO ₂ e	16,967	17,414	16,809
By usage of geothermal system for heating and cooling				
1784		716	2,264	1,748
Green Factory	tCO ₂ e	28	2	2
By renewable energy PPA				
1784		-	46	1,107
By renewable energy production				
1784		10	85	79
Connect One		26	28	25
GAK Chuncheon	tCO ₂ e	98	95	93
GAK Sejong		-	-	11
By office management				
GAK Chuncheon		6,726	6,197	4,033
GAK Sejong	tCO ₂ e	-	-	2,369
By installation of outside air cooling facilities				
GAK Chuncheon		9,363	8,697	6,642
GAK Sejong	tCO ₂ e	-	-	700
GHG Reduction Rate (Scope 1 and 2)	%	17.7	16.7	15.8

¹⁾ A third-party verification was carried out by the Korean Standards Association. However, for GAK Sejong, since it was completed at the end of 2023, the value when the reduction facility is operating at full capacity cannot be calculated. Therefore, it is excluded from the third-party verification.

		Unit	2021	2022	2023
GHG EMISSIONS OF CONSOLIDATED ENTITIES					
Total GHG Emissions ²⁾	Total	tCO ₂ e	-	-	264,076
	NAVER Corporation		-	-	89,505
	NAVER Cloud related		-	-	172,670
	NAVER Webtoon related	tCO ₂ e	-	-	312
	SNOW related		-	-	511
	Other entities		-	-	1,078
Scope 1 Emissions	Total		-	-	2,401
	NAVER Corporation		-	-	2,048
	NAVER Cloud related		-	-	116
	NAVER Webtoon related	tCO ₂ e	-	-	63
	SNOW related		-	-	35
	Other entities		-	-	140
Scope 2 Emissions	Total		-	-	261,688
	NAVER Corporation		-	-	87,459
	NAVER Cloud related		-	-	172,558
	NAVER Webtoon related	tCO ₂ e	-	-	252
	SNOW related		-	-	477
	Other entities		-	-	943

* First calculated in 2023, the figure includes subsidiaries that accounted for 98% of consolidated revenue as of the end of 2023.

* The emission calculation scope for consolidated entities includes emissions from leased business sites (offices, IDCs). In the meantime, the emissions from consolidated located in office buildings owned or leased by NAVER Corp. are included in NAVER Corp.'s emissions, according to the emissions trading scheme.

* GHG emissions from consolidated entities have been verified by the Korean Standards Association at limited assurance level. However, due to data limitations, the emissions data may be subject to change in the future. In such cases, in calculation scope and categories may occur based on future disclosure standards. adjustments

²⁾ GHG emissions are summed after truncating decimals at the entity level, so discrepancies may occur in category totals.



ESG PERFORMANCE REPORT

Environment

		Unit	2021	2022	2023
WATER CONSUMPTION					
Water Consumption ¹⁾	Total	m³	183,348	253,457	231,931
Water Withdrawal	Total		174,530	247,372	220,400
	1784		5,284	63,198	74,881
	Green Factory		54,625	30,995	7,288
	GAK Chuncheon	m³	98,767	137,465	102,210
	GAK Sejong		-	-	14,897
	Connect One		14,463	14,463	19,523
	NAVER Squares		1,391	1,251	1,601
	Total		8,818	6,085	11,531
Water Reuse	1784		1,142	910	2,442
	Green Factory		5,739	2,810	283
	GAK Chuncheon	m³	-	-	-
	GAK Sejong		-	-	-
	Connect One		1,937	2,365	8,806
	NAVER Squares				-
Water Reuse Rate	Total		5	2	5

¹⁾ Water Usage: Total = Newly introduced intake + Internal reuse volume

		Unit	2021	2022	2023
WASTE AND RECYCLING					
Waste Generated ²⁾	Total		145	283	279
	General waste	Ton	145	283	279
	Designated waste		-	-	-
Waste Managed ³⁾	Total		145	283	279
	Incineration	Ton	110	206	215
	Landfill		-	-	-
	Recycling		35	77	64
	Recycling rate	%	24	27	23

²⁾ Total wasted generated = General waste + Designated waste

³⁾ Total waste managed = Landfill + Incineration + Recycling + Other treatments



ESG PERFORMANCE REPORT

Environment

		Unit	2021	2022	2023
OTHER ENVIRONMENTAL ACTIVITIES					
Green Purchase Rate	Based on number of orders	%	-	97	97
	Based on purchase amount		-	34	43
Electric Vehicle Transition	Electric vehicle transition rate	%	4	13	18
	GHG reduction from electric vehicle transition ¹⁾		-	6	13
Use of Reusable Cups	GHG reduction from waste reduction ²⁾	tCO ₂ e	-	8	21
Charging of EV Charging Facilities	Carbon reduction based on the charging amount of EV charging facilities at 1784	tCO ₂ e	-	65	110
NAVER e-document Service	Contribution to social GHG reduction ³⁾	tCO ₂ e	877	1,299	1,472
	Tree protection effect	Tree	9,989	14,804	16,776
	Water saving amount	L	37,181,126	55,104,669	62,446,195
Percentage of ISO 14001-certified Sites		%	100	100	100

¹⁾ For newly introduced vehicles, reductions were calculated assuming a similar scale of gasoline vehicles.
²⁾ Methodology for calculating the GHG reduction effect from the use of reusable cups was verified by the Korean Standards Association.
³⁾ Methodology for calculating the GHG reduction effect from the use of electronic documents was verified by the Korean Standards Association.

		Unit	2021	2022	2023
ENVIRONMENTAL EDUCATION					
Training for Relevant Staff	Total sessions	Times	10	10	6
	Total participants	Persons	50	220	61



ESG PERFORMANCE REPORT

Society

		Unit	2021	2022	2023
HUMAN CAPITAL					
Total Number of Employees ¹⁾		Persons	4,696	4,963	4,417 ²⁾
By Gender	Male	Persons	2,967	3,021	2,612
	Female		1,729	1,942	1,805
By Employment Type	Full Time	Persons	4,403	4,670	4,210
	Male		2,811	2,864	2,494
	Female		1,592	1,806	1,716
	Part Time ³⁾		293	293	207
	Male		156	157	118
	Female		137	136	89
By Job Category	Non-technical	Persons	1,949	2,215	2,065
	Male		750	818	729
	Female		1,199	1,397	1,336
	Technical		2,747	2,748	2,352
	Male		2,217	2,203	1,883
	Female		530	545	469
By Age	Under 30	Persons	1,354	1,260	950
	Over 30 to under 40		2,116	2,310	2,072
	Over 40 to under 50		1,161	1,292	1,269
	Over 50		65	101	126

¹⁾ As of the end of each year; The number of total employees at the end of 2023 shows a significant decrease from the previous year as about 600 employees transferred to a subsidiary in the year.

