

DREAM WITH DRAGON

1st Sustainability Report from Studio Dragon Corporation

ABOUT THIS REPORT

Report Overview

This is the first Sustainability Report from Studio Dragon Corporation (hereinafter referred to as 'Studio Dragon'). Studio Dragon is committed to communicating its vision, highlights, and plans to advance in sustainability management for the valued stakeholders.

Reporting Scope

Studio Dragon follows the same consolidated approach as presented in the 2022 annual business report, covering the activities of Studio Dragon and its subsidiaries. For economic, environmental, and social performances, they pertain to Studio Dragon. The geographic scope of the report is the Republic of Korea.

Reporting Period and Reference Date

The reporting period for this report is from January to December 2022. In addition, it includes qualitative achievements and key updates from the first half of 2023. We also present quantitative statistical data for three years, from 2020 to 2022, with a reference date of the end of December for each year. Any deviations from this date are indicated in the text. The Sustainability Report will be published on an annual basis.

Report Writing Standards

This report is prepared by the Global Reporting Initiative Standards 2021.

Third-party Verification

The report has ensured compliance with the reporting standards and completed an independent verification process led by an external agency, Econine Co., Ltd, in accordance with the global verification standard AA1000.

For More Information

Studio Dragon ESG Part

Email: studio.dragon@cj.net



COVER STORY

In our first Sustainability Report, Studio Dragon presented its history with the number '1'. This number symbolizes our vision, achievements, and plans, of which we are honored to share with our esteemed stakeholders.

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INTERACTIVE USER GUIDE

This report is prepared as an interactive PDF with features that navigate to specific sections and direct hyperlinks to associated web pages.

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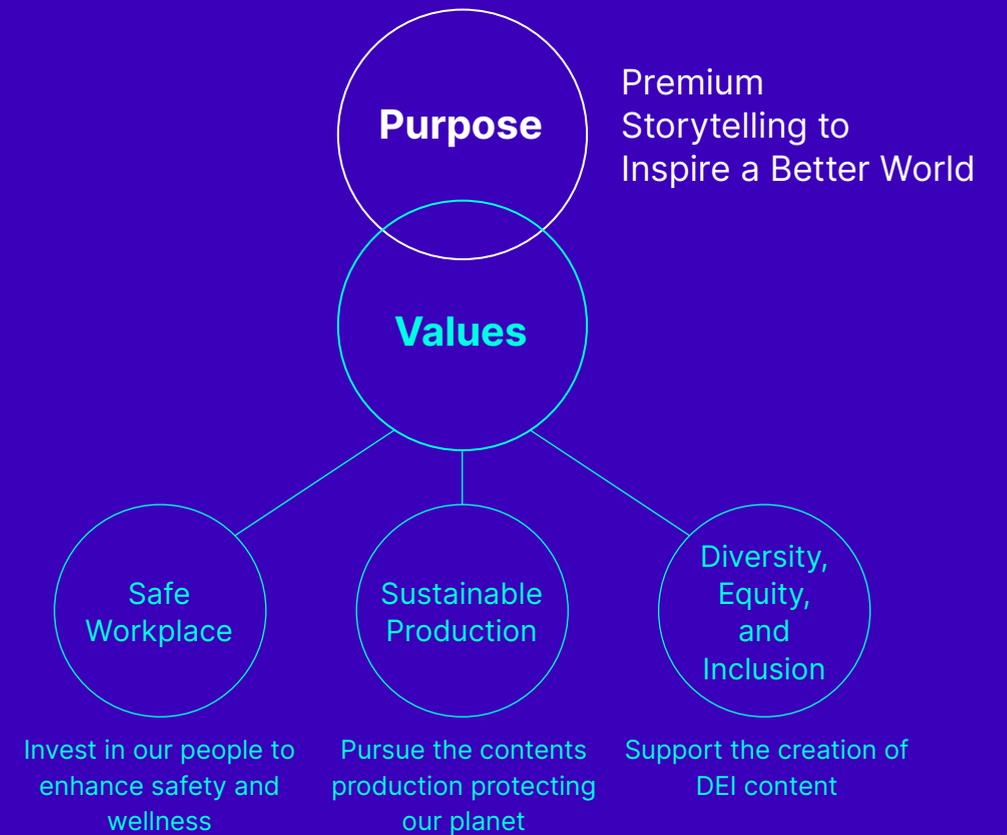
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* Photo Credit: <Our Blues>

STUDIO DRAGON'S PURPOSE & VALUES



OUR SUSTAINABILITY PHILOSOPHY



CV

CONTENT

- Promoting Diversity, Equity, and Inclusion (DEI) Culture through Content
- Driving Industry Advancements based on our Businesses



PEOPLE

- Respecting Human Rights & Cultivating a Positive Workplace
- Ensuring Safety and Health

S

G

PLANET

- Reducing Waste Generation and Emissions & Encouraging Resource Circularity and Reuse
- Minimizing Greenhouse Gas Emissions and Energy Management & Establishing an Environmental Management System



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A LETTER FROM OUR CEO

Dear all,

Following our vision “A Premium Storyteller Group that Captivates the World with Endless Stories,” Studio Dragon came to where we are as a leader in the industry to drive K-dramas to the forefront of global entertainment. In the first quarter of 2023, a notable achievement was observed with our dramas, a 13% share of worldwide viewership.

Studio Dragon is committed to raise awareness of environmental, social, and governance issues and create values in our society with our dramas such as <Our Blues>, <Alchemy of Souls>, <Juvenile Justice>, and <The Glory>. In recognition of the significance of corporate sustainability that considers both financial and non-financial impacts, Studio Dragon has established the best practices in the industry to integrate business models with sustainability. With the ESG mission of “Creating a More Valuable World through Premium Storytelling,” sustainability management projects have been actively rolled out since 2022.

Our dedication goes beyond as we commit to respecting the human rights and well-being of all stakeholders in the planning and production environment of our dramas, promoting a good place to work, and improving the labor conditions across the drama content industry. We continue to strive to ensure every cooperating entity including production houses, prop suppliers, lighting companies actively adheres to the safety management process and ensure everyone works in a safe and accident-free system with our Basic Safety Rules campaign.

With the growing demand for ethical management and fair trade practices in the media industry, we will keep our focus on meeting the needs of investors and stakeholders to mitigate the potential risks and contribute to create a positive perception on the media industry.

To address the climate change and environment issues, Studio Dragon has been recycling and reusing our resources from the drama planning and production process, such as set waste. ISO 14001 certification and greenhouse gas emissions inventory establishment manifest our dedication to a comprehensive Environmental Management System to closely monitor and minimize greenhouse gas emissions.

All of us in this process including our Board of Directors, Management, and employees will work together and do our best to make our Studio Dragon sustainable.

Lastly, on behalf of Studio Dragon, I would like to sincerely thank you all for working with us as we are grateful for your belief in Studio Dragon through the difficult times. Studio Dragon would like to cordially invite you to join our journey as we create more sustainability values to transform our society through content with our continuous endeavor to overcome challenges for changes.



Warm regards,
Jey Hyun Kim
CEO, Studio Dragon June 30, 2023



OVERVIEW

Our Businesses

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COMPANY PROFILE

Vision and Mission

**STUDIO
Dragon**

With the introduction of first K-drama production studio model, Studio Dragon is leading the development of the K-dramas and stepping up as a "Premium Storyteller Group that Captivates the World with Endless Stories." Studio Dragon will grow as a company that promotes sustainable environment and social community and makes our lives interesting and beautiful, while creating content that communicate with the world through times.

Vision

Premium Storyteller Group

As a premium storyteller group, Studio Dragon fascinates the world with our original stories.

We are transcending domestic prominence and growing into a globally iconic studio

Mission

Producing well-made dramas to contribute to the development of domestic platforms, and expanding the supply into global platforms to record remarkable achievements with the global masterpiece.

COMPANY PROFILE

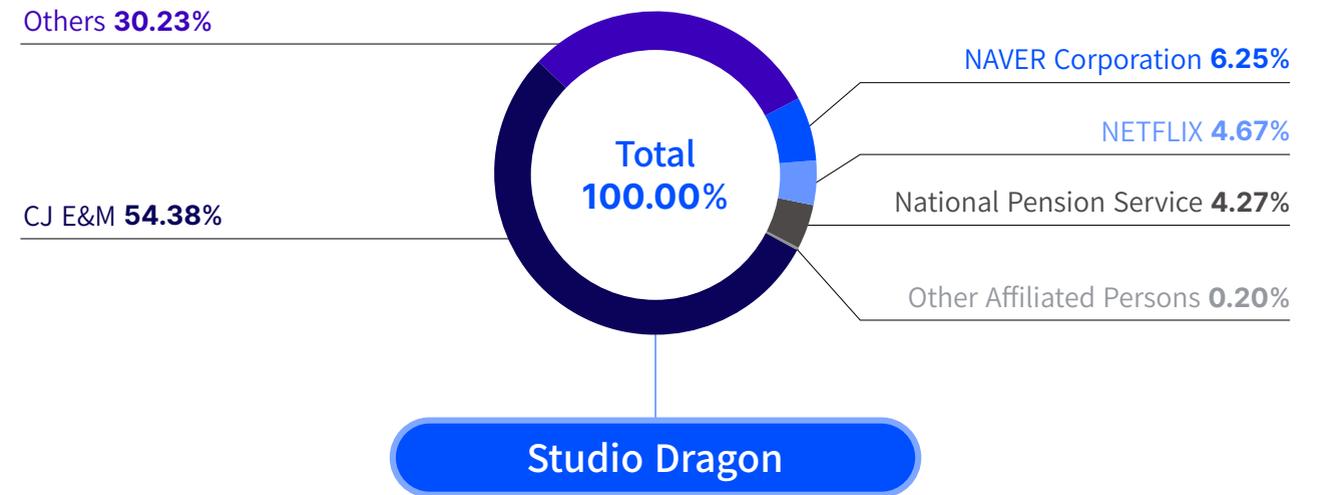
Our Businesses

Company Name	Studio Dragon Corporation
Headquarters Address	75 Maebongsan-ro, Mapo-gu, Seoul, the Republic of Korea
CEO	Kim Jey Hyun
Establishment Date	May 3, 2016
Number of Employees	181
Total Assets	KRW 1.907 trillion
Revenue	KRW 697.9 billion
Operating Profit	KRW 65.2 billion
Credit Rating	A0 (NICE Credit Rating, June 2022)
ESG Ratings	17.1, Low Risk (Morningstar's Sustainalytics, 2023) C (Environmental-C; Social-B; Governance-C; Korea Institute of Corporate Governance and Sustainability, 2022)

* As of December 31, 2022 (consolidated basis)

* The CEO information as of June 30, 2023

Ownership Structure



	Domestic	Overseas	
Hwa&dam Pictures, Inc	100%	Studio Dragon Investments, LLC	100%
Culturedepot Co., Ltd.	100%	Studio Dragon Production, LLC	100%
GTist Co., Ltd.	100%	Studio Dragon International, Inc.	100%
KPJ Co., Ltd.	100%		
Gill Pictures Co., Ltd.	100%		

* As of December 31, 2022 (consolidated basis)

COMPANY PROFILE

Our History

- May **Studio Dragon Was Founded**
- June Acquisition of Culture Depot and Hwa&Dam Pictures, Inc
- September Acquisition of KPJ Co., Ltd.
- December **<Guardian: The Lonely and Great God>**
Achieved Nationwide Viewership Ratings of 20%



2016



- June Simultaneous Broadcasting of <Stranger> Through 'NETFLIX'
- November **Studio Dragon Was Listed on the KOSDAQ**
- December <Stranger> Is Selected as One of the Best TV Shows Of 2017 by the New York Times

2017

2018



- May <Mother> Received the Best Drama Award at the Baeksang Arts Awards
- December <Mr. Sunshine> Received the Viewer's Choice Drama Award

2019

- April Acquisition of Gtist Co., Ltd.
- September Partial Acquisition of Movie Rock Co., Ltd.
- November Long-Term Content Supply Contract with 'NETFLIX'
- December Partial Acquisition of Merrycow Co., Ltd.

2020



- January **Establishment of Studio Dragon Corporation USA**
- February Partnership with Hollywood Production Company 'Skydance Media'
- February **<Crash Landing on You> Reaches the National Rating Of 22%, The Highest Ever Recorded In tvN History**

2021

- March Business Cooperation Agreement with 'YLAB'
- December Honored with the 1 Billion USD Export Tower Award and the K-Service Special Tower Award in Celebration of the Annual Trade Day
- December **Received Presidential Award at the 2021 Korea Content Award**

2022



- March Partial Acquisition of 'Next Scene'
- May **Establishment of 'Studio Dragon Corporation Japan'**
- September Acquisition of 'Gill Pictures Co., Ltd.'
- October Content Supply Agreement with 'Amazon Prime Video'
- December **Supplied the First Hollywood Drama <The Big Door Prize> to 'Apple TV+'**

BUSINESS MODEL AND FOCUS AREAS

Studio Dragon is producing drama content with our creators, networks, and intellectual properties (IPs), and we are expanding our distinctive business areas and enhancing our corporate value.

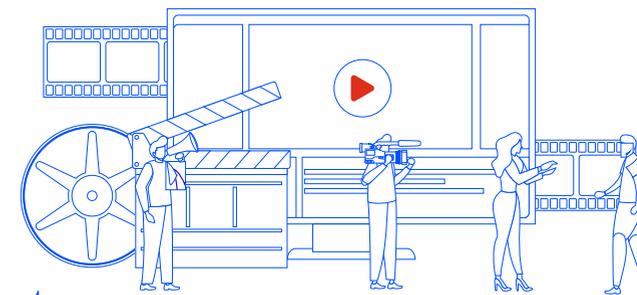


1. DEVELOPING INTELLECTUAL PROPERTIES (IPS)

In the planning stage, a group comprised of PDs, staff, and management teams evaluates scenarios (trends, genres, DEI, etc.) as well as production environments (safety, health, etc.) to produce high-quality dramas.

2 PROGRAM PLANNING

Based on each drama's genre and story, production costs are estimated, and collaborations are formed with partner companies for casting, set design, and costumes, etc. We strategically cooperate and discuss the ideal condition to supply our content to different platforms.



3. PRODUCING EXCELLENCE

Studio Dragon focuses on environmental, energy, and safety elements during the filming process and utilizes visual effects (VFX) and other post-production techniques for a higher quality of the content. Sophisticated marketing strategies are devised with the platform for a wider range of audience.

BUSINESS MODEL & VALUE CREATION



4. RELEASE & DISTRIBUTION

Our dramas are distributed to traditional media channels like tvN and new media channels including TVING, NETFLIX, and Disney+ in more than 250 countries. This extensive distribution contributes to a greater social impact through cultivating a sense of empathy and embracing diverse experiences.

INPUT

Financial Capital

Total Assets: KRW **1.907** trillion

Human Capital

Number of Employees: **181**

Partner Capital

Production Budget: KRW **511.5** billion

Contents Capital

Number of Creators: **304**

Social Investment

Community Investment and Social Contribution

OUTPUT

Financial Value

Revenue: KRW **697.9** billion
Operating Profit: KRW **65.2** billion

Human Value

Employee Salaries: KRW **36.7** billion
New Hires: **35**

Partner Value

Production Partners: Over **130**
Companies (Only for Outsourced Production and Set Construction)

Contents Value

Number of Drama Episodes: **33**

Social Value

Donation of KRW **5** Billion for the Construction of the Set for <Alchemy of Souls> in Munkyeong
Volunteer Service Hours : **20**,
5 Participants

*As of December 31, 2022 (consolidated basis)

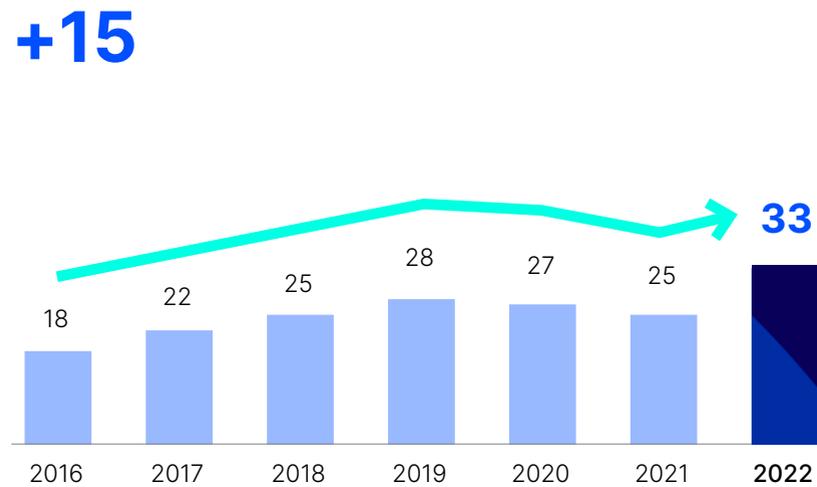
BUSINESS PERFORMANCE & REVENUE BREAKDOWN

Business Performance

Studio Dragon is a pioneer in the media industry as it leads the global market expansion and maintains a steady growth rate over time with the CAGR of 24% in revenue and +21% in operating profit since its establishment.

Drama Lineup

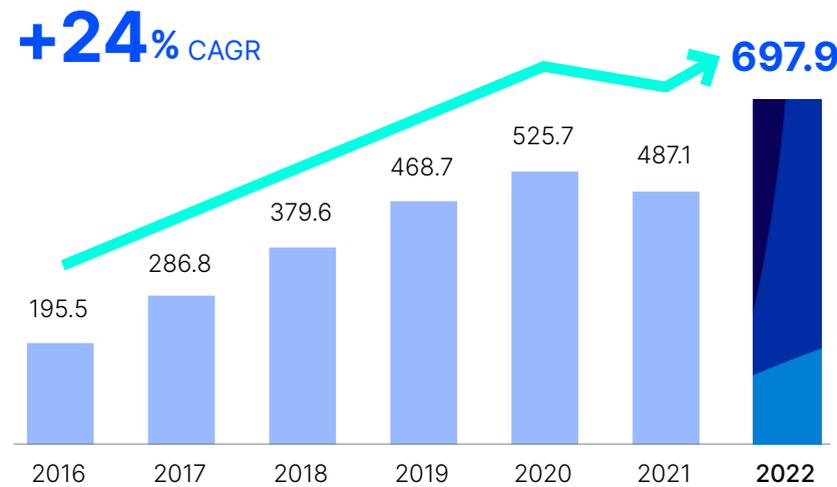
Unit: Series



From 2014 to 2022, we have produced 226 dramas and directly own 198 Intellectual Properties (IPs), broadening our reach to expand our business models using these IPs. Through collaborations with stakeholders, we aim to nurture a healthy environment in the industry.

Revenue

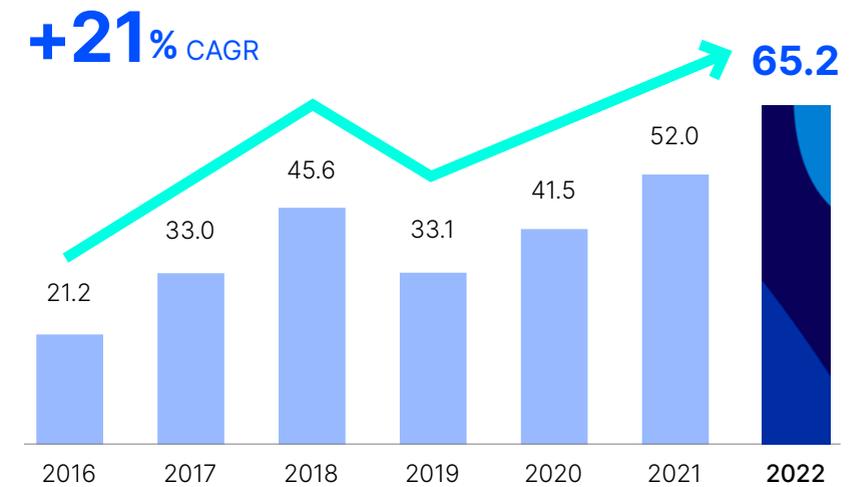
Unit: KRW billion



Over the past 7 years since the establishment, Studio Dragon's revenue has recorded a compound annual growth rate (CAGR) of +24%. A noticeable achievement is the increase in overseas revenue share to 50%, extending our business area beyond our territorial borders. With the increasing revenue, Studio Dragon provides additional opportunities for creators, production companies, and actors, and invites more viewers around the world to experience our dramas.

Operating Profit

Unit: KRW billion



Since it was founded, Studio Dragon has seen a consistent growth with the CAGR of +21% in operating profit. This profit lays the foundation for reinvestment in content and collaborative growth opportunities with stakeholders. We also invest to enhance our operational environment including safety, working conditions, energy, and resources, throughout the production spectrum.

* On a consolidated basis

BUSINESS PERFORMANCE & REVENUE BREAKDOWN

Revenue Breakdown

The revenue is divided into three primary categories depending on the type of drama content supply. First, Sales Revenue category is classified into OTT broadcasting rights, original content, VOD, and overseas broadcasting rights sales. Second, the Programming category refers to the sales of TV broadcasting rights. Lastly, Other Revenue category includes proceeds from IP-based supplementary businesses and advertisements.

Sales Revenue



Global Licensing & OTT Originals

- Domestic: Domestic OTT, VOD, etc.
- Overseas: Global OTT, regional platforms

Programming Revenue



TV Broadcasting Rights

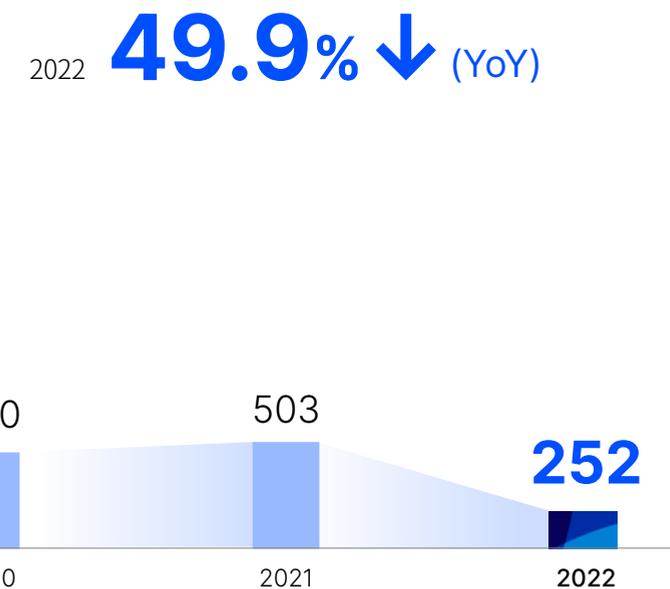
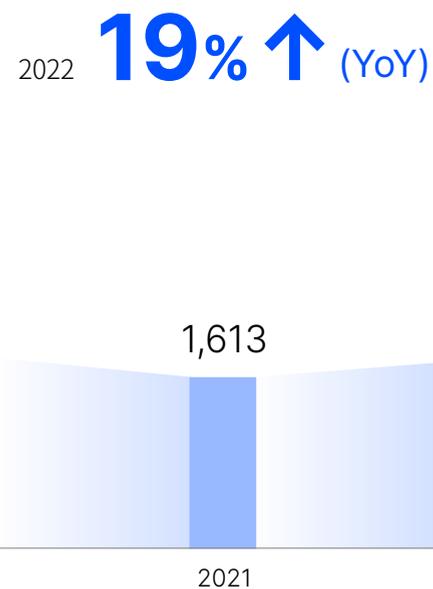
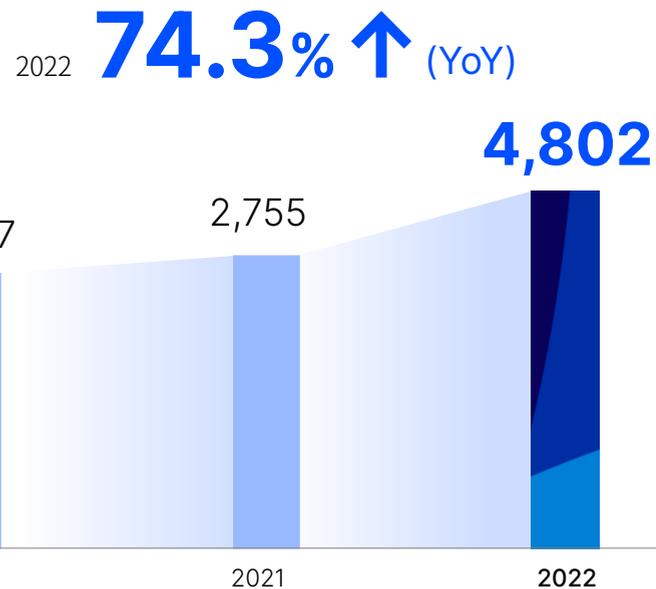
- Captive: tvN, OCN
- Non-captive: Terrestrial TV channels

Other Revenue



Sponsorship and IP-related Business

- Sponsorships, games, NFT, metaverse, exhibition, etc.



* Unit: KRW 100 million * On a consolidated basis

14 dramas

1st in TV
Viewership Ratings

9 dramas

in the NETFLIX Global
Top 10

1st

<The Glory>
NETFLIX Global
1# Ranking

KEY ACHIEVEMENTS IN 2022

Studio Dragon delivered a total of 33 dramas in 2022, 20 for TV broadcasting and 13 for OTT platforms. Remarkably, 14 dramas seized the top position in TV viewership ratings during the same timeslot, and 9 dramas solidified their spots in the NETFLIX's Global Top 10 list. The noteworthy achievement of <The Glory>, which recorded "Global #1 Ranking" from the NETFLIX, was the outstanding success across different platforms during this period.

27 DRAMAS IN 2020

Crash Landing on You, Hi Bye, Mama!, It's Okay to Not Be Okay, The Flower of Evil, Stranger 2, Record of Youth, Tale of the Nine Tailed, Start-Up, The Uncanny Counter, The King: Eternal Monarch, * Sweet Home, etc.

- * Original Drama
- * Courtesy of NETFLIX



OVERVIEW

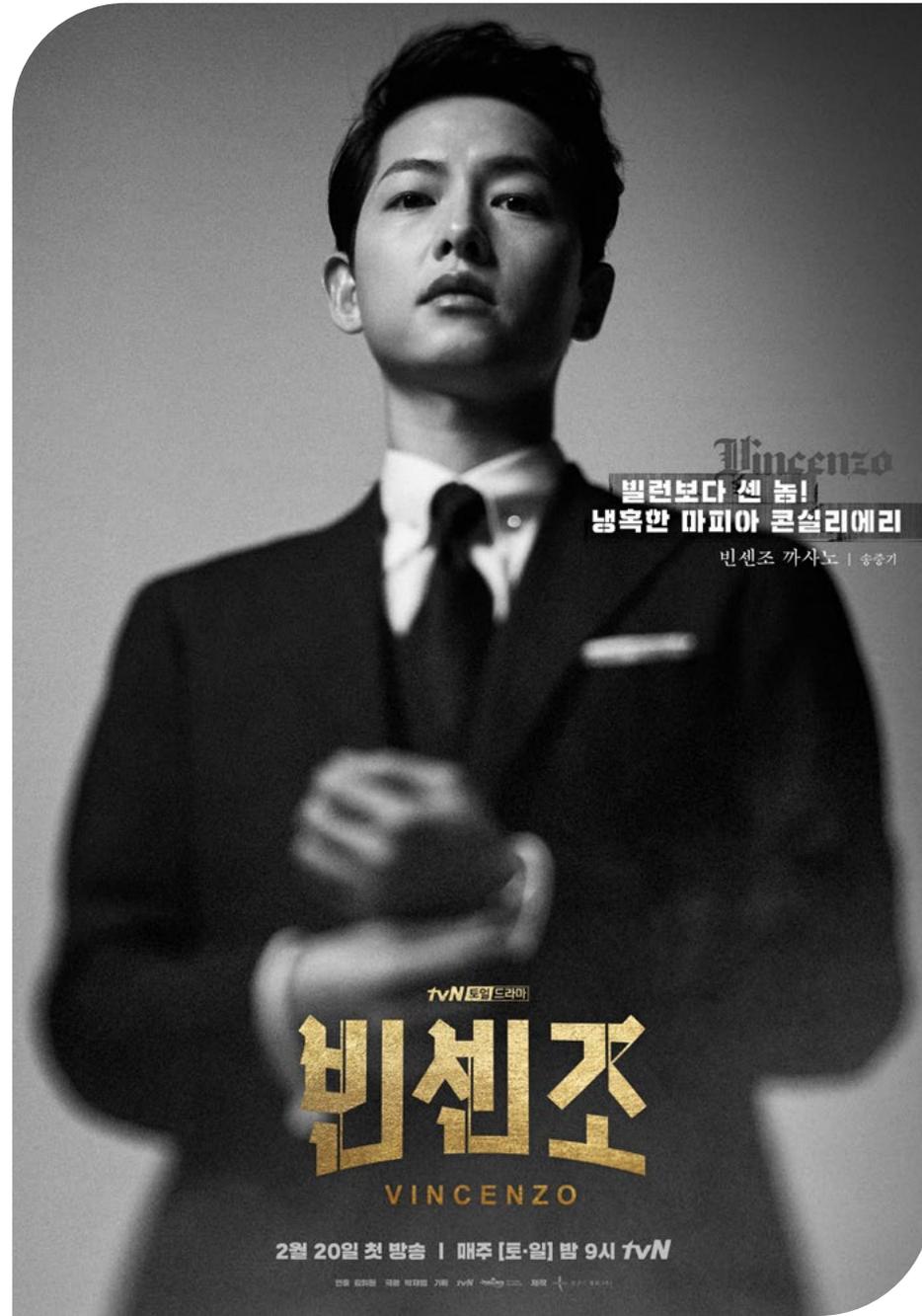
- ◆ Company Profile
- Sustainability Management System

SUSTAINABILITY FOUNDATIONS

ESG DATA

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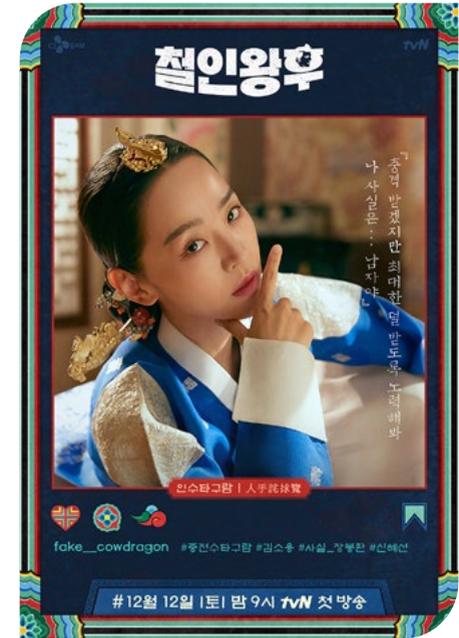




27 DRAMAS IN 2021

True Beauty, Mr. Queen,
L.U.C.A.: The Beginning, Vincenzo,
Doom at Your Service, The Devil Judge,
Hometown Cha Cha Cha, High Class,
Mount Jiri, Secret Royal Inspector & Joy,
• **📍** Love Alarm 2, etc.

* **📍** Original Drama





33 DRAMAS IN 2022

Immortal Souls, Ghost Doctor,
Twenty-Five Twenty-One,
Military Prosecutor Doberman, Our Blues,
Alchemy of Souls (Part 1, 2), Adamas, Poong,
the Joseon Psychiatrist, Little Women,
Under the Queen's Umbrella

- Yumi's Cells 2, The Glory (Part 1), etc

* Original Drama

* Courtesy of NETFLIX



BOARD COMPOSITION AND OPERATION * As of May 31, 2023

Board Composition

The Board of Directors of Studio Dragon is composed of experts in finance, management, accounting, and the content industry sector. For efficient decision-making processes, an internal director serves as the chairman of the Board. Furthermore, the Board formed and actively runs committees devoted to sustainable management, internal transactions, and independent director nomination. Studio Dragon implements processes to mitigate and minimize conflicts of interest among internal transactions. The Board maintains a 25% female director representation.

The Management Team regularly completes training courses on topics including anti-corruption, and our independent director receives educational sessions including sustainable management on a routine basis.

Articles of Association - Board of Directors Business Report

Position	Name	Gender	Initial Appointment Date	Term Expiration Date	Responsibility / Area of Expertise	Background
Internal (Chairman)	Jey Hyun Kim	Female	March 29, 2022	March 29, 2025	Management	Current Co-CEO of Studio Dragon Corporation Former Head of IP Operations Division at CJ ENM Former Content Operations Department Manager at CJ ENM
Internal	Young Kyu Kim	Male	September 18, 2020	September 20, 2023	Production	Current Co-CEO of Studio Dragon Corporation Former Production Department Manager at Studio Dragon Corporation Former Head of ICP and 4CP of Drama Division at CJ ENM
Independent	Seong Chul Kim	Male	March 28, 2023	March 28, 2026	Industry	Current Professor at the School of Media & Communication, Korea University Current Senior Non-standing Director at the Korea Communications Agency Current Media Advisory Group Member at the Ministry of Science and ICT
Other	Deuk Soo Hwang	Male	March 28, 2023	March 28, 2026	Finance	Current Finance Director at the Entertainment Division Support Team, CJ ENM Previously worked at the Business Management Office, CJ CheilJedang Corporation Previously worked in M&A at CJ CheilJedang Corporation

* Internal director, Young Kyu Kim, resigned on June 26, 2023

Major Decisions of the Board of Directors for 2022-2023

Year-Session	Meeting Date	Major Decision
2022-1	February 10	Approval of the 6th Financial Statements and Business Report / Approval of Introducing a Share-Based Reward Program for Employees / Report on the Internal Accounting Management System Operation Status in 2021
2022-2	March 10	Determination of Agendas for the 6th General Shareholder's Meeting and Convocation of The Meeting / Approval of Executive Salary Adjustment Rate / Approval of the Increase in Borrowings / Report on the Internal Accounting Management System Operation Status Evaluation in 2021 / Report on the Compliance Control Criteria Check Results by the Compliance Officer
2022-3	March 29	Appointment of Co-CEO
2022-4	May 11	Establishment of the ESG Committee and Related Regulations / Appointment of Subcommittee Members / Change of the Non-Executive Director Recommendation Committee Members / Report on Operating Performance in 1Q 2022
2022-5	July 6	Approval of Deciding the Increase of Short-Term Borrowings
2022-6	July 7	Approval of Deciding the Increase of Short-Term Borrowings
2022-7	August 4	Approval of Revising the Executive Rule / Report on Operating Performance in 2Q 2022
2022-8	November 8	Paid-In Capital Increase Based on Allotment to the Third Party / Approval of the Appointment of the Compliance Officer / Approval of the Establishment of the Internal Transaction Committee / Establishment of the Internal Transaction Committee Rule / Report on Operating Performance in 3Q 2022
2022-9	December 26	Approval of Transaction with Stakeholders Including Directors (Total Amount in 2023) / Approval of Transaction with Stakeholders Including Directors (1Q 2023)
2023-1	February 9	Approval of the 7th Financial Statements and Business Report / Report on the Internal Accounting Management System Operation in 2022
2023-2	March 8	Report on the Internal Accounting Management System Operation Status Evaluation / Report on the Compliance Control Criteria Check Results by the Compliance Officer / Determination of Agendas for the 7th General Shareholders' Meeting and Convocation of the Meeting / Approval of Transactions with Stakeholders Including Directors (2Q 2023)
2023-3	March 28	Change of the Chairman of the Outside Director Nominating Committee / Change of the Chairman of the ESG Committee / Change of the Chairman of the Internal Transaction Committee
2023-4	April 20	Approval of Executive Salary Adjustment Rate
2023-5	May 4	Approval of Establishment of Sustainability Management System / Approval Selection of Priorities for Sustainability Management Strategies / Report on the Progress of the Internal Accounting Control System / Report on Operating Performance in 1Q 2023 / Report on the Publication of Sustainability Report

BOARD COMPOSITION AND OPERATION

* As of May 31, 2023

The Principles and Structures of the Board of Directors

In accordance with our Corporate Governance Charter, we implement an organizational strategy focused on the Board of Directors for a transparent and proactive governance structure. Drawing from the set of specialized knowledge and various experiences, the Board of Directors undertakes independent and specialized analyses of important subjects while monitoring the management execution. Through the specialized Board of Directors, Studio Dragon aims to become a company that is devoted to practice ethical management and compliance, and create sustainable values.



Board Member's Compensation

Remuneration for registered directors including internal directors, is determined at the shareholders' meeting and it is executed within the limit. The long-term incentives system is operated on a three-year period, and compensation is provided based on medium- to long-term accomplishments. A holistic approach is adopted in terms of bonuses, as key performance indicators (KPIs) include the quantitative (e.g. sales, operational profit, etc.) and qualitative (e.g., company contributions, roles, responsibilities, etc.) indicators, along with non-financial performance indicators such as goals for compliance measures.