²⁾ The figure includes contract workers, showing a discrepancy with the number of employees reported in the business report.

³⁾ The figure includes executives, contract staff, dispatched workers, and interns.

		Unit	2021	2022	2023
RECRUITMENT AND TURNOVER					
New Employee Hires ⁴⁾		Persons	838	599	231
By Gender	Male	Persons	562	318	114
	Female		276	281	117
By Age	Under 30	Persons	528	328	158
	Over 30 to under 40		280	250	69
	Over 40 to under 50		29	21	4
	Over 50		1	0	0
Employee Turnover		Persons	247	280	106
By Gender	Male	Persons	171	211	76
	Female		76	69	30
By Age	Under 30	Persons	54	92	24
	Over 30 to under 40		135	144	54
	Over 40 to under 50		56	43	27
	Over 50		2	1	1
Turnover Rate	Voluntary turnover	%	4.4	6.1	2.6
	Involuntary turnover		0.05	0.03	0.02

⁴⁾ Based on regular full-time hires



ESG PERFORMANCE REPORT

Society

	Unit	2021	2022	2023
RESPECT FOR DIVERSITY				
Total Foreign Employees	Persons	35	37	33
By Nationality	U.S.A	10	11	11
	China	6	7	5
	Canada	4	4	3
	Japan	2	3	4
	Others	13	12	10
Total Number of Employees at Overseas Business Sites	Persons	862	624	624
By Type	Overseas expatriates	15	25	27
	Locally hired	847	599	597
Total Female Talent Ratio	%	37	39	41
By Position	Percentage of female manager (leader position)	27	30	33
	Percentage of female executives (C-level) ¹⁾	23	21	22
Special Employment and Minorities	People with disabilities ²⁾	11	12	11
	Veterans and their families	25	24	23
PARENTAL AND CHILDCARE LEAVES ³⁾				
Parental Leave (after delivery)	Persons	170	168	139
By Gender	Male	126	115	84
	Female	44	53	55
Return-to-work Rate after Parental Leave	Total Return-to-work Rate	100	100	100
Total Childcare Leave	Persons	110	105	98
By Gender	Male	22	23	13
	Female	88	82	85
Return-to-work rate after childcare leave	Total Return-to-work Rate	97	97	97
	Male	85	100	100
	Female	100	98	96
Rate of 12-month retention after returning from childcare leave	Total Retention Rate	97	91	93
	Male	88	77	88
	Female	99	95	94

	Unit	2021	2022	2023
TALENT ATTRACTION AND DEVELOPMENT				
Evaluation and Compensation	Employees' performance evaluation participation rate	%	93.6	96.5
	Portion of employees received stock grant ⁴⁾		100	100
Employee Training and Education	Total expenses in employee education and training ⁵⁾	KRW million	3,678	4,868
	Average training cost per person	KRW	783,123	980,862
HEALTH AND SAFETY				
Industrial Accidents ⁶⁾	People injured from industrial accident	Persons	1	2
	Industrial accident rate	%	0.02	0.04
INFORMATION PROTECTION				
User Information Protection	User information breaches	Cases	0	0
	Monetary losses due to violations of user information protection laws	KRW 10,000	840	0
	Customers affected by user information leaks	Persons	0	0
	Rate of personally identifiable information (PII)	%	0	0

¹⁾ The figure includes internal directors, GIO, CIC representatives, business representatives, and overall management.

²⁾ Out of 11 people, 2 (18%) are managers at leadership level or above, including one with severe disabilities (Also, if people with severe disabilities are counted as two, the total number comes to 12).

³⁾ Figures of FY21 and FY22 are recalculated based on the calculation method of 2023 (based on the number of users in the reporting year).

⁴⁾ Issuance ratio compared to eligible regular staff during the operational period.

⁵⁾ Calculated based on the calculation method for education and training employed in the business report

⁶⁾ Calculated based on the Occupational Safety and Health Act, Article 57, Clause 3 and the enforcement rules of the same law, Article 73

Governance

	Unit	2021	2022	2023
ETHICAL MANAGEMENT				
Internal Ethics Regulation Violations	Total Number of Violations	Cases	6	6
Actions Against Violations	Pay cut		2	1
	Indemnification		0	0
	Dismissal		1	0
	Other disciplinary actions		3	5

SASB INDEX

Topic	Code	Accounting Metric	Category	Unit	Reporting Location
Environmental footprint of hardware infrastructure	TC-IM-130a.1	(1) total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	GJ, %	(1) Energy Consumption Status (p.168) (2) Non-renewable Energy Consumption (p.168) (3) Renewable Energy Consumption (p.168)
	TC-IM-130a.2	(1) total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	Quantitative	m ² , %	(1) Water Withdrawal (Waterworks) (p.170) (2) Water Consumption (p.170), Water Sensitivity of the Catchment Area (p.59)
	TC-IM-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Discussion and Analysis	n/a	Enhancing Data Center Energy Efficiency (p.57)
Data privacy, advertising standards & freedom of expression	TC-IM-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Discussion and Analysis	n/a	Information Security & Privacy Protection Management System (p.88-89) Activities to Strengthen Privacy Protection (p.89-91) Raising Transparency and Awareness of Personal Information Protection (p.92-93)
	TC-IM-220a.2	Number of users whose information is used for secondary purposes	Quantitative	Number	0, NAVER does not use personal information for purposes other than those specified in the Privacy Policy provided during information collection. NAVER also does not provide or sell personal information to third parties without the consent of users.
	TC-IM-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Quantitative	KRW	0
	TC-IM-220a.4	(1) number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	Quantitative	Number, %	Transparency Report Statistics (p.90)
	TC-IM-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Discussion and Analysis	n/a	NAVER operates in compliance with the content-posting policy management standards of each country where it provides services, including South Korea.
Data security	TC-IM-230a.1	(1) number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Quantitative	Number, %	0, The AdPost receipt email mis-delivery incident that occurred in 2019 is the only incident of personal information leakage involving NAVER.
	TC-IM-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion and Analysis	n/a	Information Security & Privacy Protection Management System (p.80-82) Service Security Activities (p.82-84) Security Incident Prevention and Response (p.84-85)
Employee recruitment, inclusion & performance	TC-IM-330a.1	Percentage of employees that are foreign nationals	Quantitative	%	Respect for Diversity (p.173)
	TC-IM-330a.2	Employee engagement as a percentage	Quantitative	%	Organizational Culture Assessment (p.102)
	TC-IM-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Quantitative	%	Human Capital (p.172)
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	Quantitative	KRW	0, There were no instances of “monetary losses” incurred during the 2023 fiscal year as a result of “legal proceedings” stemming from “anti-competitive practices.”