Committee	Chairman	Members	Primary Role/Responsibilities
Independent Director Nominating Committee	Seong Chul Kim	Jey Hyun Kim Seong Chul Kim	<ul style="list-style-type: none"> Matters Related to Proposing Candidates for Outside Director Seats Shareholders have the power to do so by Article 542-6, paragraph 2 of the Commercial Act. This approach entails assessing candidates recommended by shareholders who are qualified to exercise this power.
Sustainability Management Committee	Seong Chul Kim	Seong Chul Kim Jey Hyun Kim Young Kyu Kim	<ul style="list-style-type: none"> Concerns about the Company's Sustainability Management: <ul style="list-style-type: none"> Key Strategies and Policies for Sustainability Management Reporting on Noteworthy Initiatives Within the Framework of Environmental, Social, and Govern Identifying Critical Sustainability Management Challenges Issues Pertaining to Increasing the Value of Shareholders and Returns
Internal Transactions Committee	Seong Chul Kim	Seong Chul Kim Jey Hyun Kim Young Kyu Kim	<ul style="list-style-type: none"> Internal Transactions Review <ul style="list-style-type: none"> Evaluation of Significant Aspects of Transactions Related to Affiliated Entities Internal Transaction Investigation <ul style="list-style-type: none"> Inspection and Analysis of Internal Transaction Data Recommendations for Internal Transaction Improvement <ul style="list-style-type: none"> Proposals for Corrective Actions which Involve Internal Transactions that Infringe Regulations

* As of May 31, 2023

APPROACH TO SUSTAINABILITY STRATEGY

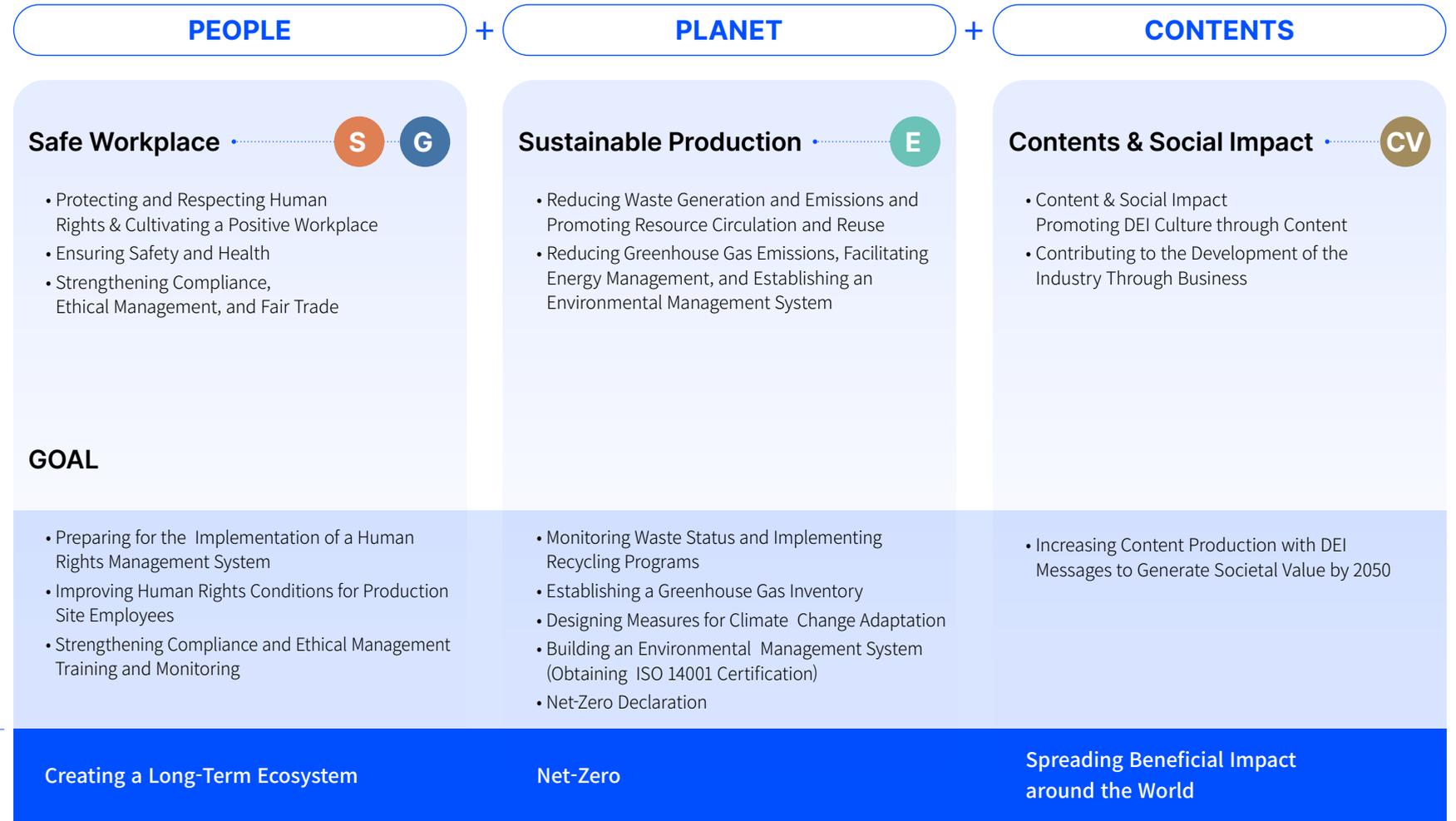
Sustainability Management Mission

Creating a Valuable World through Premium Storytelling

The mission of Studio Dragon is to create valuable content that will have a worldwide impact, fostering positive societal change and maximizing social value. Thus, we have identified core areas for sustainability. Studio Dragon will actively communicate with our stakeholders through producing notable outcomes and systematic execution.

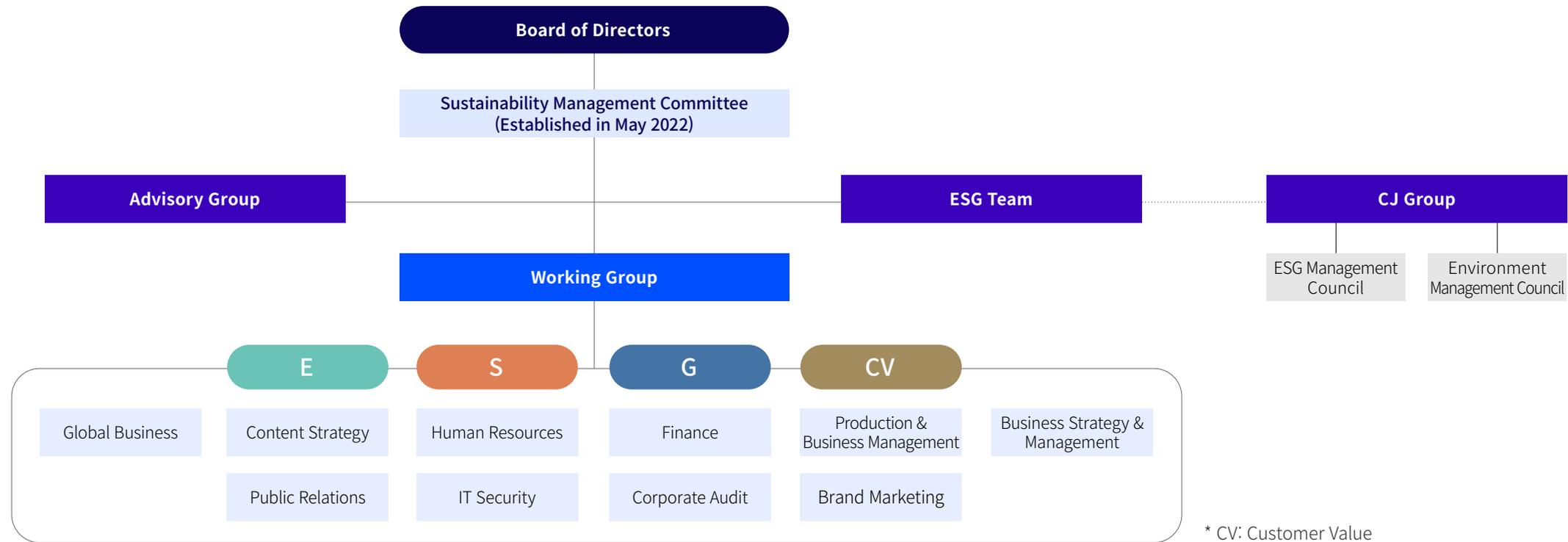


Focus Areas



SUSTAINABILITY MANAGEMENT STRUCTURE AND DECISION-MAKING

*As of May 31, 2023



GOVERNANCE FOR SUSTAINABILITY MANAGEMENT

Studio Dragon has established a sustainability management government structure in 2022 to achieve its sustainability management goals, manage performance and achievement, and implement continuous, integrated, and proactive sustainability risk management. It established the Sustainability Management Committee under the Board of Directors (the highest decision-making body), and the Committee is responsible to decide and deliberate on Studio Dragon's sustainability management strategy system and policies. The dedicated department and the working group for sustainable management are responsible for implementing sustainable management strategies and promoting with business-aligned sustainable management activities. In addition, Studio Dragon is creating and executing sustainability management strategies that are consistent with CJ Group's sustainable management direction.

SUSTAINABILITY MANAGEMENT STRUCTURE AND DECISION-MAKING

SUSTAINABILITY MANAGEMENT COMMITTEE

- Composition** 3 People including Management and Independent Directors
- Operating period** More than Twice per Year
- Responsibilities** Deliberating and Deciding the Sustainable Management Strategy System and Policies

Year/Session	Meeting Date	Agenda
2022/Session 1	May 11, 2022	• Appointment of ESG Committee
2022/Session 2	July 6, 2022	• Report on the ESG Committee and Its Working Groups
2022/Session 3	August 4, 2022	• Report on the External ESG Evaluation and Responses • Report on the Progress of ESG Management Activities / Projects
2022/Session 4	November 8, 2022	• Report on the Progress of ESG Management Projects • Report on the External ESG Evaluation and Responses
2023/Session 1	April 3, 2023	• Appointment of the Chairman of ESG Committee
2023/Session 2	May 4, 2023	• Report on the Draft Version of Establishing a Sustainable Management System • Report on the Prioritized Tasks of the Sustainable Management Strategy • Report on the Progress of the Sustainability Report Publication Project

WORKING GROUP

- Composition** 10 Departments including Human Resources, Finance, Business Strategy & Management, Global Business, etc.
- Operating period** Permanently on a Need Basis
- Responsibilities** Implementing Sustainable Management Strategies, Identifying Areas to Improve and Implementing Tasks, Sharing Issues,

Year/Session	Meeting Date	Agenda
2023/Session 1	February 27, 2022	• Consultation on Alignment and Prioritization of Material Sustainability Issue

ADVISORY GROUP

- Composition** Stakeholders including Customers, Partners and Investors
- Operating period** More than Once per Year
- Responsibilities** Identifying Material Sustainability Issues

Year/Session	Meeting Date	Agenda
2023/Session 1	February 14, 2023	• Consultation on Material Sustainability Issues

COMMUNICATION AND ENGAGEMENT WITH STAKEHOLDERS

Studio Dragon acknowledges the necessity of consistent two-way communication with internal and external stakeholders for sustainable growth across all aspects in company operations. We have identified customers, employees, investors, partners, media, and the local community as our key stakeholders, and have been running diverse channels of communication customized to different stakeholder groups, disclosing information and performance related to sustainable management, and actively listens to the voices of stakeholders.



SUSTAINABILITY FOUNDATIONS

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Material Sustainability Issues

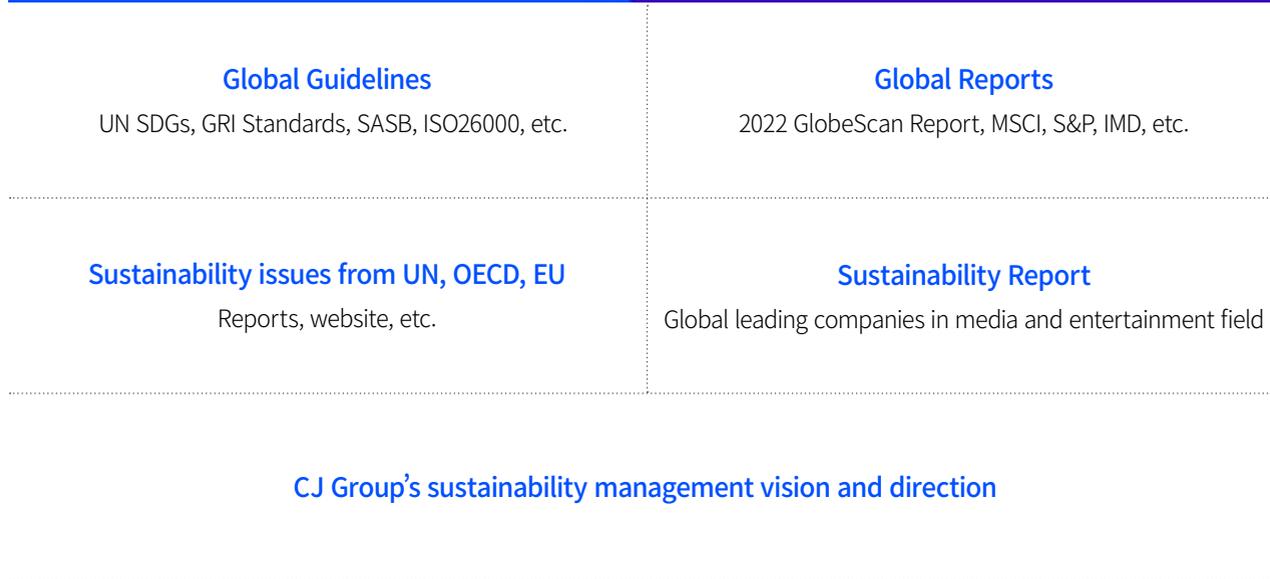
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IDENTIFICATION OF MATERIAL SUSTAINABILITY ISSUES

In order to achieve its vision and goals for sustainability management, Studio Dragon has identified the sustainability material issues it needs to prioritize. Following the GRI Standards 2021 (the issues with the greatest amount of impact in economy, environment, and society), Studio Dragon has conducted an extensive analysis on the sustainability material issues. In the <first step>, a total of 18 issues were identified by focusing on global guidelines to sustainability management, recent sustainability-related important issues presented by international organizations such as the UN, OECD, and EU, sustainability reports from leading global companies in the industry, specialized global reports, media and entertainment reports, as well as CJ Group's sustainable management vision and direction. The <second step> involved conducting a survey to figure out the level of interest in sustainability issues among Studio Dragon's stakeholders. For the <third step>, an Advisory Group meeting was held with key stakeholders to collect their opinions on the survey results.

In the <fourth step>, the survey results and opinions from the Advisory Group meeting were considered, and relevant experts analyzed the impact of Studio Dragon's business and issues (IN ↔ OUT / financial and non-financial crises and opportunities). During the <fifth step>, the management team meeting examined and prioritized the appropriateness and significance of the sustainability material issues based on the survey results and reviews from employees during the evaluation process. In the <sixth step>, the Board of Directors reviewed and made the final decision on the significance and prioritization of the sustainability material issues.

STEP 1 : Formation of Issue Pool



Area	Issue
Environment (6)	<ul style="list-style-type: none"> • Encouraging Circularity and Reuse of Resources • Reducing Waste Generation and Emissions • Promoting Environmentally Friendly Organizational Culture
Society (6)	<ul style="list-style-type: none"> • Establishing an Environmental Management System • Protecting of Natural Ecosystems • Minimizing Greenhouse Gas Emissions and Energy Management • Protecting and Respecting Human Rights • Job Creation • Cultivating a Positive Workplace • Maintaining Cooperative Labor-Management Relations • Ensuring Safety and Health • Support Future Generations
Governance (4)	<ul style="list-style-type: none"> • Strengthening Compliance, Ethical Management, and Fair Trade • Risk Management • Integration of ESG Management • Protection of Shareholder Rights
Customer Value (2)	<ul style="list-style-type: none"> • Contributing to Industry Development Through Business

IDENTIFICATION OF MATERIAL SUSTAINABILITY ISSUES

STEP 2 : Survey on Stakeholders' Interest

357 People Participated	Major Stakeholders 165 Customers, 72 employees
Direct Stakeholders 36 Stock Market Participants, 8 Partners	Indirect Stakeholders 74 ESG Practitioners from Other Companies, 2 Journalists

STEP 3 : Advisory Group Meeting with Stakeholders

Participants Stock Market Participants, CJ Group, Partners, Department Head from Studio Dragon	Detail Discussion on Stakeholder Interest Survey Results
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STEP 4 : Evaluation on Issue Impact

Participants Relevant Department for Each Issue + ESG Team + External Experts	IN ↔ OUT Analysis Analysis of the Impact to and from Businesses	Analysis of Financial and Non-Financial Opportunities and Risks Analysis of Opportunities and Risks in the Financial and Non-Financial Areas of the Businesses
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STEP 5 Discussion among Management

Participants CEO and Management Team Members	Details Discussion on Suitability and Priority of the Issues Referring to the Stakeholder Interest Survey Results, Advisory Group Meeting Feedback, and Analysis of the Department's Issue Impact
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STEP 6 : Review and Approval from the Board of Directors

Review Stakeholder Interest Survey Results, Stakeholder Advisory Group Meeting Feedback, Department's Issue Impact, Executive Discussions	Approval Materiality Issues and Priorities
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Identified Material Sustainability Issues

Rank	Area	Issue
1	CV	Promoting Diversity, Equity, and Inclusion (DEI) Culture through Content and Leading Industry Advancements
2	S	Protecting and Respecting Human Rights & Cultivating a Positive Workplace
3	S	Ensuring Safety and Health
4	G	Strengthening Compliance, Ethical Management, and Fair Trade
5	E	Reducing Waste Generation and Emissions & Encouraging Circularity and Reuse of Resources
6	E	Minimizing Greenhouse Gas Emissions and Energy Management & Establishing an Environmental Management System

STAKEHOLDER ADVISORY GROUP MEETING

To identify material sustainability issues, Studio Dragon held <Stakeholder Advisory Group Meeting>. The <Stakeholder Advisory Group Meeting> invited Studio Dragon’s major stakeholders, including customers, investment partners, CJ ENM (the parent company), partner companies, and people-in-charge in each department. In the meeting, stakeholders shared their comments on issues and reviewed the survey results.

Classification	Participants	Major Comments	Common Opinions
Customers	Ju Young Lee, Director	<ul style="list-style-type: none"> It would have been better if the Customer Value area had been further developed among the survey topics. More content development is desired, similar to <Extraordinary Attorney Woo>, where social issues are raised, and alternative perspectives (solutions) are proposed. 	
Stock Market Participant Companies	In Hae Ji, Senior Analyst (YMCA Korea Media Center) Joanne Ryu, Fund Manager (Eastspring Asset Management Korea Co. Ltd.)	<ul style="list-style-type: none"> The content sector is critical as a future job industry. From the investor’s perspective, Sustainability Management Leadership in Governance and Producing Quality Content are key points. Investors expect increased returns from ESG improvements. Environmental considerations are significant for investors even if not explicitly mentioned in ESG, emphasizing the necessity for tangible actions to mitigate negative environmental impacts. 	<ul style="list-style-type: none"> Impressed with Studio Dragon’s efforts to listen to stakeholders’ opinions. Sustainability management is not a problem that can be solved in the short term; it requires a long-term perspective and consistent effort.
CJ	Victoria Chon, ESG Team Leader (CJ ENM)	<ul style="list-style-type: none"> Integrating ESG practices during the production process and communicating ESG impact to customers through content is crucial. As drama production involves numerous stakeholders, internalizing ESG among them is essential. It’s surprising that the survey results indicate less interest in greenhouse gases compared to significant interest in set waste within the environmental area. 	<ul style="list-style-type: none"> Studio Dragon cannot achieve sustainability alone; cooperation with stakeholders and industry partners is needed. It would be great if Studio Dragon could continue to show its genuine commitment to sustainability through ongoing communication with stakeholders.
Partners	Min Keun Park, President (Artin) Chan Hee Jung, CEO (People Story) Joon Hee Yoon, CFO (Wysiwyg Studios)	<ul style="list-style-type: none"> (Environment) The most serious issue is set waste; separating and storing recyclable parts adds to shipping costs. Because complete digitization is not possible, a systematic strategy for dealing with physical set waste disposal is required. (Safety) Working with low-cost, small-scale entities raises the danger of safety mishaps. Safety should take precedence over money. (Labor Environment) There is a growing demand for a better working environment for both actors and staff. Not merely temporary solutions for shifting events, but a systematic, structural, and long-term strategy is required. (Collaborative Relationships) Many challenges exist in the labor environment and human rights of intermediary companies between Studio Dragon and actors/staff. 	<ul style="list-style-type: none"> It would be beneficial if such opportunities for exchanging opinions were consistently available. Agree with the survey results on the ratings.
Studio Dragon	Sung Ho Jang, Sung Wook Yoon, Jin Hyung Lee, Sung Hyun Kim	<ul style="list-style-type: none"> During meetings with representatives from partner companies, I learned about the things that I was aware of but had underestimated their significance. This heightened my awareness of the need for progress. I have realized that ESG is more than simply a marketing campaign; it must be implemented in drama production and company operations. This revelation has convinced me that we must devise explicit execution goals and plans 	<ul style="list-style-type: none"> It was fantastic to hear from the stakeholders and gain an honest understanding of their points of view. We are committed to implementing ESG and sustainable management practices.

IMPACT ANALYSIS OF MATERIAL SUSTAINABILITY ISSUES

Studio Dragon performed an <Issue Impact Analysis> while figuring out significant sustainability issues. The <Issue Impact Analysis> entailed doing an <IN↔OUT> analysis to determine the impact of each issue on Studio Dragon’s business, economy, environment, and society. It also included a financial and non-financial evaluation to identify potential opportunities and obstacles via a <Financial/Non-financial ↔ Opportunities/Challenges> analysis. Studio Dragon’s operational divisions, the ESG team, and external management strategy experts all participated in this analysis.

Rank	Area	Material Issue	Department in Charge	IN ↔ OUT Impact on Economy, Environment and Society	Opportunities/Challenges Analysis: Financial/Non- Financial impact	GRI Standards	Page
1	Customer Value	Promoting Diversity, Equity, and Inclusion (DEI) Culture through Content and Leading Industry Advancements	Business Strategy & Management	<ul style="list-style-type: none"> The Influence has Heightened due to the Growth of the Global OTT Market and the Expansion of K-Content into New Regions. Positive Reactions are being Elicited through the Expansion of Content Production that Actively Addresses Environmental and Social Issues such as DEI (Diversity, Equity, and Inclusion.) ➔ More Opportunities for Producing Content with Environmental and Social Messages. ➔ Content that Lags in Environmental and Social Awareness is Experiencing an Increase in Negative Impact. 	<p>Opportunities</p> <p>Non-Financial Better Content Quality, Strengthening Market Influence, Contributing to Cultural Industry Growth, Maximizing Corporate and Brand Value, etc.</p> <p>Financial More Investments, Growth in Revenue and Operating Profits, Shareholder Value Enhancement, etc.</p>	Non-GRI	30-35
				<ul style="list-style-type: none"> Contents that Directly Address Social Issues such as "The Glory," "Our Blues," and "Juvenile Justice" are Drawing Attention from the Society. ➔ Fostering Positive Changes in Social Awareness or Institutions. 	<p>Challenges</p> <p>Non-Financial Reduction in Content Quality, Weakening Competitiveness, Weaker Market Influence, Decline in Brand Value, etc.</p> <p>Financial Decrease in Revenue and Operating Profits, Erosion of Shareholder Value, etc.</p>		
2	Society	Protecting and Respecting Human Rights & Cultivating a Positive Workplace	Human Resources	<ul style="list-style-type: none"> ESG Global Guidelines/Regulations Emphasize the Importance of Human Rights Management. Increased Societal Demand for Workplaces That Respect Human Rights and Provide a Positive Working Environment Due to Negative Human Rights-Related Issues. Intensified Competition in Securing External Talent and Addressing Intergenerational Conflicts Within Organizations, Driven by the *MZ Generation. ➔ Integration of Human Rights Management into Business and the Promotion of a Positive Work Culture. ➔ Growing Demands for the Respect of Human Rights in Drama Production Environments and Improvements in Working Conditions. 	<p>Opportunities</p> <p>Non-Financial Enhancement of Corporate Reputation/Brand Image, Increase in Customer/Employee Satisfaction and Loyalty, Facilitation of *MZ Generation Organizational Adaptation and Talent Acquisition, Improvement in Production Site Satisfaction and Productivity, Etc.</p> <p>Financial Decreased Costs Related to Risk Mitigation, Increased Profitability, etc.</p>	401-1-3 402-1 404-1-3 405-1-2 406-1	36-44 76-77, 79 84-86
				<ul style="list-style-type: none"> CJ Group’s Efforts Towards Human Rights Management and Creating a Positive Workplace. Continued Endeavors by Studio Dragon to Enhance the Drama Production Environment. ➔ Positive Impact on the Overall Working Conditions in the Drama Content Industry. ➔ Prevention of Internal Talent Attrition. 	<p>Challenges</p> <p>Non-Financial Decrease In Employee Satisfaction, Performance Decline, Increased Criticism of the Drama Industry as a Whole, Decline in Brand Value, etc.</p> <p>Financial Higher Production Costs (Due to Filming Delays, Penalties/Fines, Etc.), Etc.</p>		

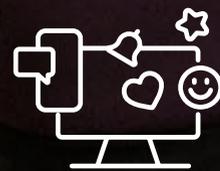
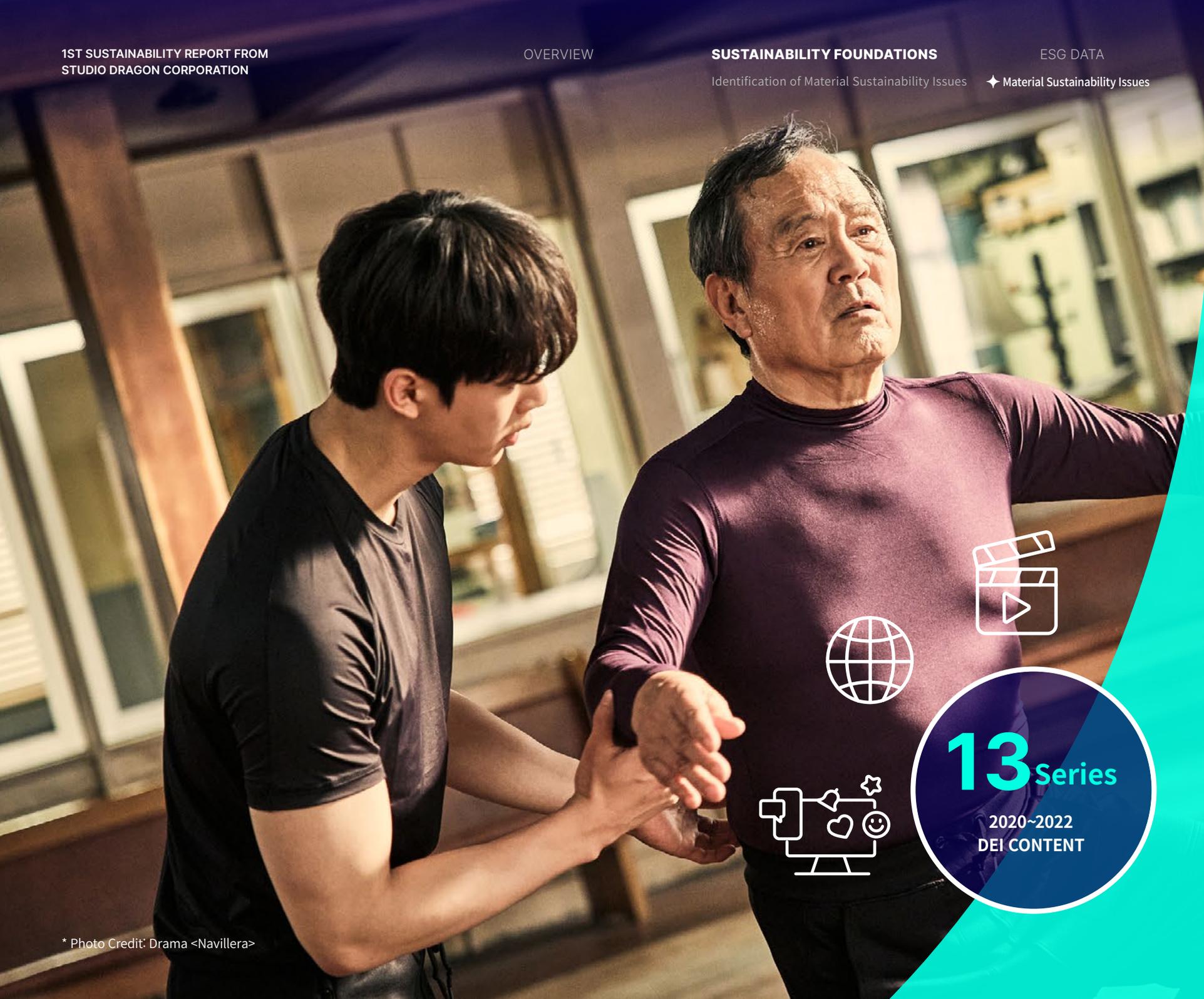
*MZ Generation: refers to those who are the Millennials (born in the early 1980s to mid-1990s) and the Z Generation (born in the mid-1990s to early 2000s)

IMPACT ANALYSIS OF MATERIAL SUSTAINABILITY ISSUES

Rank	Area	Material Issue	Department in Charge	IN ↔ OUT Impact on Economy, Environment and Society	Opportunities/Challenges Analysis: Financial/Non- Financial impact	GRI Standards	Page
3	Society	Ensuring Safety and Health Management	Safety Management	<ul style="list-style-type: none"> Strengthening of Relevant Laws and Regulations, such as the Serious Accidents Punishment Act. Increased Awareness of Accidents in the Drama, Film, And Performance Industries. ➡ Rising Demand for Improved Safety Management At Workplaces and Production Sites. ➡ Increased Risk of Accidents Due to Larger Set Scales, Heightened Complexity, and Constrained Production Schedules. 	<p>Opportunities</p> <p>Non-Financial Preservation of Life and Health, Reduction of Safety-Related Risks, Improvement of Reputation/Brand Image, Enhanced Trust from Cast, Staff, And Partners, Increased On- Site Productivity, Etc.</p> <p>Financial Decreased Costs in Case of Accident Mitigation, etc.</p>	403-1-10	45-55 78
				<ul style="list-style-type: none"> Continued Establishment and Management of Systems to Prevent Production Site Accidents. ➡ Contribute to the Enhancement of Industry-Wide Safety and Health Management Culture. ➡ Potential Improvement in Negative Societal Perception of Drama Production Sites. 	<p>Challenges</p> <p>Non-Financial Occurrence of Health and Safety Issues, Decline in Reputation/Brand Image, Decreased Trust from Cast, Staff, and Partners, Reduction in On- Site Productivity, etc.</p> <p>Financial Damages and Compensation in Case of Problems, Fines, Additional Costs Due to Schedule Delays, etc.</p>		
4	Governance	Ensuring Safety and Health Management	Legal Affairs	<ul style="list-style-type: none"> Ethical Management, Global Guidelines For Fair Trade, and Regulatory Adjustments In Recent Times, a Number of Negative Ethical Issues Involving Managers, Employees, and Celebrities Within the Entertainment Industry Have Arisen, Leading to Increased Societal Attention ➡ Strengthening of Ethical Management And Fair-Trade Requirements in the Entertainment Industry ➡ Escalating Trend in the Impact of Negative Ethical Management and Fair Trade Issues with Companies 	<p>Opportunities</p> <p>Non-Financial Enhancement of Brand Reputation and Image, Etc.</p> <p>Financial Increase in Revenue and Corporate Value, Heightened Potential for Attracting ESG Investments, etc.</p>	205-1-3 206-1	56-59 72-73 88
				<ul style="list-style-type: none"> Strengthening Ethical Management and Elevating Fair Trade Standards while Reinforcing Preventive Actions. ➡ Contributing to the Cultivation of an Ethical and Compliant Management Culture Within the Entertainment Industry ➡ Meeting the Demand for Transparent Management from Stakeholders such as Investors and Satisfying Financial Risk Reduction ➡ Effectively Improving the Negative Societal Perception of the Entertainment Industry 	<p>Challenges</p> <p>Non-Financial Decline in Brand Reputation and Image, Decrease in Customer Loyalty, etc.</p> <p>Financial Decrease in Revenue and Corporate Value, Rise in Costs (Legal Expenses, Fines, Penalties), Reduction in External Investments, etc.</p>		

IMPACT ANALYSIS OF MATERIAL SUSTAINABILITY ISSUES

Rank	Area	Material Issue	Department in Charge	IN ↔ OUT Impact on Economy, Environment and Society	Opportunities/Challenges Analysis: Financial/Non- Financial impact	GRI Standards	Page
5	Environment	Waste Generation and Emissions & Encouraging Resource Circularity and Reuse	Content Infra	<ul style="list-style-type: none"> Strengthening of Global Guidelines, Regulations, and Demands for Greenhouse Gas Reduction Increased Societal Awareness due to the Seriousness of Global Warming and Worsening Filming Conditions Enhanced Regulatory Measures by Authorities Regarding Environmental Management and Heightened Demands from Local Communities ➔ Escalation of External Pressure and Demands for Greenhouse Gas Reduction and Eco-Friendly Management 	<p>Opportunities</p> <p>Non-Financial Increase in Reputation/Brand Image, Rise in Viewer Loyalty, Etc.</p> <p>Financial Decrease in Energy Costs Due to Energy Efficiency Measures, Heightened Likelihood of Attracting External Investments Related To ESG, Etc.</p>	301-1-3 306-1-5	60-66 74 83
				<ul style="list-style-type: none"> Increase in Drama Production/Set Quality Improvement → Rise in Set Waste Leading to Environmental Pollution, Increase in Negative Impact from Waste Growing Utilization of VFX For Virtual Sets, Increased Recycling and Reuse of Set Installations ➔ Contributing to Environmental Management Practices in the Planning, Production, and Post-Industry of Dramas 	<p>Challenges</p> <p>Non-Financial Decline in Reputation/Brand Image, Decrease in Viewer Loyalty, Etc.</p> <p>Financial Increase in Costs (Rise in Waste Disposal Expenses, Higher Set Production Costs), etc.</p>		
6	Environment	Reducing Greenhouse Gas Emissions, Managing Energy, and Establishing Environmental Management Systems	ESG	<ul style="list-style-type: none"> Strengthening of Global Guidelines, Regulations, and Demands for Greenhouse Gas Reduction Increased Societal Awareness due to the Seriousness of Global Warming and Worsening Filming Conditions Enhanced Regulatory Measures by Authorities Regarding Environmental Management and Heightened Demands from Local Communities ➔ Escalation of External Pressure and Demands for Greenhouse Gas Reduction and Eco-Friendly Management 	<p>Opportunities</p> <p>Non-Financial Increase in Reputation/Brand Image, Rise in Viewer Loyalty, Etc.</p> <p>Financial Decrease in Energy Costs Due to Energy Efficiency Measures, Heightened Likelihood of Attracting External Investments Related To ESG, Etc.</p>	302-1- 305-1-7	67-69 74 82
				<ul style="list-style-type: none"> Due to the Industry's Nature, the Scale of the Environmental Impact may be Small, but Considering Its Impact on Culture, Emission Reduction Strategies need to Be Devised and Implemented ➔ Promoting an Environmentally Conscious Culture in the Planning and Production Processes of Dramas 	<p>Challenges</p> <p>Non-Financial Weakening of Brand Image, Decline in Viewer Loyalty, Inadequate Greenhouse Gas Mitigation, etc.</p> <p>Financial Reduced Likelihood of Attracting External Investments Related to ESG, etc</p>		



13 series
2020~2022
DEI CONTENT

1. PROMOTING DIVERSITY, EQUITY, AND INCLUSION (DEI) CULTURE THROUGH CONTENT AND LEADING INDUSTRY ADVANCEMENTS

Stories have the power to move and persuade people. Studio Dragon aims to influence the world with premium storytelling. Studio Dragon sees two stages with social value, adherence and generation. Adherence to social values involves managing the content quality so that it aligns with the norms and values created among domestic and global viewers. Generation of social values entails producing dramas with DEI values and supplying content to the global market for a wider range of audience.

* Photo Credit: Drama <Navillera>

PROMOTING DIVERSITY, EQUITY, AND INCLUSION (DEI) CULTURE THROUGH CONTENT AND LEADING INDUSTRY ADVANCEMENTS

The Importance of Influential Content

With the global OTT and IT companies increase their investments in content production, there is a growing interest for K-drama content. Global platform operators are striving to secure exclusive rights to Korean drama content, and Korean drama production companies are expanding partnerships and co-productions with global players. Consequently, the influence of Korean drama production companies is increasing in the global market.

Studio Dragon's influence has been proven through volume deals with worldwide OTT platforms such as NETFLIX and Disney+. In addition, it successfully launched a drama, co-produced with a Hollywood production company in March 2023. Studio Dragon is transforming into a global drama production studio, leading the development and globalization of the Korean content industry.

The goal of Studio Dragon is to create stories with social significance that communicate with people all around the world, offering moments of inspiration. When these stories' intrinsic ideals are shared with a larger audience, they gain the greater power. Studio Dragon analyzed whether the themes, content, episodes, and characters individually embody these values while analyzing dramas based on their social value (diversity, equity, and inclusion). As a result, 13 out of 85 dramas presented by Studio Dragon over three years since in 2020 featured social values.

Furthermore, 11 original dramas of Studio Dragon in 2022 recorded the highest viewership ratings in the respective time slots, encompassing both terrestrial TV channels and global OTT, and 6 of these contained social values. This suggests that dramas with social values perform relatively better in terms of prominence and social influence.

Studio Dragon is dedicated to increasing the completeness and prominence of individual content while also creating more stories with social values.



* Courtesy of NETFLIX



* Courtesy of NETFLIX



PROMOTING DIVERSITY, EQUITY, AND INCLUSION (DEI) CULTURE THROUGH CONTENT AND LEADING INDUSTRY ADVANCEMENTS

DEI (Diversity, Equity, and Inclusion) Values

Studio Dragon presented 13 dramas with DEI values over three years beginning in 2020.

Lineup of Dramas with Social Values (2020-2022)

Year	Title	Channel	Social Value
2022	Military Prosecutor Doberman	tvN	Diversity, Equity
2022	Our Blues	tvN	Marginalized Individuals, Diversity, Inclusion
2022	Little Women	tvN	Social Justice (Wealth Disparity), Equity
2022	Under the Queen's Umbrella	tvN	Gender, Family Values
2022	Juvenile Justice	NETFLIX	Social Justice (Juvenile Delinquency)
2022	The Glory	NETFLIX	Social Justice (School Violence)
2021	Navillera	tvN	Marginalized Individuals, Generational Integration
2021	Mine	tvN	Gender (LGBTQ, Women's Solidarity)
2021	The Devil Judge	tvN	Social Justice
2020	Black Dog: Being A Teacher	tvN	Social Justice
2020	Hi Bye, Mama!	tvN	Family Values
2020	My Unfamiliar Family	tvN	Diversity, Family Values
2020	It's Okay to Not Be Okay	tvN	Respect for Diversity, Marginalized Individuals

The Prominence of Dramas with DEI Values

Starting 2022, 11 Studio Dragon dramas recorded the highest level of prominence (ranked first in viewership ratings and OTT). 6 of these dramas included DEI values.

Prominent Dramas with DEI Values (2022)

Year	Title	Channel	DEI Value
2022	Ghost Doctor	tvN	
2022	Twenty Five Twenty One	tvN	
2022	Military Prosecutor Doberman	tvN	●
2022	Our Blues	tvN	●
2022	Alchemy of Souls	tvN	
2022	Little Women	tvN	●
2022	Under the Queen's Umbrella	tvN	●
2022	Juvenile Justice	NETFLIX	●
2022	The Glory	NETFLIX	●
2022	Shadow Detective	Disney+	
2022	Connect	Disney+	

* TV Dramas: Ranked 1st in viewership ratings in respective timeslots, including terrestrial TV channels

* Original Dramas: Ranked 1st in the Republic of Korea on global OTT



OUR BLUES

Touching Stories from the Perspectives of the Socially Vulnerable

Through a powerful narrative, <Our Blues> beautifully portrays the concept of “supporting all of those who are alive.”

It depicts different issues that have gone unnoticed, such as teen pregnancy, disputes over custody involving individuals suffering from depression, and social discrimination against people with impairments. The drama incorporates these societal challenges into its storyline and showcases the cultural elements of Jeju Island through its local characters attracting a lot of attention from viewers. The value of “diversity” is smoothly blended throughout the stories and characters.

* Courtesy of NETFLIX

JUVENILE JUSTICE

Contradictions and Limitations of Juvenile Law and the Legal System

The NETFLIX series <Juvenile Justice> portrays Judge Shim Eun-seok, who has a dislike for juvenile offenders, as he assumes a position in a local court’s Juvenile Division. The series delves into the lives of juvenile offenders and the circumstances that surround them.

The drama sends a message to society by making audiences to revisit the rationale behind the “age of criminal responsibility” and “juvenile law.” It gained popular recognition for tackling serious issues and for playing a part in launching improvements in comprehensive juvenile offense procedures, such as lowering the age at which juvenile offenders are subject to criminal prosecution. <Juvenile Justice> goes beyond simply using juvenile offenders in a dramatic setting, to instead become significant through igniting public debate on socially important issues.