GRI INDEX

GRI Standards	No.	Title	Reporting Location
UNIVERSAL STANDARDS			
General Disclosures 2021	2-1	Organizational details	Overview p.5
	2-2	Entities included in the organization's sustainability reporting	About This Report p.2
	2-3	Reporting period, frequency and contact point	About This Report p.2
	2-4	Restatements of information	No significant change
	2-5	External assurance	About This Report p.2 Third Party's Assurance Statement p.183
	2-6	Activities, value chain and other business relationships	Business Model p.9 Business Performance p.11-28 Capability Development and Technological Innovation p.29 Future Technology Investment and Cooperation Ecosystem p.31
	2-7	Employees	ESG Performance Indices – Social – Human Capital p.172
	2-8	Workers who are not employees	ESG Performance Indices – Social – Human Capital p.172
	2-9	Governance structure and composition	ESG Implementation System p.35 Board of Directors p.134-135
	2-10	Nomination and selection of the highest governance body	Appointment of Directors p.136
	2-11	Chair of the highest governance body	Board of Directors p.134-135
	2-12	Role of the highest governance body in overseeing the management of impacts	ESG Implementation System p.35 Board of Directors p.134-135 Operations of the BOD p.136-137
	2-13	Delegation of responsibility for managing impacts	ESG Implementation System p.35
	2-14	Role of the highest governance body in sustainability reporting	ESG Implementation System p.35
	2-15	Conflicts of interest	Board of Directors p.134-135 Appointment of Directors p.136

GRI Standards	No.	Title	Reporting Location
UNIVERSAL STANDARDS			
General Disclosures 2021	2-16	Communication of critical concerns	Operations of the BOD p.136-137 Enterprise Risk Management and Oversight p.144
	2-17	Collective knowledge of the highest governance body	Board of Directors p.134-135 Appointment of Directors p.136
	2-18	Evaluation of the performance of the highest governance body	BOD Evaluation and Compensation p.137 Management of Executive's ESG Performance p.35
	2-19	Remuneration policies	BOD Evaluation and Compensation p.35
	2-20	Process to determine remuneration	BOD Evaluation and Compensation p.35
	2-21	Annual total compensation ratio	CEO-to-Employee Compensation Ratio p.133
	2-22	Statement on sustainable development strategy	CEO Letter p.4
	2-23	Policy commitments	Human Rights Management Policy p.106 Compliance Program (CP) P.142
	2-24	Embedding policy commitments	Internalization of Human Rights Management p.106-108
	2-25	Processes to remediate negative impacts	Risk Management Process P.143 Business Continuity Plan and Inspection P.146
	2-26	Mechanisms for seeking advice and raising concerns	Handling Process for Human Rights Grievances P.108 Establishing the Fair Trade Order P.111
	2-27	Compliance with laws and regulations	Business Report – Matters Related to Sanctions, etc. P.174 SASB Index – Intellectual property protection & competitive behavior SASB Index - Total amount of monetary losses as a result of legal proceedings associated with user privacy
	2-28	Membership associations	Awards and Membership P.185
	2-29	Approach to stakeholder engagement	Stakeholder Engagement and Communication P.36
	2-30	Collective bargaining agreements	Fair Employment and Labor-Management Relations P.103



GRI INDEX

GRI Standards	No.	Title	Reporting Location
UNIVERSAL STANDARDS			
Material Topics 2021	3-1	Process to determine material topics	2023 Double Materiality Analysis P.40
	3-2	List of material topics	2023 Double Materiality Analysis P.41
		Management of material topics	ESG Implementation System Stakeholder Engagement and Communication 2023 Double Materiality Analysis p.35 P.36 P.40-41
		Topic 1. Protecting personal information and privacy	Protecting Personal Information and Privacy Activities to Strengthen Privacy Protection Raising Transparency and Awareness of Personal Information Protection p.43 p.89-91 p.92-93
		Topic 2. Improving organizational culture	Improving Organizational Culture Employee Engagement Survey p.44 p.102
	3-3	Topic 3. Managing GHG emissions and expanding renewable energy	Managing GHG Emissions and Expanding Renewable Energy NAVER 2023 TCFD Report p.45 Link
		Topic 4. Strengthening cybersecurity	Strengthening Cybersecurity Service Security Activities Security Incident Prevention and Response Raising Transparency and Awareness of Personal Information Protection p.46 p.82-84 p.84-85 p.86-87
		Topic 5. Respecting human rights and diversity	Respecting Human Rights and Diversity Employee Engagement Survey P.47 p.102

GRI Standards	No.	Title	Reporting Location
TOPIC STANDARDS			
ECONOMY			
Economic Performance	201-1	Direct economic value generated and distributed	Value Sharing with Our Stakeholders Financial Performance Indices p.36 p.160-165
	201-2	Financial implications and other risks and opportunities due to climate change	NAVER 2023 TCFD Report Link
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Project Flower NAVER Cultural Foundation NAVER Connect Foundation Happybean 2023 D-Commerce Report p.117-120 p.121-122 p.123-124 p.125-126 Link
	203-2	Significant indirect economic impacts	Project Flower Value Sharing with Our Stakeholders 2023 D-Commerce Report p.117-120 p.36 Link
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Corporate Ethics Code Corporate Ethics and Anti-Corruption Training p.138 p.140
	205-3	Confirmed incidents of corruption and actions taken	Corporate Ethics Reporting and Counseling Internal Audit and Diagnosis p.139 p.140
Tax	207-1	Approach to tax	Responsible Tax Management p.147
	207-2	Tax governance, control, and risk management	Tax Risk Management p.147
	207-3	Stakeholder engagement and management of concerns related to tax	Responsible Tax Management p.147