THE GLORY

The Cry for Social Justice from the Marginalized

Since the premiere of the NETFLIX series, it has attracted viewers not only in Korea but also throughout the world by displaying cruelty against the underprivileged, their pursuit to that violence, and their quest of justice and retribution. <The Glory> has a global more than 400 million hours viewed in the first 28 days since release and is focused on “school violence.” The criminals’ malice and brutality, the victims’ lonely lives, and the commonality among the underprivileged strongly moved viewers worldwide and even made changes in our society. Following the release of <The Glory>, a Me Too movement against school violence gained momentum in Thailand, a national institution supporting school violence victims was founded in the Republic of Korea, and comprehensive measures to eradicate school violence were newly introduced.



MINE

Message of Solidarity among Women

The drama <Mine> portrays the stories of strong women who continually overcome preconceptions to find their true identities. The show develops an interesting story by featuring women as its main characters who confront societal stereotypes.

By showcasing women who identify themselves as sexual minorities, it delivers a message of breaking down societal preconceptions regarding gender identity, an issue that is usually less explored in domestic broadcasts and dramas.

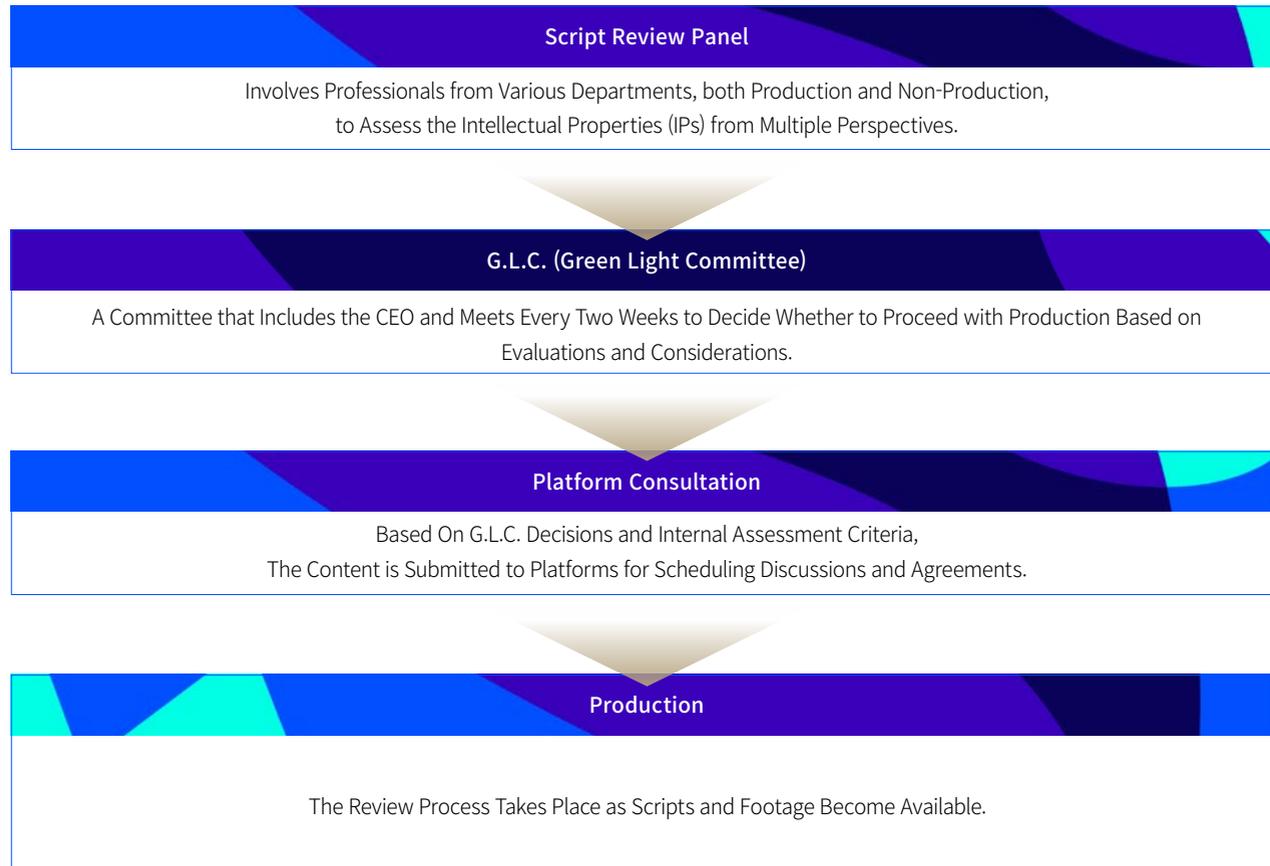
* Courtesy of NETFLIX



PROMOTING DIVERSITY, EQUITY, AND INCLUSION (DEI) CULTURE THROUGH CONTENT AND LEADING INDUSTRY ADVANCEMENTS

Pre-management of Content

The Korea Communications Standards Commission’s Regulations on Broadcast Review states that broadcasts shall not violate fairness, objectivity, decency, or ethics. Studio Dragon has a pre-review procedure established for its dramas to ensure that the content is in line with societal standards. The studio has a dedicated team of review experts and a drama script review panel comprised of employees. From the screenplay preparation stage onward, this method ensures proper monitoring and guidance.



Copyright

Studio Dragon owns the rights to 198 drama IPs as of 2022, and it leads the way in honoring and protecting the original creators’ copyrights during the drama production process. Copyright extends to items utilized in dramas such as photographs, music, and video assets.

Violence

Violence dramas are watched by people of all ages on TV, OTT platforms, and other media channels. To minimize any detrimental impact on society, Studio Dragon carefully evaluates the portrayal of violent themes in visual content and considers expressions linked to minority groups, such as gender, race, and disability, as well as national sensations and diplomatic relations.

Appropriateness

With the expansion of various media channels and digital gadgets, the risk of exposing minors to harmful content has increased. Studio Dragon adheres to the “Act on the Promotion of Motion Pictures and Video Products” to protect underage viewers and seeks to reduce the negative influence of content on children and adolescents by maintaining appropriateness.

INTERVIEW

Studio Dragon is a leading player in the drama production industry, dedicating efforts to the pre- and post- production review processes of its dramas. Through an interview with the person responsible of production & business management, Hi Kim, we have explored Studio Dragon's drama review process.

Q1. Could you explain the drama review process?

There are four steps to the drama review process: (1) Script Review, (2) Rough Draft Review, (3) Final Draft Review, and (4) Mid-Broadcast and Post-Broadcast Review. Because the production timeframe from drama conception to broadcast is rather brief, we progress quickly by examining both the screenplay and the visuals to arrive at the final video. In addition, when a drama is expected to evoke a substantial social response, we monitor real-time audience reactions throughout transmission and collect post-production comments to report to the management team.

Q2. What is the most important aspect during the review process?

It is critical to judge the review standards from a conservative standpoint. While the Korea Communications Commission reviews every broadcast content, there are often ambiguous requirements for content details and production-supported product placement (PPL) commercials. As a result, familiarity with previous review cases is essential. Furthermore, because CJ ENM, including Studio Dragon, creates a substantial amount of content in the media industry, our cases are frequently used as judging criteria for other drama production organizations. As a result, we maintain a more stringent review threshold.

Q3. What is the most challenging aspect during the review process?

The media landscape is changing as a result of COVID-19. The broadcast advertising business, as well as audience trends, are rapidly changing. As a result, analyzing and interpreting broadcast advertising purely on previous incidents has been more challenging. Given these changes, discussing and coordinating with the numerous stakeholders engaged in drama production is always a difficulty.



2. PROTECTING AND RESPECTING HUMAN RIGHTS & CULTIVATING A POSITIVE WORKPLACE

High-quality dramas can only be crafted from a positive work environment. Studio Dragon, as a leader in the Korean drama industry, takes the lead in cultivating a positive working atmosphere. We improve the work efficiency of our employees by promoting a creative workplace. Furthermore, we are committed to enhancing the work environment and protecting rights for Studio Dragon's employees and those collaborating with Studio Dragon on production sites.



PROTECTING AND RESPECTING HUMAN RIGHTS & CULTIVATING A POSITIVE WORKPLACE

Overview and Importance of the Issue

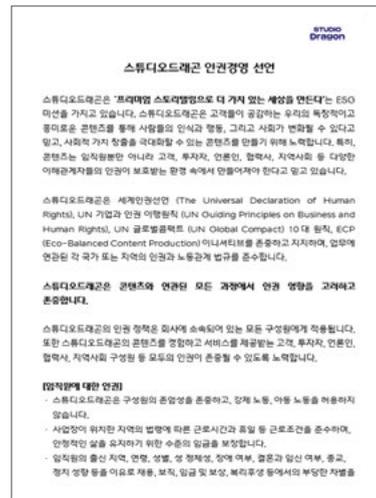
Studio Dragon takes responsibility for the working environment of its employees, including its collaborating partners. In the drama production field, large teams of 100 to 200 individuals are often involved, with many instances of shooting for more than 9 hours per day. Considering that Studio Dragon has aired 85 works in the past 3 years, it can be said that its labor practices have had a direct or indirect impact on the working environment of hundreds, if not thousands, of individuals.

The drama industry heavily relies on human labor more than many other industries. Thus, for the creation of content that can communicate with audiences, it is essential that those involved in production are respected in terms of their rights and provided with a favorable working environment. Studio Dragon is committed to fostering an environment where both its own employees and those of its collaborating partners can work happily, with the goal of creating “happy” content.

Respect for the rights of employees, collaborating partners, and customers is a core philosophy in Studio Dragon’s corporate management. It performs human rights management through a human rights management declaration issued by the CEO, which establishes a commitment to safeguard human rights in its activities.

Human Rights Management Principles

Studio Dragon places respect for the human rights of its employees, partners, and customers at the core of its corporate philosophy and actively practices human rights management through the Human Rights Management Declaration of the CEO.



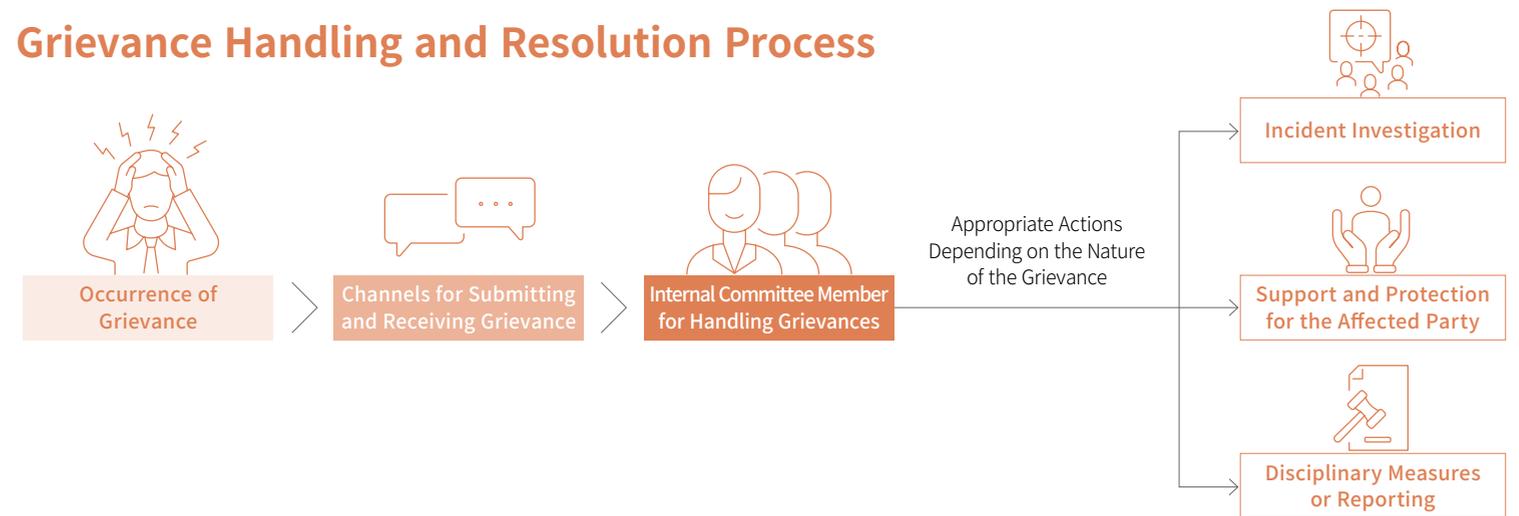
Human Rights Management Declaration

Human Rights Management Decision-Making and Implementation System

Studio Dragon has an Open Consultation Council (role of joint labor-management committee) to connect with employees on a regular basis, discuss issues, and find solutions. The council provides a forum for continuing discussion and problem solving. Human rights management tasks are handled within the office by the company’s nominated internal grievance committee, which is decided by a company-wide vote through the Open Consultation Council.

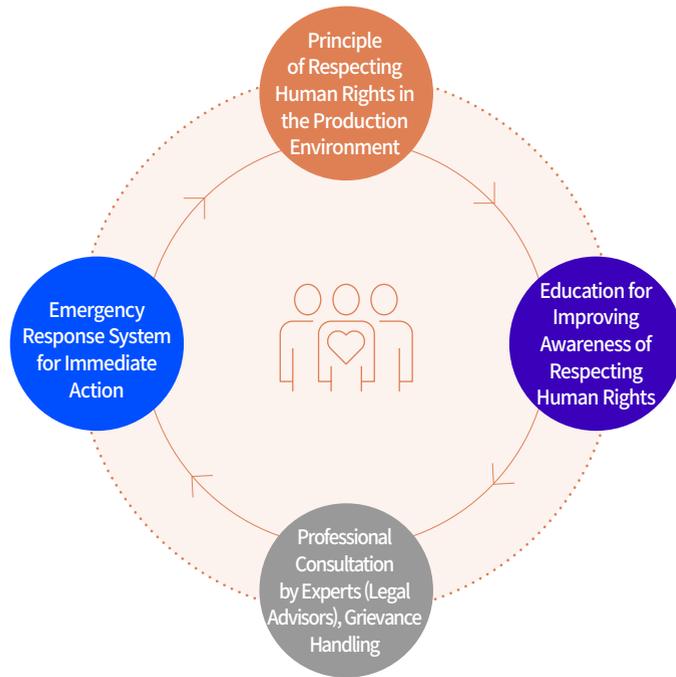
Grievance handling is conducted through continuous feedback collection and categorization. Particularly, issues related to production sites are managed through a hotline system using phone calls and emails. This system facilitates reporting, consulting, and providing support for cases of harassment, bullying, illegal filming, and infringement of the rights of child and adolescent performers among collaborating partners. Any reports received through the hotline are reported to the CEO after the approval of the HR department. Following internal procedures, thorough and fair investigations are conducted promptly, and necessary personnel actions are taken. In 2022, Studio Dragon received one report of grievance, and the company promptly and fairly conducted an investigation, taking immediate personnel actions according to internal protocols.

Grievance Handling and Resolution Process



PROTECTING AND RESPECTING HUMAN RIGHTS & CULTIVATING A POSITIVE WORKPLACE

Human Rights Management Strategy



Emergency Response System

During the filming of <Poong, the Joseon Psychiatrist> in 2022, a tragic incident involving a traffic accident resulted in the death of a worker from a cooperating company. Studio Dragon ceased production immediately and initiated psychological assistance programs for all production personnel. Studio Dragon intends to build an Employee Assistance Program (EAP) by 2030 in order to institutionalize such responses. This program will cover both Studio Dragon employees and those from cooperating companies, assuring the safety, health, and well-being of everyone on production locations.

Principle of Respecting Human Rights in the Production Environment

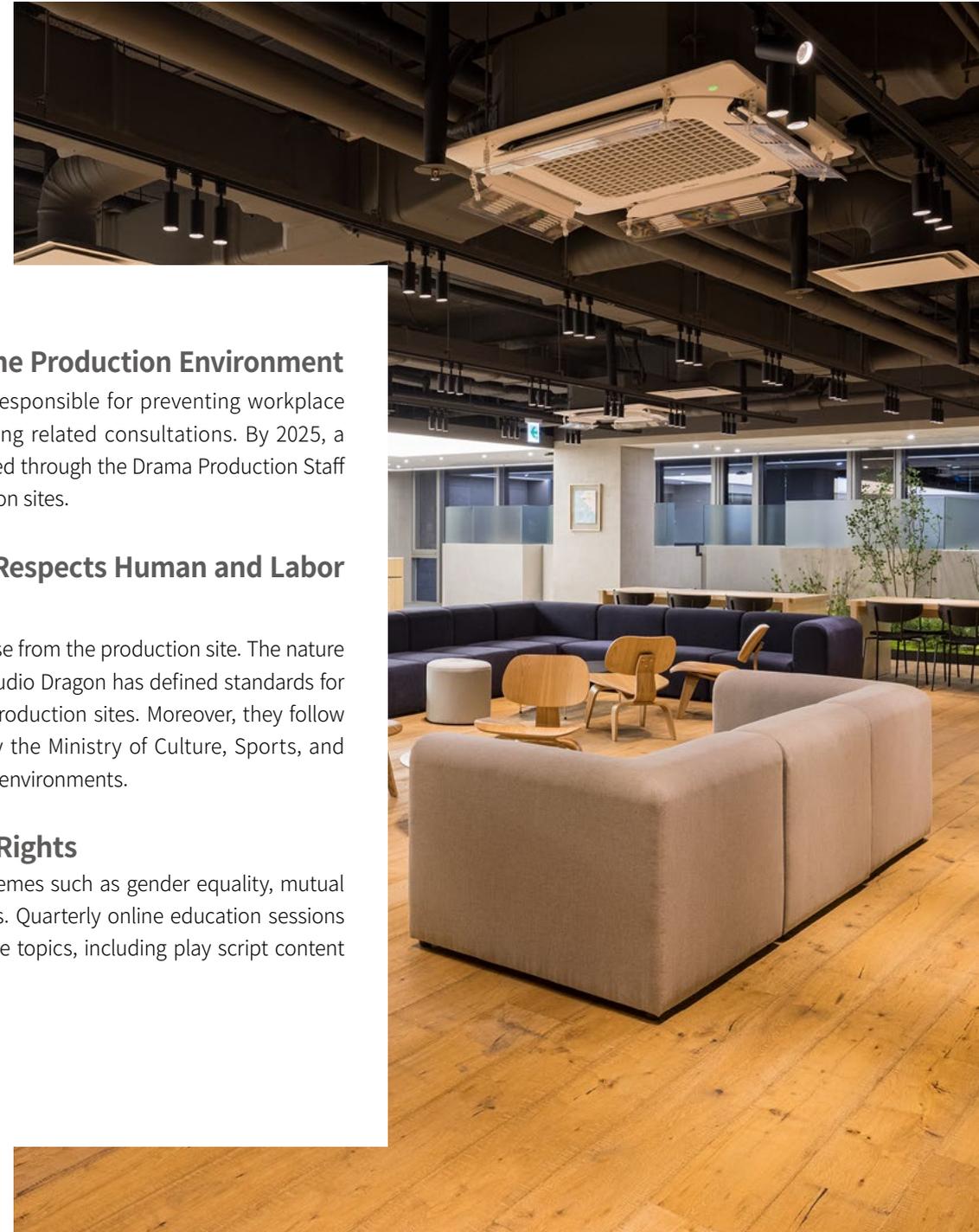
Studio Dragon has dedicated in-house labor attorneys responsible for preventing workplace harassment, addressing issues like bullying, and providing related consultations. By 2025, a regularly scheduled discussion framework will be established through the Drama Production Staff Forum in order to address grievances arising from production sites.

Realizing a Production Environment that Respects Human and Labor Rights

Studio Dragon respects the rights of its employees and those from the production site. The nature of drama production sets it apart from other industries. Studio Dragon has defined standards for shooting hours, breaks, and more, which are applied to production sites. Moreover, they follow the “Broadcast Industry Standard Contract” specified by the Ministry of Culture, Sports, and Tourism, advancing the improvement of drama production environments.

Education and the Promotion of Human Rights

All Studio Dragon personnel receive regular training on themes such as gender equality, mutual respect, and the protection of child and young performers. Quarterly online education sessions are held, and production site staff are also taught on these topics, including play script content and reporting channels.



PROTECTING AND RESPECTING HUMAN RIGHTS & CULTIVATING A POSITIVE WORKPLACE

Guidelines for Respecting Human Rights on Set

Studio Dragon's Human Resources annually develops its On-Set Practice Guidelines and encourages their inclusion in drama scripts and related materials. These recommendations cover a variety of topics, including the prohibition of harassment, mutual respect, adherence to safety regulations, the prevention of unlawful filming, the protection of child and teenage performers, and others. Furthermore, the recommendations include contact information for individuals in charge of labor, legal matters, and safety management, as well as channels for reporting and consultation.



* Photo Credit: Drama <Alchemy of Souls>

A PRACTICAL GUIDE TO CREATING A PLEASANT FILMING ENVIRONMENT

1. PROHIBITION OF HARASSMENT

Even if the behaviors are not intended to be sexual, they can be considered harassment if they cause the other party to experience "sexual humiliation or aversion." It should be noted that determining whether an act constitutes harassment should not be left to the perpetrator's discretion. Harassment problems are caused by a culture that tolerates and reproduces such behavior.

- Unintentional or intimate physical contact might trigger the other party's "sexual shame" (e.g., patting on the back, shoulder-to-shoulder contact, arm linking).
- Appearance evaluation, personal inquiry, and light sexual jokes can all be considered "harassment." Attempts are being made to foster a culture that forbids sexual jokes and inappropriate speech acts.
- Posting or displaying sexually explicit photos/videos clearly constitutes "harassment." Staring at certain body parts or exposing one's own body excessively, especially in public places. (e.g., topless/underwear in public locations), can also be troublesome.)
- In scenarios involving a woman and a man alone or in drinking circumstances (e.g., pressing someone to sit next to you at a gathering, forcing alcohol on someone, insisting on walking someone home), extra caution is mandatory.
- Forcing or persuading unwanted encounters or romantic relationships can cause "sexual humiliation and discomfort" to the other party.
- Unwanted feelings caused by harassment should be conveyed quickly, as should refusal, and the action should be terminated immediately. If the other party refuses, the behavior should stop, and a sincere apology should be provided.
- When harassment occurs, it should be reported quickly rather than hidden or avoided.
- If there is a victim nearby, actively help and pay attention to prevent the incident from being distorted or exaggerated. Recognize that reporting the issue is important and refrain from actions that could cause harm.

! Reporting and Consultation for Harassment/
Bullying

! Reporting Safety-Related Issues

**STUDIO
Dragon**

Fostering a Pleasant Environment for Creators

Creativity flourishes in a joyful setting. Studio Dragon strives to create a joyful working environment and encourages all employees' creative activities.

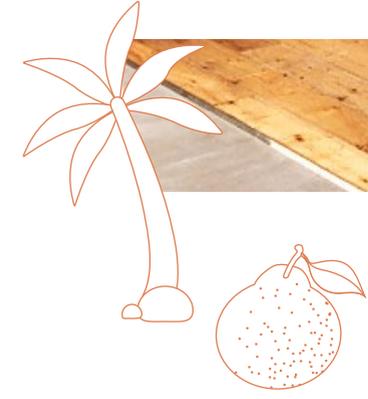
Support for Cultural Activities

Movies, dramas, books, or performances—any of these can serve as sources of inspiration. Studio Dragon supports the cultural activities of all its employees. Additionally, films produced by our parent company, CJ ENM, include complimentary tickets, and our affiliated company, CJ CGV, provides six movie tickets annually.

Furthermore, cultural activities often provide further inspiration outside the office. As part of this effort, staff will spend around two weeks on Jeju Island to help boost their creativity.

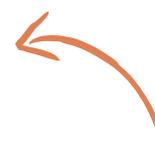
Delightful Working Environment

Studio Dragon actively promotes a delightful working environment. Within our office, we've built lounge areas where all employees can communicate and unwind. We supply massage chairs, recliners, gaming consoles, and audio-visual equipment, as well as snacks that correspond to the trends and seasons.



Jeju Island Workcation

Studio Dragon operates a Jeju Island office. Our employees have the chance to spend two weeks working at this location. The Jeju Island office was developed to allow Studio Dragon employees to gain inspirations for creativity and relax in the midst of Jeju's stunning natural environment.



* Photo Credit: CJ ENM



INTERVIEW

Studio Dragon operates ENM Jeju Branch with its parent company, CJ ENM. The Jeju Branch is situated near Woljeongri Beach on Jeju Island. Despite its compact size, it offers employees a refreshing experience in Jeju. The interview below is with an employee (Jaei Lim, Corporate/Business Strategic Planning & Administration Team) who visited the Jeju Branch in April 2023.

Q1. Could you please briefly tell about the Jeju Branch?

Selected employees have the opportunity to work at the Jeju Branch for two weeks. During this period, work and break times are maintained as usual, and a total of KRW 1 million is provided to cover accommodation and transportation expenses.

Q2. How did you spend your days during your two weeks at the Jeju Branch?

While the work we did at the office was the same with what we normally do, the fact that we were in Jeju made the routine feel special. On weekdays after work, I mostly explored Jeju's beaches and local restaurants. I spent my weekends traveling around Jeju with my family and friends. Another member used the opportunity to spend with their spouse and children, making wonderful family memories.



Q3. Would you tell other employees about this experience? What aspects did you find favorable?

Without a doubt, I would recommend it. Taking a two-week vacation isn't always easy with the responsibilities of work. Even if you are not taking time off, this experience provides an excellent opportunity to refresh. Another benefit is networking. Working in the same area with 10 to 15 people from various teams and with differing degrees of experience provided a unique networking opportunity. Because our typical work rarely intersects with those of other teams, this presented an opportunity to enhance our professional connections and work experiences.

Q4. Do you have any suggestions for improvements at the Jeju Branch?

I hope that the majority of Studio Dragon's members, not just a few, have the opportunity to experience this. It would be advantageous for the system to become more sophisticated in order to do this. This could include improving the participant selection process, identifying the number of eligible individuals, and simplifying the process from application to visit to the Jeju Branch. Establishing a thorough framework would assure the long-term viability of the Jeju Branch.

PROTECTING AND RESPECTING HUMAN RIGHTS & CULTIVATING A POSITIVE WORKPLACE

Employee Capabilities Enhancement

Studio Dragon has an education system that focuses on developing individual employees' talents and encouraging a culture of self-directed learning through common education, language education, and role/job-specific specialized education. We intentionally provide our employees with access to around 7,114 courses on CJ Group's online education platform, CJ Campus. Mandatory legal education, CJ's management philosophy, foreign languages, leadership, trends, humanities, and general knowledge are all covered in these courses. Studio Dragon is committed to providing possibilities for self-directed advancement to all employees and tries to ensure that anyone may develop into a talent through continual professional development programs.

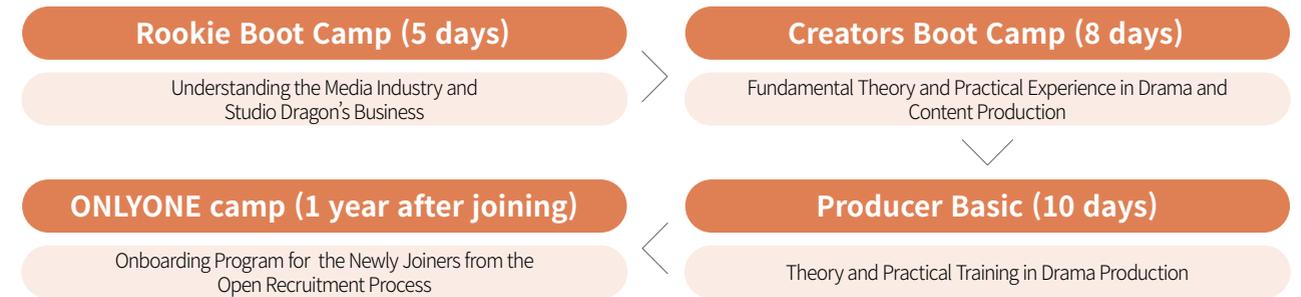
Talent Recruitment and Cultivation

Aligned with CJ Group's management philosophy of "people first," Studio Dragon strives to be a company that grows together with all its employees. Believing that the driving force for future growth lies in its talent, Studio Dragon carries out regular and open recruitments for new hires and experienced professionals to acquire and nurture the talents required for the company's growth. Additionally, we offer hiring advantages for individuals with disabilities or veterans, and we have implemented measures like interview panel certification and CJ Group's digital recruitment platform to ensure a transparent and fair recruitment process.

Content-Specialized Talent Development

Studio Dragon supports the cultivation of specialized content talent by offering various programs that enhance understanding and expertise in content planning and production. Through CJ Group's Job Posting system, we also provide opportunities to explore roles and jobs related to content and its associated businesses. This initiative aims to empower individuals to step into the field of content and contribute effectively.

Studio Dragon New Employee On-Boarding Program



Educational Program System

Classification	Content	Target Participant/s
Common / Language Training	CJ Group Youniverse (In House Learning, Web) Training (Group Core Competency Training, Etc.)	
	CJ Group Campus Ongoing Training (Mandatory Legal Education)	All Employees
	Language Tutoring (English, Chinese, etc.)	
Specialized Training	Orientation Training (Introduction to Organization and Employee Benefits, Business Strategy and Current Status, Branding Strategy & Drama Marketing Process, Visual Effects (VFX), Intellectual Property (IP) Business, Legal Affairs, Public Relations, Risk Management, Drama Planning and Production, Global Business Strategy, etc.)	New Employees
	Studio Dragon Producer Basic (New PD Job Training) (Understanding of Business and Vision, Department And Role, Fundamentals and Theories Required for PDs, Understanding Drama Production Value Chain, etc.)	New PDs
	Leadership-Specific Training (Competencies in Evaluation and Feedback, Leadership Abilities)	Leadership
	Mini MBA	Core Talent
	Producer Academy	PDs
	Occupational Safety and Health Education	All Employees
Environmental Management Training	All Employees	

PROTECTING AND RESPECTING HUMAN RIGHTS & CULTIVATING A POSITIVE WORKPLACE

Equitable and Inclusive Talent Development

Studio Dragon promotes skill-based fair competition. Studio Dragon offers systematic support for qualified individuals to progress, which is particularly compatible with the goal of fostering ability while respecting diversity. Through its hiring strategies, the company encourages self-directed professional development and provides opportunities for discovering various positions and tasks within the group.

Goal Management and Competency/Career Development

At Studio Dragon, all staff define their own goals and work toward reaching achievements, competences, and career development plans. Established goals are monitored on a regular basis through mentorship sessions with department heads, feedback, and final evaluations.



Creative Support

Studio Dragon operates a B.I+ program, which uses the second and fourth Fridays of each month for trend-catching and insight gathering. During B.I+ Fridays, employees can decide to come to the office freely or engage in various activities outside of the workplace, such as cultural activities and networking.

Furthermore, the company implements the “Creative Week” system for long-term employees, providing both refreshment opportunities and recognition for their years of service. Those eligible for the “Creative Week” program are employees with 3, 5, 7, 10, 15, 20, 25, and 30 years of service, who receive two weeks of paid leave and support funds exceeding KRW 3 million.

Snacks in the Mir Lounge

Every morning, a selection of contemporary snacks is served in the Mir Lounge. Studio Dragon provides trendy snacks for the diverse tastes of its employees, including protein milk and chips for the health-conscious, as well as popular jellies and limited-edition sweets. Seasonal delights such as roasted sweet potatoes, steamed buns, and ice cream are also available throughout the year.



PROTECTING AND RESPECTING HUMAN RIGHTS & CULTIVATING A POSITIVE WORKPLACE

Welfare System for Employees and Flexible Work Arrangements

Studio Dragon operates a comprehensive welfare system for employees, focusing on promoting their well-being and maintaining a balanced life that encompasses lifestyle, leisure, health, and family aspects. We believe that by nurturing various aspects of life, employees can draw inspiration and achieve creative work outcomes. Furthermore, we have a flexible work arrangement policy in place that allows employees to alter their working hours within reasonable bounds, guaranteeing that they work no more than 40 hours per week and allowing for adjustments based on job requirements or personal circumstances.

Classification	Support	Title	Target	Support Details
Leave	Pregnancy/Maternity	Maternity Leave	Pregnant Female Employees and Male Employees with Expectant Spouses	Female: 90 Days / Male: 14 Days
Leave	Pregnancy/Maternity	Infertility Leave	Couples Facing Infertility without Legally Recognized Children Who Have Undergone Artificial or in Vitro Fertilization Treatments	Female: Total of 42 Days / Male: 3 Days per Year
Leave	Childcare	Adoption Leave	Employees Adopting Children	14 Days
Leave	Childcare	Child's School Enrollment Leave	Employees with Children Entering Elementary School, Granted Leave Before and After the Elementary School Entrance Date	Total of 4 Weeks
Leave	Childcare	Family Care Leave	Support for Family Care of Employees Due to Reasons Such as Illness, Accidents, Aging, or Childcare	Maximum 10 Days
Leave	Marriage	Marriage Leave	Employees with Impending Marriages	7 Days
Leave of Absence	Childcare	2nd Year Childcare Leave	Members With Children under the Age of 8 or in Elementary School 2nd Grade Based on the Start Date of Their Leave	Maximum 1 Year
Leave of Absence	Childcare	Spouse Accompaniment Leave	Members with Spouses Scheduled for Overseas Working Assignments, Dispatch, or Studies	Maximum 2 Years
Leave of Absence	Pregnancy/Maternity	Infertility Leave (Leave of Absence)	Women Undergoing Fertility Treatments	Maximum 6 Months
Reduced Working Hours	Pregnancy/Maternity	Prenatal Examination Leave	Female Employees in a High-Risk Pregnancy	2 Hours of Shortened Working Hours per Day
Working Hours	Flexible Working Arrangement	Flextime	Adjusting Working Hours within 1 Day, 8 Hour Working Hours, to Accommodate Work or Personal Circumstances	Ongoing
Working Hours	Flexible Working Arrangement	Flexible Working Arrangements	Adjusting Working Hours by Averaging Over Specific Periods, Ensuring that the Regular Working Hours Do Not Exceed 40 Hours per Week	Ongoing
Working Hours	Flexible Working Arrangement	Optional Working Arrangements	The Select Working System is Introduced as A Flexible Working Arrangement Aiming to Enhance Work Efficiency, Engagement, and Work-Life Balance. Within a 1 Month Calculation Period, Employees Can Freely Choose Their Work Hours While Maintaining Their Regular Work Hours Within a 40-Hour Week	Ongoing

3.

ENSURING SAFETY AND HEALTH

Studio Dragon is committed to ensuring that everyone who works with us can enjoy a safe and healthy environment. In the process of drama planning, production, and management, safety and health are given top priority in decision-making. In the pursuit of this goal, a dedicated team was established in 2022, making Studio Dragon the first domestic production company to do so. This team operates a production safety management system tailored to different forms of drama production. Studio Dragon strives to create sustainable and stable outcomes in a safe workplace for all stakeholders, including employees and partners.



0 Cases

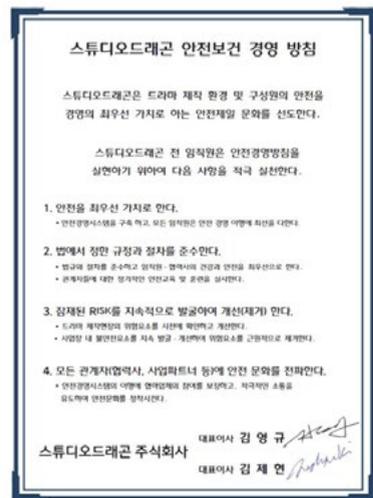
Number of
Occupational
Accidents Involving
Employees in 2022

ENSURING SAFETY AND HEALTH

Overview and Importance of Safety and Health Management

With the implementation of the Serious Accidents Punishment Act enacted on January 27, 2022, stakeholders' focus has shifted to safety and health management. As a result of the Serious Accidents Punishment Act, Studio Dragon has realized the necessity for more specific and detailed safety measures, not only to comply with legislation, but also to ensure accident-free operations on drama production sites. Studio Dragon and its collaborating partners' safety and health management employees recognize the importance of establishing more specific and meticulous safety procedures. Furthermore, ongoing efforts are being made to improve the level of on-site safety management and awareness.

Safety and Health Management Principles



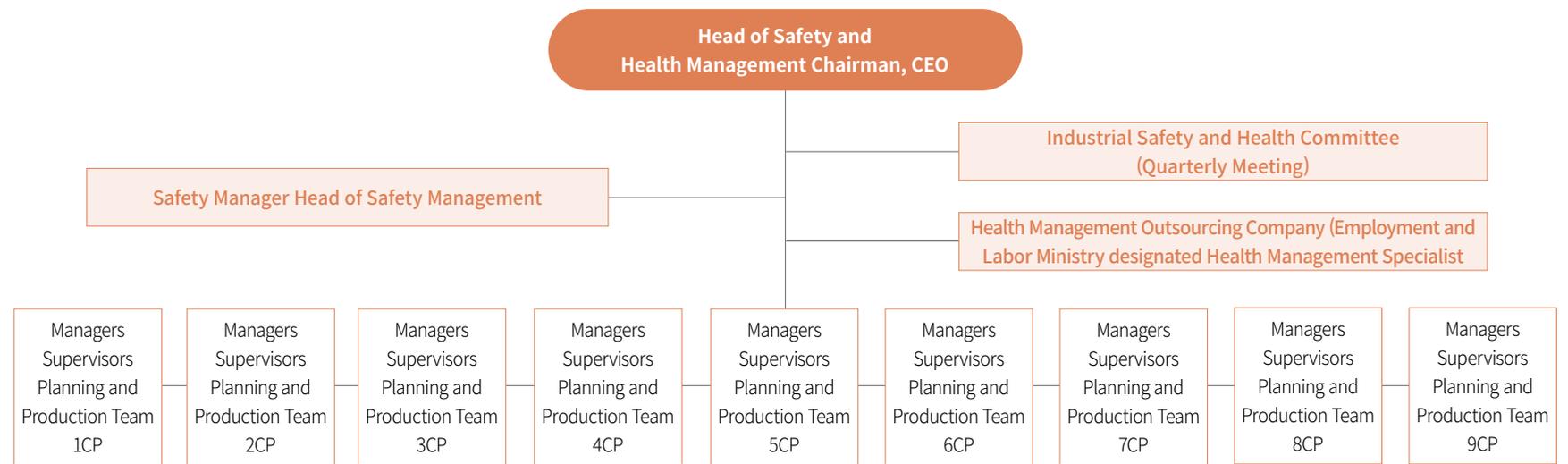
Studio Dragon has put in place a Safety and Health Management Policy and developed both Safety and Health Management Regulations and a Safety Management System Manual to better provide specialized safety and health management on-site.

Safety and Health Management Principles

System of Decision-Making and Execution for Safety and Health Management

Studio Dragon's Industrial Safety and Health Committee, chaired by the Safety and Health Management Officer (CEO), is the highest decision-making body for safety and health management. The committee develops, implements, and administers safety and health management policies, regulations, and oversees both safety and health-related matters. The Industrial Safety and Health Committee, which meets quarterly, contains an equal number of representatives between employees and users, and it discusses and decides on the necessary actions to prevent safety accidents and industrial disasters. The committee's decisions are communicated to employees and on-site staff. In particular, in accordance with the Enforcement Decree of the Serious Accident Punishment Act, routine checks take place at least twice a year to ensure compliance with legal responsibilities related to safety and health. Furthermore, when significant risk factors or occurrences are identified, timely reporting and approval procedures are implemented in order to rectify difficulties. Safety and health consultations with partnering companies are held at least three times for every project on drama production sites, and on-site safety meetings are held as needed to quickly make decisions and implement changes on all safety and health-related issues.