GRI INDEX

GRI Standards	No.	Title	Reporting Location
TOPIC STANDARDS			
ENVIRONMENT			
Energy	302-1	Energy consumption within the organization	ESG Performance Indices – Environment – Energy Consumption p.168
	302-2	Energy consumption outside of the organization	ESG Performance Indices – Environment – Energy Consumption p.168
	302-3	Energy intensity	ESG Performance Indices – Environment – Energy Consumption p.168
	302-4	Reduction of energy consumption	ESG Performance Indices – Environment – Energy Consumption p.168 2040 Carbon Negative p.51-56 Enhancing Data Center Energy Efficiency p.57-58
Water and Effluents	303-3	Water withdrawal	ESG Performance Indices – Environment – Water Consumption p.170
	303-5	Water discharge	ESG Performance Indices – Environment – Water Consumption p.170
Emissions	305-1	Direct (Scope 1) GHG emissions	ESG Performance Indices – Environment – GHG Emissions (NAVER Corp.) p.167
			ESG Performance Indices – Environment – GHG Emissions of Consolidated Entities p.169
	305-2	Energy indirect (Scope 2) GHG emissions	ESG Performance Indices – Environment – GHG Emissions (NAVER Corp.) p.167
			ESG Performance Indices – Environment – GHG Emissions of Consolidated Entities p.169
Waste	305-5	Reduction of GHG emissions	ESG Performance Indices – Environment – GHG Emissions Reduction p.169 Carbon Negative 2040 p.51-56 NAVER 2023 TCFD Report link
	306-3	Waste generated	ESG Performance Indices – Environment – Waste and Recycling p.170
	306-4	Waste diverted from disposal	ESG Performance Indices – Environment – Waste and Recycling p.170

GRI Standards	No.	Title	Reporting Location
TOPIC STANDARDS			
SOCIAL			
Employment	401-1	New employee hires and employee turnover	ESG Performance Indices – Social – Recruitment and Turnover p.172
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Welfare and Well-Being p.100-101
	401-3	Parental leave	ESG Performance Indices – Social – Parental Leave p.173
Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	At least 30 days in advance
Occupational Health and Safety	403-3	Occupational health services	Health and Safety Management and Supervision Health and Safety Activities p.103 p.104
	403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety Management and Supervision Health and Safety Activities p.103 p.104
	403-6	Promotion of worker health	Health and Safety Management and Supervision Health and Safety Activities Employee Welfare and Well-Being p.103 p.104 p.100-101
Training and Education	404-1	Average hours of training per year per employee	Employee Competency Development ESG Performance Indices – Social – Employee Education and Training p.99 p.173
	404-2	Programs for upgrading employee skills and transition assistance programs	Employee Competency Development p.97-99
	404-3	Percentage of employees receiving regular performance and career development reviews	Executive Performance Evaluation and Compensation p.96
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	BOD Composition and Characteristics Diversity of Employees ESG Performance Indices – Social – Human Capital ESG Performance Indices – Social – Respect for Diversity p.134 p.109 p.172 p.173
	405-2	Ratio of basic salary and remuneration of women to men	Business Report – Status of Executives and Employees Female Talent p.109
Human Rights Assessment	412-2	Employee training on human rights policies or procedures	Human Rights Management Policy Human Rights Education for Employees p.106 p.106
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Project Flower NAVER Cultura I Foundation NAVER Connect Foundation Happybean 2023 D-Commerce Report p.117-120 p.121-122 p.123-124 p.125-126 link
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Performance Indices – Social – Information Protection p.173

UNITED NATIONS INDEX

The Ten Principles of the UN Global Compact

NAVER joined the UN Global Compact, a global corporate citizenship initiative for corporate sustainability, in 2021. Since then, we have been adhering to the Ten Principles of the UN Global Compact in the four areas of human rights, labour, environment, and anti-corruption. Based on the principles in each area, we are promoting various value-creating activities to expand NAVER's socially contributive services and realize social and environmental values. Moving forward, we will enhance our corporate sustainability through the dissemination of technology-based ESG value, utilizing our platform ecosystem.

WE SUPPORT



Area	Principle	Reporting Location
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	p.47, p.105-109
	Principle 2: make sure that they are not complicit in human rights abuses.	
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	p.103
	Principle 4: the elimination of all forms of forced and compulsory labour;	p.106
	Principle 5: the effective abolition of child labour; and	p.109
	Principle 6: the elimination of discrimination in respect of employment and occupation.	p.109
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;	p.45, p.49-65
	Principle 8: undertake initiatives to promote greater environmental responsibility; and	
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.	
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	p.138-140

UN SDGs

The United Nations Sustainable Development Goals (UN SDGs) are a universal commitment containing 17 goals that promise sustainable development for people and the planet by 2030. NAVER participates in achieving the common goals set by the United Nations and strives to develop our mid-to long-term roadmap by implementing activities aligned with the UN SDGs.

Goals	Targets	Reporting Location
No Poverty	1.4, 1.5	p.69, p.71-73, p.123~124
Zero Hunger	2.1	p.125-126
Quality Education	4.1, 4.4, 4.7	p.123-124, p.95, p.99, p.121
Gender Equality	5.5, 5.b	p.34, p.109, p.123-124, p.173
Clean Water and Sanitation	6.4	p.59, p.170
Affordable and Clean Energy	7.2, 7.3	p.34, p.45, p.50-58
Decent Work and Economic Growth	8.2, 8.3, 8.5, 8.7, 8.10	p.27, p.29-32, p.116-128, p.105-109, p.128
Industry, Innovation, and Infrastructure	9.4, 9.5	p.58, p.148-158p.29-32
Reduced Inequalities	10.2, 10.3	p.47, p.105-109
Sustainable Cities and Communities	11.2, 11.6	p.73, p.59-60, p.171
Responsible Consumption and Production	12.5, 12.6, 12.8	p.50, p.61-63
Climate Action	13.1, 13.2	p.49-65, p.51-56
Life on Land	15.5	p.60
Peace, Justice, and Strong Institutions	16.5, 16.7, 16.10, 16.b	p.138-140, p.134-135, p.77-79, p.71-73, p.108
Partnerships for the Goals	17.17	p.55-56, p.106, p.178, p.185

GHG VERIFICATION STATEMENT

NAVER Corporation Scope 1&2

Verification Scope

Korean Standards Association has conducted verification for GHG emissions based on GHG report provided by NAVER Corporation which includes Scope1 and Scope2 emissions.