Studio Dragon Safety and Health Organization Chart



ENSURING SAFETY AND HEALTH

Roles and Responsibilities of the Safety Organization

Responsibilities	Task	Decision- Maker
Person-in-charge for Management <ul style="list-style-type: none"> Prevention of Industrial Accidents, Investigation of Incidents, and Measures to Prevent Recurrence, Recording, and Maintenance Matters Related to the Formulation and Amendment of Safety and Health Management Regulations Matters Related to Safety and Health Education Matters Related to Inspection and Improvement of the Work Environment Matters Related to Health Management, Including Health Diagnosis of Workers Matters Related to Risk Assessment Matters Related to Work Stoppage in Case of Accidents, Preventive Measures in Subcontracting Gathering Employee Opinions Consultation, Coordination, and Supervision of the Use of Industrial Safety and Health Management Funds 		CEO, Chief Producer
Management Supervisor <ul style="list-style-type: none"> Inspection and Verification of Safety and Health of Machinery, Equipment, And Facilities Checking and Ensuring the Proper Use and Wearing of Protective Gear and Safety Devices by Employees Under Supervision Reporting and Taking Emergency Measures for Industrial Accidents that Occur During the Respective Tasks Ensuring Cleanliness, Organization, and Clear Pathways in the Workspace Collaborating with Safety Managers, Health Managers, Safety and Health Officers, and Industrial Health Professionals for Guidance and Advice Participating in Identifying Hazardous Risk Factors for Risk Assessment and Implementing Improvement Measures 		Department Head of Production Onsite F/U Production PD
Safety Officer <ul style="list-style-type: none"> Safety Inspections and Improvement Activities at the Production Site Safety Management from Set Installation to Dismantling During Filming Adherence to Production Facility Usage Guidelines Safety Management for Fire and Hazardous Materials Permits and Usage Operation of Safety Meetings and Coordination Bodies Control of Performers and Management of Worker Access 		Onsite F/U Production PD

Industrial Safety and Health Committee

Chairman

Person-in-charge for Safety and Health Management

Members

Employer Members

9 People (Person-in-charge for Safety and Health Management, Safety Management Officer, Health

Employee Members

9 People (Heads of Production Departments)

Responsible Team/Secretary:

Responsible Team/Secretary: Safety Management Team

- Development of industrial accident prevention plans
- Establishment and modification of safety management regulations
- Safety and health education for employees
- Inspection and improvement of working environment, including environmental measurements
- Health management, including health check-ups for employees
- Recording and maintenance of statistics on industrial accidents
- Investigation of causes of serious accidents and formulation of measures to prevent recurrence
- Implementation of safety measures when introducing hazardous or risky machinery, equipment, or systems
- Safety in content production environments
- Addressing other major safety and health-related risk factors, incident resolutions, etc.



ENSURING SAFETY AND HEALTH

Safety and Health Consultation Committee (Partners)

Chairman

Person-in-charge for Safety and Health Management

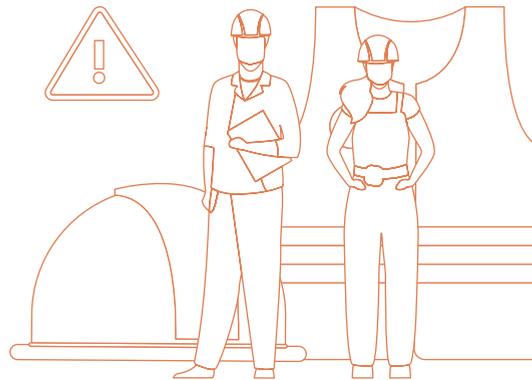
Members

Safety and Health Manager, Representatives from Partner Companies Responsible Team/Secretary: Safety and Management Team

- Discussion about preventing safety accidents for employees and contract workers
- Discussion about starting work hours, communication techniques between work zones, and evacuation protocols in the event of an accident
- Regular inspections of work areas and joint safety and health inspections (conducted by contractors' safety departments and subcontractors' safety staff)
- Safety and health activities at each phase of subcontracted projects

On-site Safety Meetings

- Identification of potential causes of accidents involving human and material resources throughout the production period
- Identification of design-related risks in sets and structures
- Maintaining order and security during filming
- Accident prevention when using heavy machinery and vehicles
- Safety management measures for high-risk activities such as falls, collisions, and cutting activities, as well as safety measures for filming in hazardous areas
- Plans for response and emergency contacts in case of accidents



“Studio Dragon's goal is to establish a proactive safety and health system that adheres to fundamentals, principles, regulations, and standards. Safety and health, which cannot be emphasized enough on-site, can be further reinforced through preemptive and preventive activities. We believe that through transparent communication on-site, we can strive for the elevation and standardization of safety management in the drama production environment, aiming to achieve an accident-free workplace. We will do our utmost to make this vision a reality.”

- Kwang Hee Park, Safety Management Team

Monthly “Safety and Health” Interview

Elevating Competitiveness through Safety, A Force Transforming the Industry

Studio Dragon’s Safety Management Team participated in an interview with “Safety and Health,” a specialized magazine in the safety field. They shared their expertise and experience in creating a safe drama production environment, driving innovation through education and campaigns, expanding the scope of management, and promoting safety awareness.

Team Leader Jin Hyung Lee of the Safety Management Team stated during the interview that the power to transform the drama industry lies in meticulous safety and health management. He promised to continue putting forth he and his team’s best efforts in ensuring safety and health, as this is the foundation for bringing about positive changes in the industry.

Safety Review, May 2023

Team Leader, Safety Management Team,
Studio Dragon
Jin Hyung Lee

*Photo Credit: Safety Review, May 2023



ENSURING SAFETY AND HEALTH

Basic Safety Rules Campaign

Studio Dragon runs a campaign for basic safety rules that targets both production companies involved in drama projects and partnering companies in charge of sets, props, lighting, and other aspects of the production environment. To encourage a culture of reciprocal safety, the organization offers quarterly rewards projects that actively engage in on-site safety management. If any violations of safety guidelines are discovered during on-site inspections, work is suspended until the issues are addressed and rectified, at which time work can resume.

Furthermore, a system is in place in which infractions of specified safety regulations result in sanctions. The goal of this approach is to reduce industrial accidents and promote a safer working environment.

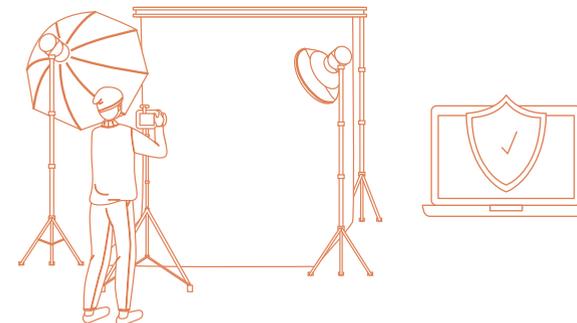


Safety Management at Drama Production Sites

In 2022, Studio Dragon established the Safety Management Team to oversee the entire process of safety management from the planning phase to the production phase of drama projects. The Safety Management Team operates directly under the supervision of the CEO, ensuring that a structured safety management system is in place throughout the entire process of drama production. The team provides support, supervision, and management to collaborating production companies to actively engage in on-site safety management.

Safety Inspection for Drama Production Sites Status

Projects subject to Safety



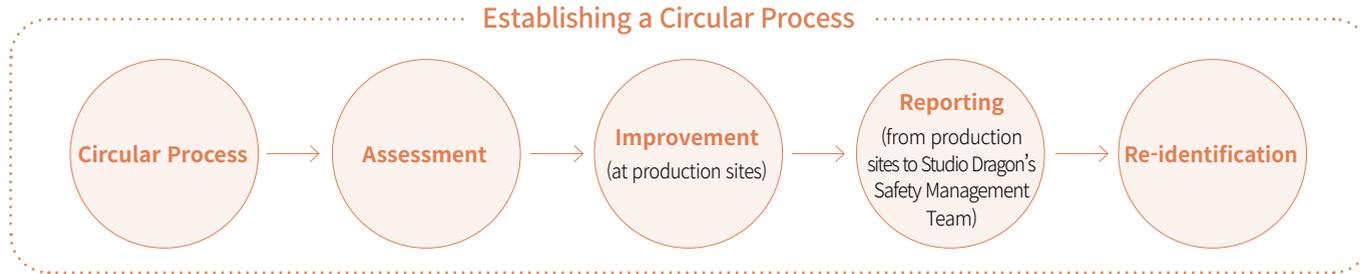
Employee Safety and Health Education

Title	Number of Sessions (Hours)	Number of Participants
Education for the Person-In-Charge of Safety and Health Management	1 (6 hours)	1 (2022)
Regular Safety and Health Education	Every Quarter (2 hours)	130 (2020) 152 (2021) 178 (2022)
Education for Management Supervisors	Once a year (16 hours)	9 (Management Supervisors)
Special Safety and Health Education (MSDS Safety and Health Education)	Providing MSDS for Imported Chemicals, Affixing Warning Labels, Conducting Employee MSDS Safety and Health Education.	

ENSURING SAFETY AND HEALTH

Safety Risk Management Process

Systemic Management

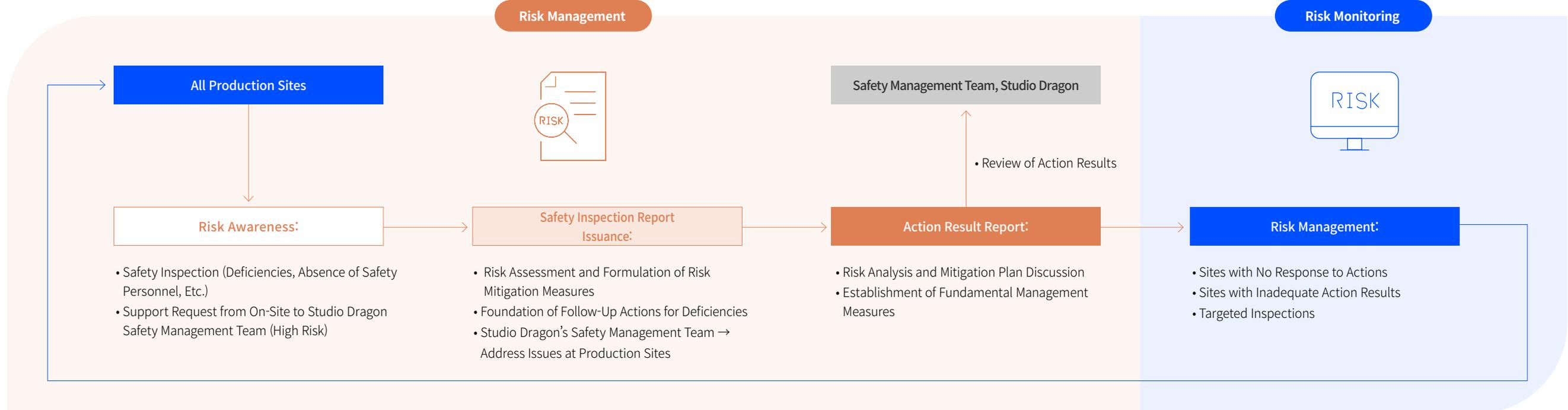


Report Enhancement

Based on on-site inspection analysis, analyze and improve risk in specific areas.

Restructuring to facilitate the identification of shortcomings and the recording of corrective actions

Risk Management



ENSURING SAFETY AND HEALTH

Drama Safety Management Process

Prior to the start of drama production, a Production Safety Meeting and Training is conducted for all production members. The meeting is intended for several important purposes:

- 1 Confirmation of the Following Information for Drama Production
Verification of the Safety Management Budget Allocation, Identification of Responsible PD and Staff Members, Scheduling, Confirmation of Contractual Parties (In-House, Outsourced), Identification of Risk Factors Related to Drama Production, etc.
- 2 Safety Standards Training Consisting of Art, Set Design, Lighting, Props, Production Company, etc., Provided to the Entire Drama Production Staff.

The safety management process during the drama production is divided into two main categories:
Outdoor Filming and Set Filming.

Outdoor Filming

- 1 Before filming, the following preparations are made:
Verification of Insurance Coverage for the Cast and Staff for Injuries, Application for Jurisdictional Permits When Using Roads for Shooting, Pre-Shooting Safety Meeting for Hazardous Scenes (Explosions, Use of Firearms, Stunts, Vehicle Chases, Underwater Shots), etc
- 2 Internal safety checklist inspections are conducted on days of filming and inspection records are saved.

Set Filming

- 1 When the construction progress reaches 50% (1st phase) of the set, a safety inspection is carried out and the following aspects are verified:
Inspection of Fall, Dropping, Electric Shock, and Fire Hazards During Set Installation, Compliance with Safety Measures for High-Risk Tasks (E.G., Working at Heights, Pyrotechnics), and Safety Education, and Condition of Studio-Based Equipment (Fire, Electricity).
- 2 Upon the completion of set construction (2nd phase), a Set Completion Safety Inspection is carried out to perform continuous risk assessments and risk evaluations. These inspections include:
Verification of the Status of Improvements to Non-Compliant Issues, the Safety of the Set Structure, the Grounding and Wiring Installation Status of Lighting and Heating Equipment, Emergency Evacuation Routes, and Organization of the Filming Site During Intermediate Inspection.
- 3 During set filming, safety personnel utilize pre-shooting safety meetings and checklists for pre-shooting inspections, devising risk mitigation measures for potential hazards. These measures are communicated to each and every one of the filming team members so to raise awareness of the risks involved before proceeding with filming.

Safety Management of Partner Companies

Selection and Assessment of Safety-Qualified Partner Companies

Studio Dragon strives to enhance safety management by creating project-specific safety management plans and conducting evaluations. To select partner companies that meet the required safety standards, an evaluation team comprised of the project's CP, responsible PD, and Safety Management Team is formed. The evaluation is based on five key criteria, and companies that meet or exceed the required standards are chosen as partners:

- | | |
|---|---|
| 1 Project Risk Factors and Management Measures | 4 Competency and Professional Conduct of Safety Personnel |
| 2 Safety Education Plan (Safety Personnel, Set Workers, Entire Crew) | 5 Appropriateness of Safety and Health Management Budget Execution Plan |
| 3 Maintenance and Operation of Emergency Contact Network and Fire Response Team | |

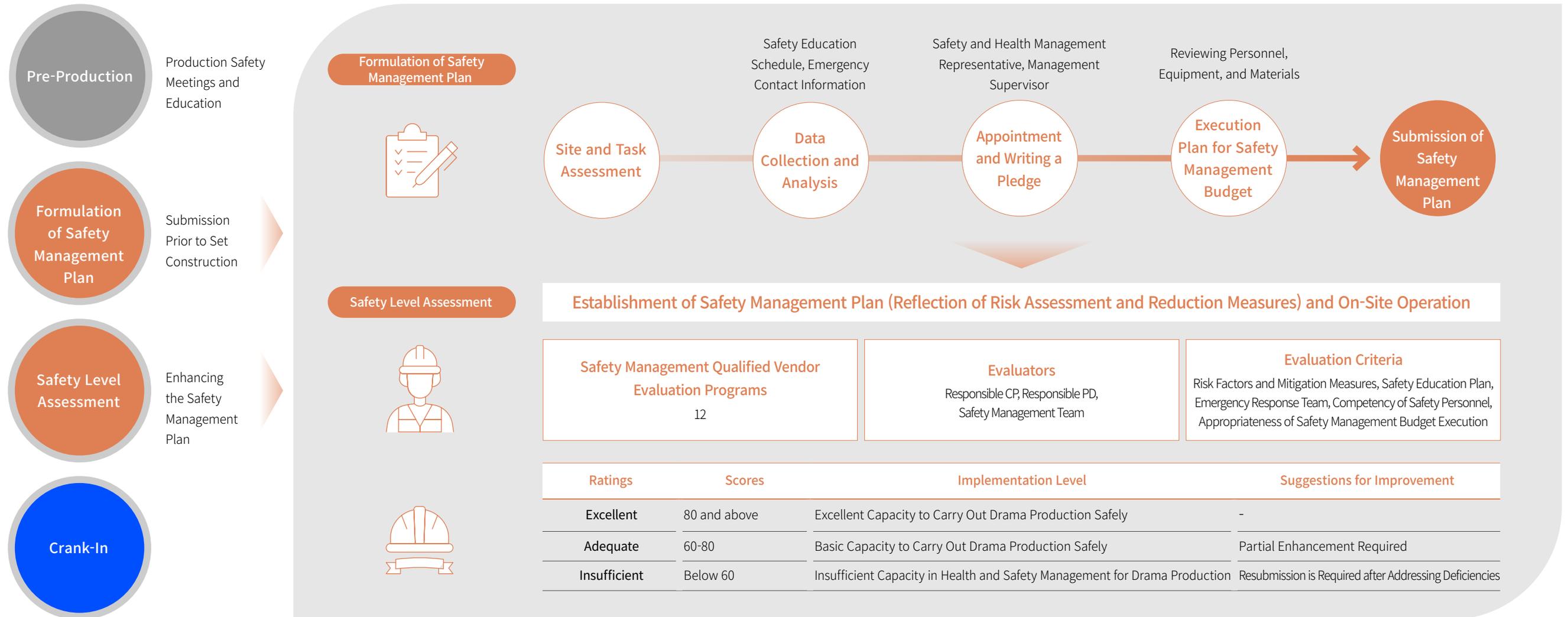
Development and Submission of Safety Management Plan

Studio Dragon establishes a safety management plan for the production site operating with collaboration partners involved in drama production. This plan is formulated during the pre-production phase through safety meetings and education. The safety management plan encompasses five key components, based on the following aspects:

- | | |
|---|--|
| 1 Verification of On-Site and Work Plans | 4 Appointment of Head of Safety and Health Management and Supervisors, along with Team Commitment Statements |
| 2 Incorporation of Mitigation Measures based on Pre-Hazard Assessment | 5 Execution Plan for Safety and Health Management Budget (Personnel, Equipment, Materials) |
| 3 Collection and Analysis of Safety Management Data, including Education Schedule and Emergency Contact Information | |

ENSURING SAFETY AND HEALTH

Development of Safety Management Plan (Incorporating Risk Assessment and Mitigation Measures) and On-Site Operations