Verification Standards and Guidelines

To conduct verification activities, verification team applied verification standards and guidelines. The standards and guidelines are as follows.

- Guidance for reporting and verification of GHG emissions trading scheme (No. 2023-221 provided by Ministry of Environment, Republic of Korea)
- Verification Guidelines for the Operation of the Greenhouse Gas Emission Trading System (No. 2021-112 provided by Ministry of Environment, Republic of Korea)
- For matters not specified in other guidelines, refer to 2006 IPCC Guidelines, KS I ISO 14064-1: 2018 and KS I ISO 14064-3: 2019

Level of Assurance

NAVER Corporation's GHG emissions satisfies the under Reasonable Assurance (less than ±5.0% of total emissions).

Verification Conclusion

As a result of verification activities, verification team has found no significant errors, omissions, and misstatements. Therefore, Korean Standards Association confirms that following emissions data are adequately quantified.

2023 Emissions (Scope1, Scope2)							
(Unit : tCO ₂ eq)							
No	Business Site	Location-based			Market-based		
		Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
1	Data Center GAK Chuncheon	43.76	66,252.283	66,296	43.76	66,252.283	66,296
2	Green Factory	0	1,630.621	1,630	0	1,630.621	1,630
3	Connect One	595.002	1,026.528	1,621	595.002	1,026.528	1,621
4	Partner Square	48.144	536.71	584	48.144	536.71	584
5	Leased Offices	28.478	168.837	197	28.478	168.837	197
6	1784	385.303	8,657.486	9,042	385.303	7,550.184	7,935
7	Tech1 Tower	78.67	5,917.398	5,996	78.67	5,917.398	5,996
8	Data Center GAK Sejong	869.303	4,377.16	5,246	869.303	4,377.16	5,246
Total		2,048.66	88,567.023	90,612	2,048.66	87,459.721	89,505

※ Decimal place is not considered when calculating the emission of each workplace.

June 14, 2024

GHG VERIFICATION STATEMENT

Scope 1&2 of Subsidiary Companies of NAVER Corporation

1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

2. Verification Scope

Korean Standards Association conducted limited guarantee level verification for Scope1, Scope2 for subsidiary companies of NAVER Corporation's Greenhouse Gas declaration.

- Reporting Target: Subsidiary companies of NAVER Corporation
- Boundary: Scope1(Direct emissions), Scope2(Indirect emissions)
 - Scope1: Stationary combustion, Mobile combustion
 - Scope2: Externally purchased power and heat
- Year: January 1, 2023 to December 31, 2023

3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to international standards and the standards and guidelines of the National Institute of Environmental Research.

- KS I ISO 14064-1:2018, KS I ISO 14064-3:2019
- Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- WRI (World Resources Institute) Greenhouse Gas Protocol

4. Level of Assurance Verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection: Visit to NAVER Corporation Headquarters
- Method of confirmation:
 - Interview with greenhouse gas emissions manager and field staff
 - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
 - Tracking review of internal documents and basic data

NAVER Corp. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

5. Verification Limits

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

6. Verification Conclusion

No errors or false facts were found in NAVER Corp.'s GHG emissions verified through the ISO 14064-3 verification procedure within the scope of verification.

Appendix. GHG emissions (Scope1, Scope2)

(Unit : tCO₂eq)

	Division	Scope1	Scope2	Subtotal
Cloud subsidiary***	NAVER Cloud Corporation	106.201	147,921.018	148,027
	Works Mobile Japan Corporation	8.590	51.808	60
	NAVER Cloud Asia Pacific PTE LTD	-	4,292.470	4,292
	NAVER Cloud America INC.	-	1,143.681	1,143
	NAVER Cloud Europe GmbH	-	888.608	888
	NAVER Cloud Japan Corporation	-	18,102.328	18,102
	Chengdu NC Technology Corporation	0.861	157.662	158
	NAVER Cloud Trust Service*	-	-	-
Webtoon subsidiary	WEBTOON Entertainment Inc	21.905	117.839	139
	NAVER Webtoon Ltd.*	-	-	-
	Studio LICO Corporation*	-	-	-
	StudioN Corporation	3.137	41.719	44
	LINE Digital Frontier Corporation	-	14.137	14
	eBOOK Initiative Japan Co., Ltd.	-	78.182	78
	Wattpad Corporation	37.711	-	37
	Snow Corporation*	-	-	-
Snow subsidiary	Amuse Corporation	0.816	21.010	21
	KREAM Corporation	34.625	455.625	490
	NAVER Z Corporation*	-	-	-
	Cake Corporation*	-	-	-
	NAVER Financial Corporation	-	67.499	67
	NAVER Labs Corporation	-	35.465	35
	NAVER I&S Corporation*	-	-	-
	NIT Service Corporation	-	155.999	155
	NAVER Hands Corporation*	-	-	-
	Poshmark, Inc.	92.608	498.182	590
	NAVER France SAS	41.658	68.703	110
	NAVER J.Hub Corporation	5.242	116.728	121
	Total**			174,571

* It is included in Scope1,2 of Naver Corporation's emissions, so excluded from separate calculation.

** Total greenhouse gas emissions by workplace was cut below the decimal point and expressed in integer units.

*** In the case of overseas IDC emissions, calculated by applying the location-based 2022 power consumption raw unit data of the representative workplace.

GHG VERIFICATION STATEMENT

Scope 3 of NAVER Corporation

1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as ‘verification’) conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

2. Verification Scope

Korean Standards Association conducted limited guarantee level verification for NAVER Corp.’s Scope3 Greenhouse Gas declaration.

- Reporting Target: All workplaces that have the dominant influence of Naver Corporation
- Boundary: Scope3(Other indirect emissions)
 - Category 1~2. Purchased goods and services + Capital goods
 - Category 3. Fuel and energy-related activities (not included in Scope1 or Scope2)
 - Category 4. Upstream transportation and distribution
 - Category 5. Waste generated in operations
 - Category 6. Business travel
 - Category 7. Employee commuting
 - Category 9. Downstream transportation and distribution
 - Category 11. Use of sold products
 - Category 12. End-of-life treatment of sold product
 - Category 13. Downstream leased assets
- Year: January 1, 2023 to December 31, 2023

3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to international standards and the standards and guidelines of the National Institute of Environmental Research.

- KS I ISO 14064-1:2018, KS I ISO 14064-3:2019
- Corporate Value Chain (Scope3) Accounting and Reporting Standard (WRI)
- Technical Guidance for Calculating Scope 3 Emissions (WRI)
- Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories

4. Level of Assurance Verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company’s GHG emissions.

- On-site inspection: Visit to NAVER Corporation Headquarters
- Method of confirmation:
 - Interview with greenhouse gas emissions manager and field staff
 - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
 - Tracking review of internal documents and basic data

NAVER Corp. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

5. Verification Limits

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

6. Verification Conclusion

No errors or false facts were found in NAVER Corp.’s GHG emissions verified through the ISO 14064-3 verification procedure within the scope of verification.

Appendix. Scope3 GHG Emission				(Unit : tCO ₂ eq)	
Category		GHG emissions	Category		GHG emissions
Category 1	Purchased goods and services	61,348.457	Category 7	Employee commuting	2,288.193
Category 2	Capital goods		Category 9	Downstream transportation and distribution	2.250
Category 3	Fuel and energy-related activities (not included in Scope1 or Scope2)	6,932.099	Category 11	Use of sold products	6,223.792
Category 4	Upstream transportation and distribution	76.448	Category 12	End-of-life treatment of sold products	125.349
Category 5	Waste generated in operations	258.868	Category 13	Downstream leased assets	418.556
Category 6	Business travel	1,032.348	Total		78,706

※ Note: The final greenhouse gas emission was cut below the decimal point and expressed in integer units.

May 31, 2024

GHG VERIFICATION STATEMENT

GHG Reduction Verification Opinion

1. Verification Scope

Korean Standard Association(KSA) has conducted verification for Greenhouse gas(GHG) reduction(hereinafter referred to as 'verification') based on supporting data and other documents related to the 'GHG Reduction Project' requested by NAVER Corporation.

- Applied Methodology
 - Guidelines on the operation of the target management of greenhouse gases in the public sector(No. 2022-58, Ministry of Environment) [Attachment 7] Methodology for calculating greenhouse gas reduction for external reduction projects
 - Guidelines for reporting and certification of emissions from the GHG Emissions Trading System(No. 2023-221, Ministry of Environment)
- Evidence data: Performance report for NAVER Corp. reduction(including evidence data) and other documents

No.	Project Name	Applied Methodology
1	1784 Geothermal System GHG Reduction Project * NAVER 1784 Building Energy Saving Technology by Installing a New Geothermal System	[Attachment 7] 002. Geothermal heat supply
2	1784 Solar Power GHG Reduction Project * Energy saving technology of Naver 1784 office building by installing solar power facilities	[Attachment 7] 001. Renewable energy generation (solar)
3	1784 GHG Reduction Project under the Electricity Transaction Contract between Third Parties * Reducing greenhouse gases at 'Naver 1784' sites through the use of renewable energy electricity generated by solar power plants (1.49564 MW) and hydroelectric power plants (2.3MW)	Guidelines 'Article 18. Excluding calculation of emissions'
4	Green Factory Geothermal System GHG Reduction Project * A technology to save energy in the Green Factory building by installing a new geothermal system	[Attachment 7] 002. Geothermal heat supply
5	CONNECT ONE Solar Power GHG Reduction Project * Technology to reduce greenhouse gases by producing renewable energy through installation of photovoltaic power generation facilities	[Attachment 7] 001. Renewable energy generation (solar)
6	DATA CENTER GAK Chuncheon Solar Power GHG Reduction Project * Technology to reduce greenhouse gases by producing renewable energy through installation of photovoltaic power generation facilities	[Attachment 7] 001. Renewable energy generation (solar)
7	DATA CENTER GAK Chuncheon High Efficiency Lighting Equipment GHG Reduction Project * Technology to reduce greenhouse gases by installing high-efficiency lighting equipment (LED lights)	[Attachment 7] 006. Replacing high-efficiency lighting equipment
8	DATA CENTER GAK Chuncheon High Efficiency Transformer Greenhouse Gas Reduction Project * Technology to reduce greenhouse gases by installing high-efficiency transformers (amorphous transformers)	[Attachment 7] 007. High efficiency facility replacement
9	DATA CENTER GAK Chuncheon Outdoor Cooling GHG Reduction Project * Technology to save energy by installing outside air cooling facilities (using natural energy)	[Attachment 7] 007. High efficiency facility replacement
10	DATA CENTER GAK Chuncheon Inverter GHG Reduction Project * Technology to reduce greenhouse gases by installing high-efficiency facilities (inverters)	[Attachment 7] 007. High efficiency facility replacement

2. Verification Standards and Guidelines

KSA performed verification based on risk assessment, data analysis and sampling by applying and referring to the following standards and guidelines.

- Guidelines on Public Sector Greenhouse Gas Target Management and Operation(No. 2022-58, Ministry of Environment)
- Verification Guidelines for the Operation of the Greenhouse Gas Emission Trading System(No. 2021-112, Ministry of Environment)

3. Level of Assurance Verification and Responsibility

KSA provides verification at limited level of assurance.

- On-site inspection: Visit to NAVER Corporation Green Factory, 1784, Data Center GAK, and Connect One
- Method of confirmation:
 - Interview with greenhouse gas reduction manager and field staff
 - Review of the management system and data used to calculate greenhouse gas reductions during the reporting period
 - Tracking review of internal documents and basic data

NAVER Corp. is responsible for calculating, preparing and fairly submitting the amount of GHG reduction, and KSA is limited to guaranteeing the amount of GHG reduction.

4. Verification Limits

KSA performed verification by sampling the related reports, information and data presented by Naver Corp. which has its own limit. Although the verification team gas tried to conduct faithful evaluation that meets the evaluation criteria, there are potential limits that error, omissions and false statements could be found.

5. Verification Conclusion

KSA confirmed the appropriateness of business boundaries, baseline scenarios, data and reduction calculations and confirmed that no significant errors, omissions or false facts were found.

Appendix. Amount of GHG Reduction (Period : 2023/01/01 ~ 2023/12/31)

(Unit : tCO₂eq/yr)

No.	Project Name	GHG Redection	No.	Project Name	GHG Redection
1	1784 Geothermal System GHG Reduction Project	1,748	6	DATA CENTER GAK Chuncheon Solar Power GHG Reduction Project	93
2	1784 Solar Power GHG Reduction Project	79	7	DATA CENTER GAK Chuncheon High Efficiency Lighting Equipment GHG Reduction Project	69
3	1784 GHG Reduction Project under the Electricity Transaction Contract between Third Parties	1,107	8	DATA CENTER GAK Chuncheon High Efficiency Transformer Greenhouse Gas Reduction Project	180
4	Green Factory Geothermal System GHG Reduction Project	2	19	DATA CENTER GAK Chuncheon Outdoor Cooling GHG Reduction Project	6,642
5	CONNECT ONE Solar Power GHG Reduction Project	25	10	DATA CENTER GAK Chuncheon Inverter GHG Reduction Project	3,784

May 31, 2024



THIRD PARTY'S ASSURANCE STATEMENT

DNV Business Assurance Korea, Ltd. ('DNV') has been commissioned by NAVER Corporation (hereafter referred to as 'NAVER' or 'the Company') to undertake an independent limited assurance on the NAVER's INTERGRATED REPORT 2023 (hereafter referred to as 'the Report'). The intended users of this assurance statement are the management and stakeholders of NAVER.

STANDARDS OF ASSURANCE

This assurance engagement has been carried out in Type 2 limited assurance in accordance with AccountAbility's AA1000 Assurance Standard v3 and DNV's VeriSustain protocol V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. DNV has reviewed the Report's adherence to the four principles of AA1000 AccountAbility Principles Standard (2018) and the accuracy, completeness, and neutrality principles of VeriSustain. In addition, DNV has reviewed the 'reliability of specified sustainability performance information' as described in 'Scope of Assurance'.

DNV's Verisustain protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited or/and reasonable assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on NAVER website for the current reporting period.

SCOPE OF ASSURANCE

We have carried out an independent limited assurance on the Report and an independent verification for selected performance indicators for the year ending 31 December 2023, which include the following:

- We have reviewed the GRI Topic Disclosures relevant to the Material Topics which have been identified as material through the materiality assessment undertaken by NAVER.
- Regarding the 'reliability of specified sustainability performance information', we have reviewed the quality and reliability of (Reduction of energy consumption) 302-4.

OPINION, OBSERVATIONS AND RECOMMENDATIONS

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not adhere to the four principles of AA1000 APS and the accuracy, completeness, and neutrality principles of VeriSustain described below. In terms of reliability of specified sustainability performance information, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate. Nothing came to our attention to cause us to believe that NAVER's Report is not prepared, in all material respects, in accordance with the GRI Standards.

Without affecting our assurance opinion, we provide the following observations against the principles of AA1000 APS and VeriSustain applicable to the relevant information described in the 'Scope of Assurance':

- **Inclusivity: Stakeholder participation and opinion**
NAVER defines users, employees, investors and shareholders, partners, local communities, and government as major stakeholders and provides various participation and communication channel for them. NAVER conducted interviews and surveys with each stakeholder's group to assess the material topic and DNV confirms that the major interests of stakeholders are included in the Report.
- **Materiality: Identifying and reporting on material sustainability topics**
NAVER refined its approach from the previous year to enhance the linkage between their 7 ESG Management Strategies and the results of the double materiality assessment. NAVER clarified the definitions of sustainability topics to better reflect internal and external circumstances, and then prioritized 20 key issues. NAVER reports in detail by selecting the top 5 issues as material topics in terms of social, environmental and financial impact in the Report.
- **Responsiveness: Transparent response to critical sustainability topics and related impacts**
The ESG Committee under NAVER's Board of Directors is responsible for establishing response strategy and direction and making decisions on company-wide ESG initiatives. And the ESG-dedicated and ESG Working Group implement sustainability management strategies and provide sustainability management services linked to business. NAVER has reorganized the 7 ESG Management Strategies established in 2020 by elevating them in 2023, and present short-term and/or mid-to long-term goals for the task to achieve its ESG objectives. DNV expects NAVER to report on key sustainability measures and related performances using the GRI Topic Standards related to material topics as performance indicators in future reporting.
- **Impact: Monitoring, measuring and accounting for the impact of organizational activities on the organization and its stakeholders**
NAVER reports the management direction for material topics identified through materiality assessment by dividing them into governance, strategy, risk management and roadmap. DNV expects NAVER to quantify and present specific performance on ESG strategic tasks and action plans in future reporting.
- **Reliability: Accuracy and comparability of information presented in the report and the quality of underlying data management systems**
The data collection and processing process, supporting documents and records were verified through sampling techniques, and based on the result, no intentional errors or misstatements were found in the sustainability performance information described in the report. NAVER can explain the source and meaning of sustainability performance using reliable methods and data, and any errors or unclear expressions found during the verification process were corrected before the publication of the Report.
- **Completeness: How much of all the information that has been identified as material to the organization and its stakeholder is reported**
NAVER reports on the Company's key non-financial disclosures based on its performance related to material topics during the reporting period of 2023 using appropriate GRI Topic Standard disclosures, for the identified boundaries of operations.
- **Neutrality: Extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone**
NAVER discloses the Company's performance, challenges, and stakeholder concerns during the reporting period in a neutral, consistent, and balanced manner.

THIRD PARTY'S ASSURANCE STATEMENT

OUR COMPETENCE, INDEPENDENCE AND QUALITY CONTROL

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with NAVER.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

LIMITATIONS

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

RESPONSIBILITIES OF THE DIRECTORS OF NAVER AND OF THE ASSURANCE PROVIDERS

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the relevant information described in the 'Scope of Assurance' has been prepared in accordance with the reporting requirements and to report to NAVER in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

BASIS OF OUR OPINION

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of NAVER. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Peer and media review to identify relevant sustainability issues for NAVER in the reporting period;
- Review of the disclosures according to reporting requirements with a focus on the process and the result of materiality assessment, Topic Standards Disclosures and relevant management processes;
- Understanding of the key systems, processes and controls for consolidating, collecting, managing and reporting disclosures and KPIs in the Report;
- Review documentary evidence and management representations supporting adherence to the reporting principles and requirements, with a focus on understanding and testing, on a sample basis, key data sets
- On-site visit at the NAVER HQ in Seongnam, Republic of Korea to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy and carried out sample based assessment of site-specific data disclosures.
- Conduct interviews with representatives from the Green Impact team and relevant departments with overall responsibility of monitoring, data consolidation and reporting of the selected information;

For and on behalf of DNV Business Assurance Korea Ltd.

Seoul, Republic of Korea
July 2024

Sang Yeon Park
Lead Verifier

Chang Rok Yun
Verifier

Jae Hee Kim
Reviewer



This report has been translated into English solely for the convenience of international readers. The official version of this assurance statement is the signed English version; in case of any doubt regarding interpretation between this document and the Korean version of the statement, the Korean statement shall prevail.

DNV Business Assurance Korea Ltd. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. Supply chain and product assurance - DNV



AWARDS AND MEMBERSHIP

Awards

- | | |
|----------|---|
| 2018. 06 | • Ranked the highest in the Win-Win Growth Index Evaluation for the second consecutive year (National Commission for Corporate Partnership) |
| 08 | • Papago, Whale and NAVER Maps received awards in the Communication Category (Red Dot Award) |
| 09 | • LICO received the Grand Prize in the New Media Content category at BCWW2018 for its web animation "A Day Before Us" |
| 10 | • Received awards for six types of products, including CLOVA Friends, in four categories (IDEA)
• Chosen as sixth place by FORTUNE in The Future 50 (FORTUNE) |
| 11 | • NAVER and NAVER LABS received awards for four products at the CES 2019 Innovation Award
• NAVER Business Platform received the Minister's Award at the Grand Cloud Conference (Ministry of Science and ICT) (Commendation from the Minister for merit in developing the cloud industry) |
| 2019. 02 | • Won six design awards (iF Design Award)
• V LIVE original live format received an award in the Music Category (Media Excellence Awards) |
| 06 | • Ranked the highest in the Win-Win Growth Index Evaluation for the third consecutive year
• Named Best Honorary Company for the first in the Internet platform industry (National Commission for Corporate Partnership) |
| 09 | • Chosen as Korea's Best Job (Ministry of Employment and Labor) |
| 10 | • Received an appreciation plaque in the 2019 Korea Small Business Contest
• Six products, including NAVER WORKS and CLOVA Clock, received Japan's Good Design Award
• Received the Presidential Citation in the Voluntary Win-Win Cooperation category at the Win-Win Week Ceremony (Ministry of SMEs and Startups, National Commission for Corporate Partnership) |
| 12 | • Received the Best Company Award for three years in a row in the Korea Win-Win Awards (National Commission for Corporate Partnership) |
| 2020. 02 | • Won three design awards (iF Design Award) |
| 08 | • Won the Gold Award (LACP Vision Awards) |
| 09 | • Won the Grand Award in the PDF Version of Annual Report Category (ARC Awards)
• Ranked the highest in the Win-Win Growth Index Evaluation for the fourth consecutive year (National Commission for Corporate Partnership) |

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|----------|---|
| 11 | • Ranked 37th at The World's Best Employers 2020 (Forbes)
• Chosen as 33rd place by FORTUNE in The Future 50 (FORTUNE) |
| 12 | • Recognized with Minister's Commendation for Policy Communication (Ministry of the Interior and Safety)
• CLOVA Lamp received CES Innovation Awards |
| 2021. 09 | • Ranked the highest in the Win-Win Growth Index Evaluation for the fifth consecutive year (National Commission for Corporate Partnership)
• Won the Platinum Award (LACP Vision Awards)
• Won the Grand Award in the Specialized Annual Report Category (ARC Awards)
• CLOVA Lamp received Gold Award (IDEA) |
| 10 | • NAVER Cloud and LINE WORKS received Japan's Good Design Award |
| 11 | • Awarded at the first sustainability report category in the Korean Readers' Choice Awards (Korea Productivity Center) |
| 12 | • Received the Best Company Award in the Win-Win Growth Index Evaluation (National Commission for Corporate Partnership) |
| 2022. 08 | • Won the Platinum and Gold Awards (LACP Vision Awards)
• Won the Honors Award in the Integrated Report Category (ARC Awards) |
| 11 | • Awarded at the sustainability report category in the Korean Readers' Choice Awards (Korea Productivity Center) |
| 12 | • Received the Best Award at the communication category in the Korea ESG Management Award
• Awarded at the sustainability report category in the Global Standard Management Award (Korea Management Registrar)
• Ranked the highest in the Win-Win Growth Index Evaluation for the sixth consecutive year (National Commission for Corporate Partnership) |
| 2023. 03 | • Selected as the most respected company in Korea 2023 in the All Star portal services category (Korea Management Association Consulting) |
| 11 | • Awarded at the sustainability report category in the Korean Readers' Choice Awards (Korea Productivity Center) |
| 12 | • Ranked the highest in the Win-Win Growth Index Evaluation for the seventh consecutive year (National Commission for Corporate Partnership) |
| 2024. 02 | • Selected as the most respected company in Korea 2024 in the All Star portal services category (Korea Management Association Consulting) |
| 04 | • Received the 2024 ESG Management Award in the distribution and consumer services category (JoongAng Ilbo) |

Major Membership

- CONCERT (Consortium of Computer Emergency Response Team)
- Renewable Energy Foundation
- Korea Digital Advertising Association
- Korea Internet Corporations Association
- Korea Internet Self-governance Organization
- Korea Metaverse Industry Association
- Korea Startup Forum
- Korea Venture Business Association
- The Korea Association for Telecommunications Policies
- United Nations Global Compact

NAVER