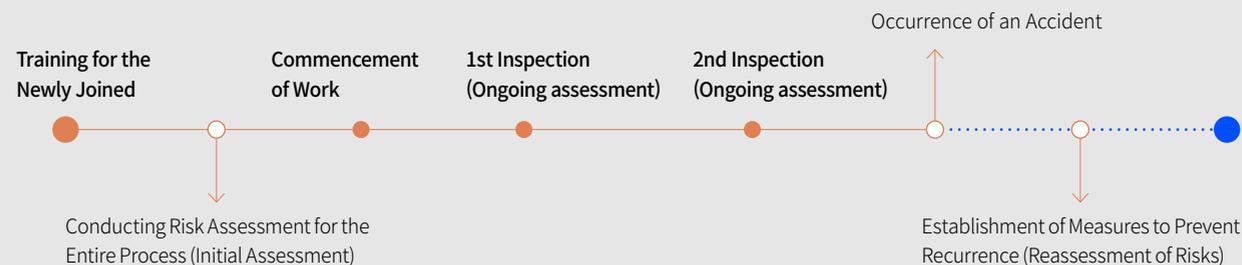
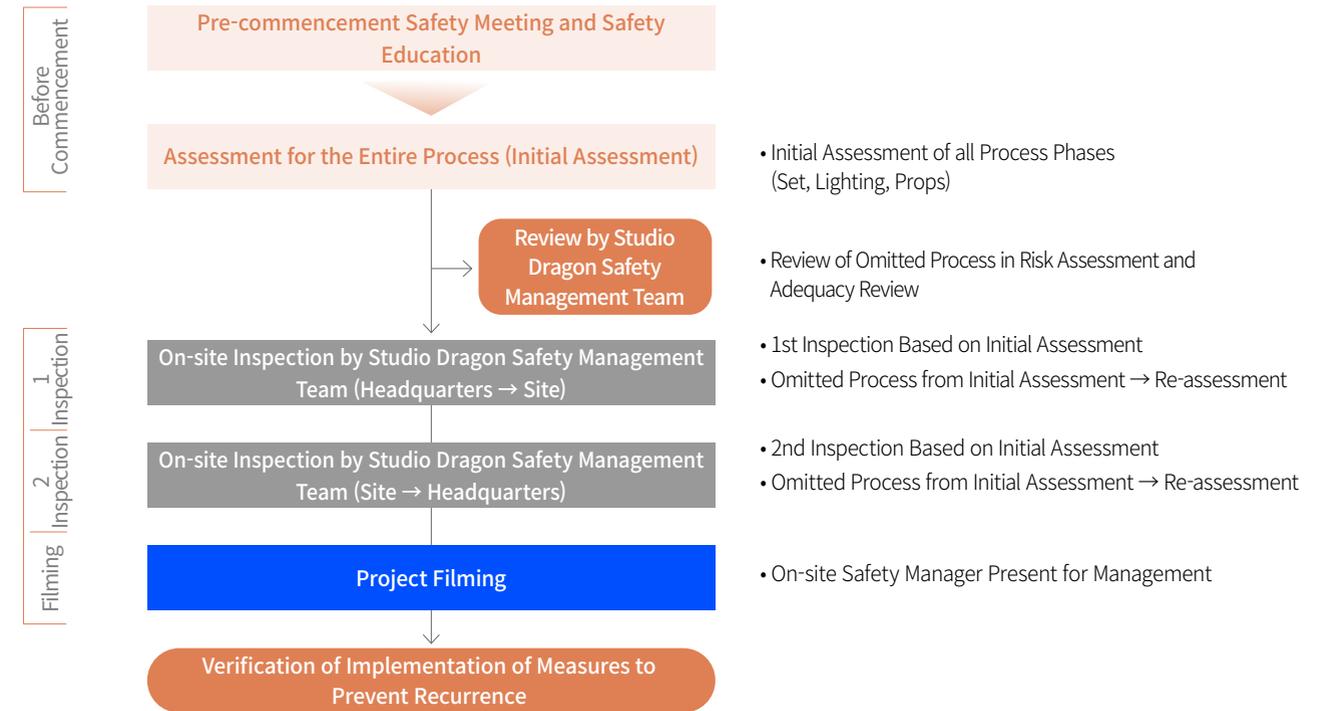
ENSURING SAFETY AND HEALTH

Risk Assessment

Risk Assessment

Purpose	Identifying Harmful Risk Factors in the Workplace, Estimating their Likelihood (Frequency) and Severity (Intensity), and Developing Mitigation Measures
Responsible Parties	<p>Safety Management Personnel: Responsible for Overall Management.</p> <p>Management Supervisor: In Charge of Identifying Harmful Risk Factors and Implementing Improvement Measures, Reviewed by the Safety Management Team</p> <p>Studio Dragon Safety Management Team: Assisting the Business Owner or Management Responsible Person, Guiding and Advising the Management Supervisor</p> <p>Workers in the Target Process: Participating in Identifying Harmful Risk Factors and Developing Mitigation Measures</p>
Relevant Laws and Regulations	<ul style="list-style-type: none"> Article 36 of the Occupational Safety and Health Act (Conducting Risk Assessment) Article 15 of the Enforcement Decree of the Occupational Safety and Health Act (Duties of Management Supervisors) Article 4 of the Enforcement Decree of the Serious Accident Punishment Act (Establishment and Implementation Measures of Safety and Health Management System) <p>→ Legality is determined based on the fact of whether the risk assessment is conducted or not.</p>
Process	Initial Assessment (Before Commencing Work) → Ongoing Assessment (1st and 2nd checks) → Regular Assessment (Within the First Year of Initial Assessment)

Operational Procedures by Stage



Step	Safety Management Team	Production Company
Training for the Newly Joined	Providing Risk Assessment Samples	Conduct Pre-Construction Comprehensive Risk Assessment
1st Inspection	Guidance/Advice	Safety Personnel and Set Team-Lead Risk Assessment
Construction Completion Checks	Guidance/Advice	Safety Personnel/Set Team/Lighting/Props
Occurrence of an Accident	Suggesting Improvement Measures	Perform Risk Reassessment (Relevant Department)

ENSURING SAFETY AND HEALTH

Methodology for Risk Assessment

Risk Estimation

Risk Assessment Risk Matrix	Severity (Intensity) Possibility (Frequency)	High (3 points)	Medium (2 points)	Low (1 point)
	High (3 points)	Class A (9 points)	Class A (6 points)	Class B (3 points)
	Medium (2 points)	Class A (6 points)	Class B (4 points)	Class C (2 points)
	Low (1 point)	Class B (3 points)	Class C (2 points)	Class C (1 point)

Rating and Management Scope

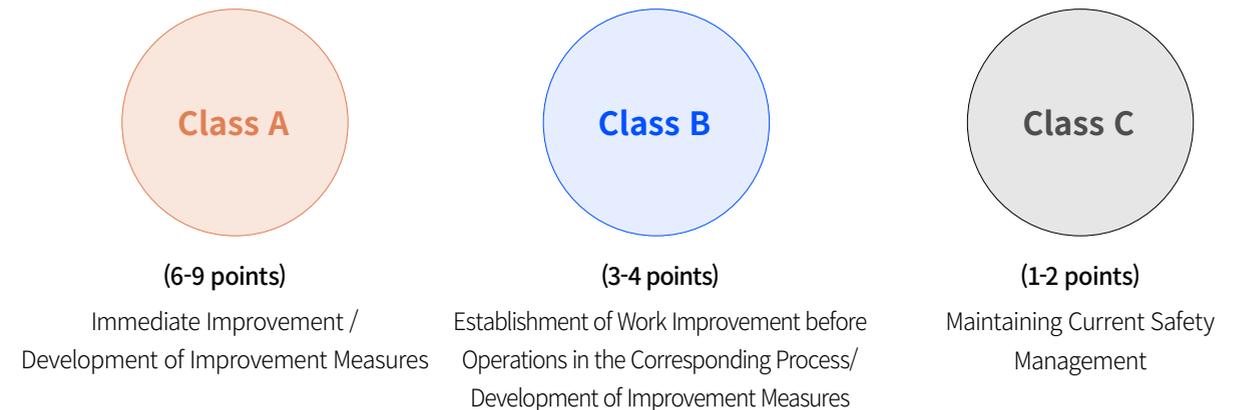
Categorization of Risk Assessment Improvement Items	Risk Level	Class A (6-9 points)	Class B (3-4 points)	Class C (1-2 points)
	Improvement Level	Immediate Improvement	Improvement	Current Status Maintenance

Occurrence Frequency

Risk Level	Assessment Score	Description
Once a Day (Frequent)	3 points	No Hospital Treatment Required
Once a Week (Occasional)	2 points	Possibility Of Accidents With Carelessness
Rarely	1 point	Low Possibility Of Accidents

Severity of Occurrence

Risk Level	Assessment Score	Description
Fatal	3 points	Death or Serious Injury
Major/Moderate	2 points	Multiple Victims, Less than 1 Month of Treatment
Minor	1 point	No Hospital Treatment Required



ENSURING SAFETY AND HEALTH

Employee Health and Healthcare

Studio Dragon provides quarterly health counseling, medical check-ups (one day-off) for employees and their families, and physical training expenses. In addition, we provide support for a portion of medical expenses, including support for children with disabilities, heart disease treatment, and infertility treatment. We also provide opportunities to have a medical consultation with Seoul National University Hospital to reduce the burden on employees due to health problems and allow them to focus on their work. In addition, we provide health counseling, massage chairs and fitness centers, snacks, and free dinners to employees. We also establish an annual health management work plan in collaboration with a specialized health management agency designated by the Ministry of Employment and Labor and select and implement health management priorities.

Key Initiatives for Employee Health and Healthcare

01 Management for Preparation of Serious Accidents Punishment Act	02 Management for Preventing Industrial Accidents and Reporting Prevention of Accidents	03 Post-Care for Employee Health Management
04 Prevention and Management of Musculoskeletal Diseases	05 Risk Assessment Management	06 Management for Preventing Customer Interaction-Related Employee Health Problems
07 Assessment and Management of Job- Related Stress	08 Health Management Through Health Promotion Activities	09 Establishment of an Emergency Medical System

Support for Employee Health and Healthcare

Support Categories	Eligibility	Support Details
Medical Expenses	Studio Dragon Employees	(Nursing) Full Personal Responsibility for Care Allowance ※ However, support is available for non-covered test fees, MRI, CT, and ultrasound examinations if there is a prescription or treatment
Health Check-up	Studio Dragon Employees, Partners, Parents, and Siblings (Comprehensive Health Check Excluding Medical Expenses)	For Oneself and One's Spouse, the Company Provides Support for Medical Check-Ups Additional examination costs beyond company-supported check-ups can be applied for
Physical Training	Studio Dragon Employees	Fitness Center Fees, Fitness Lesson Fees.
Care for Children with Disabilities	Permanent Employees of Studio Dragon Who Have Children with Severe Disabilities	Partial Support for Education and Treatment Expenses for Children with Disabilities ※ Outpatient visits and ambulatory care for recovery are excluded
Heart Disease Treatment Expenses	Studio Dragon's Permanent Employees and their Children Who Need Heart Surgery	Full Support for Costs Incurred from Admission to Discharge for Congenital Heart Surgery, Full Support is Provided Excluding the Contribution Fee, Room Charge, and Excess Meal Costs ※ Outpatient visits and ambulatory care for recovery are excluded
Infertility Treatment Expenses for Couples	Studio Dragon Employees and Partners Who are Legally Married, Childless, and Infertile Couples Who Have Been Diagnosed with the Need for Artificial Insemination or in Vitro Fertilization Procedures	Support for Personal Responsibility Fees for Artificial Insemination and the Excess Amount Beyond the National Health Insurance Corporation's Contribution for in Vitro Fertilization ※ Support is not provided for those who already have a child or children, even if further infertility diagnoses are made



4. STRENGTHENING COMPLIANCE, ETHICAL MANAGEMENT, AND FAIR-TRADE PRACTICES

Studio Dragon will establish a fair and ethical management system, and all employees will practice fair trade with partners.



* Photo Credit: Drama <Little Women>

STRENGTHENING COMPLIANCE, ETHICAL MANAGEMENT, AND FAIR TRADE

Overview and Importance of Strengthening Legal, Ethical Management, and Fair Trade

Studio Dragon is the largest drama production company in Korea, planning, developing, producing, and airing more than 30 shows a year. Despite the explosive growth of the Korean media market, there are still only a handful of major channels that can air dramas, and Studio Dragon is the only production company that can consistently supply its parent company CJ ENM's tvN and OCN, as well as its major partners NETFLIX and Disney+, with a steady stream of productions each year. Therefore, we determined that the structure of the transaction between Studio Dragon and its co-production companies may have ethical vulnerabilities, as it could have a major impact on the production and distribution of dramas.

In response to these concerns, Studio Dragon has established a robust risk management system centered on ethical management and fair trade to build a transparent and equitable drama production ecosystem. We have established an ethical decision-making system and a culture of compliance by operating the Compliance Management Committee, and we have established a management diagnostic system to constantly monitor the unethical behavior of employees. As an industry leader, Studio Dragon will continue to cultivate an ethical culture in the industry with the objective of producing content that is fair and trustworthy.

Principles of Legal, Ethical Management, and Fair Trade

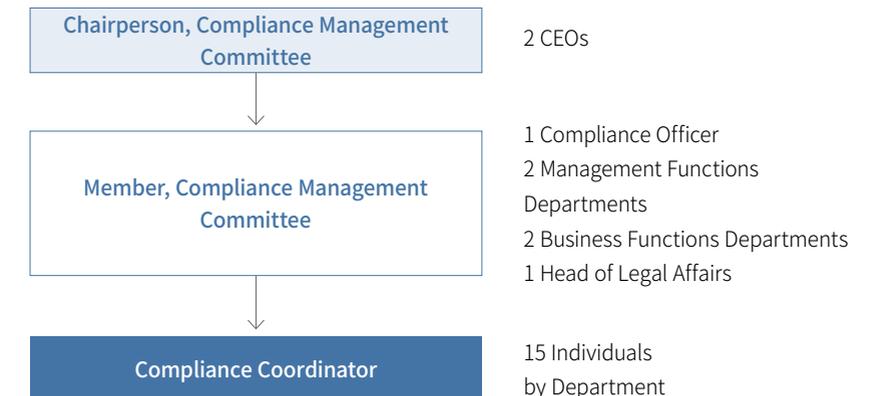


- Fair Trade Best Practices Guide 
- CJ Global Fair Competition Policy 
- Anti-graft Law Compliance Guide 
- CJ Global Anti-Corruption Policy 

To adhere to the fundamental principles of legal compliance, ethical management, and fair trade, Studio Dragon follows a comprehensive approach.

Compliance, Ethical Management, and Fair-Trade Decision-Making and Implementation System

Studio Dragon has instituted the Compliance Management Committee, an internal advisory body, to discuss compliance management issues in a more multifaceted and in-depth manner. The Compliance Management Committee is composed of two co-chairpersons, a compliance officer, and five compliance management members at the level of department head within each department. Additionally, Studio Dragon has implemented the Compliance Coordinator System to promote a unified approach to compliance management within the corresponding department. This system promotes active engagement from employees and aims to reach consensus on compliance practices. Compliance Coordinators are designated and operate in each department and are responsible for risk identification and compliance control through constant compliance control monitoring within the respective departments.



STRENGTHENING COMPLIANCE, ETHICAL MANAGEMENT, AND FAIR TRADE

Fostering a Culture of Compliance

Studio Dragon commits to instilling a sense of legal consciousness among each individual member and endeavors to cultivate a culture of compliance. To achieve this, Studio Dragon conducts mandatory annual corporate compliance training for all employees and periodically provides tailored training sessions addressing compliance risks and prevention measures. Furthermore, Studio Dragon publishes a compliance newsletter on a bi-monthly basis to simplify understanding of legal cases relevant to drama production for employees. Also, the company shares messages regarding legal management during company communication days and workshops that involve the participation of the entire workforce.

Annual Mandatory Legal and Ethical Education

Area	Host	Number of Education	Support Details
Integrity	CJ Corporation	Once a year	Honesty for All
Gender Equality	CJ Corporation	Once a year	'Into the Case' by Attorney Soo-ho Son – Sexual Harassment Prevention Education
Diversity	CJ Corporation	Once a year	Improving Awareness of Diversity in the Workplace
Information Security	CJ Corporation	Twice a year	CJ Group Information Security Education
Workplace Harassment	CJ Corporation	Twice a year	Prevention of Workplace Harassment with Jae-joon Kang and Eun-hyung Lee
Gender Equality	Studio Dragon	Once a year	Mandatory Compliance Education
성평등	CJ Corporation	Once a year	'Talk About Sexual Harassment Prevention' – to Avoid Uncomfortable Situations

Anti-Corruption/Fair Trade

As a member of the CJ Group, Studio Dragon follows and implements CJ's management philosophy. Also, it provides annual training sessions for its employees. In addition, the Code of Conduct and CJ's Promise are clearly stated on its website, and the company has published an ethical management policy including a fair-trade guide.

Given the fact that Studio Dragon's position is the number one drama production company in the industry with its key role in planning channels such as tvN and OCN, there is a potential risk of challenges in ethics in the relationship with drama production partners, and it is very important to prevent such incidents. To this end, the Human Resources Department and the Corporate Audit Team conduct the Honesty for All and Creating a Healthy CJ training sessions for new joiners and employees every year. This training is related to 'honesty' in CJ's management philosophy, and in particular, it covers corruption prevention, including the prevention of unauthorized solicitation. In addition, we have separately organized Honesty for New Producers in consideration of the company's industry, and have been providing sessions since 2021. On one hand, we have been distributing guides, including guidelines for employee behavior during holidays, since 2021. On the other hand, we provide training sessions for employees. Studio Dragon has also conducted promotional and marketing activities, such as creating QR promotional materials for the whistle-blowing system and posting them in the workplace to enhance accessibility and usability of the channel for stakeholders.



Studio Dragon Website – Code of Ethics



CJ Online Reporting System



CJ Code of Business Conduct

STRENGTHENING COMPLIANCE, ETHICAL MANAGEMENT, AND FAIR TRADE

Compliance Management Diagnostics

Studio Dragon’s Corporate Audit Team maintains its independence as a body directly under the CEO and conducts regular and irregular audits of employees and subsidiaries in accordance with the ‘CJ ENM Entertainment Sector Audit Regulations’ of its parent company, CJ ENM. It also manages and prevents risks that may arise during drama production and operates a reporting system to monitor irregularities.

Regular and Ad Hoc Audits

Regular audits are conducted in accordance with the annual audit plan, while ad hoc audits are conducted on an as-needed basis based on reports from employees and all stakeholders

Reporting System

Studio Dragon’s Corporate Audit Team utilizes the CJ Group Integrated Reporting System operated by CJ Corporation and K Whistle, an external reporting channel operated by the Korea Institute of Corporate Ethics and Management, to receive reports on fraud, irregularities, grievances of suppliers, and unfair trade practices. In accordance with the Group Reporting System Operation Policy, the identity of all reporters is treated anonymously, and all reported contents are kept under strict security.

Reporting Process

CJ Online Reporting System



5.

REDUCING WASTE GENERATION AND EMISSIONS & ENCOURAGING CIRCULARITY AND REUSE OF RESOURCES

In the course of Studio Dragon's drama production, waste is generated. The predominant materials used in drama sets are wood and scrap metal, which are often not recycled or reused after filming. Studio Dragon will continue to reduce waste generation and emissions by maximizing set reuse and recycling and making full use of virtual production.

KRW **5** billion

Reusing Drama Sets for
Tourism in 2022:
Set Donations



REDUCING WASTE GENERATION AND EMISSIONS & ENCOURAGING CIRCULARITY AND REUSE OF RESOURCES

Overview and Significance of the Issue

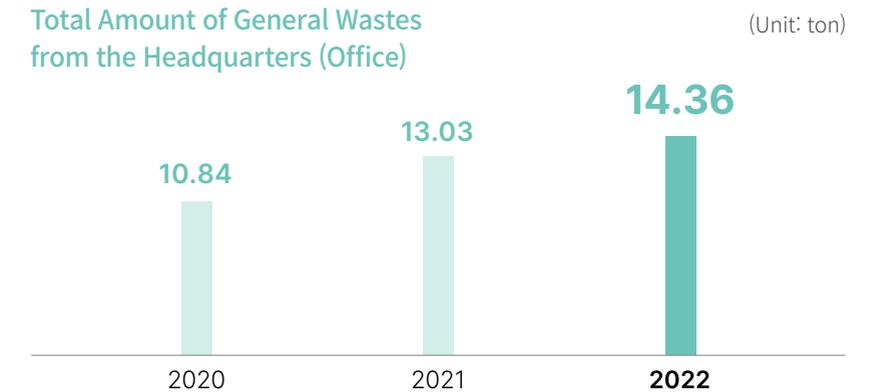
Studio Dragon is actively expanding resource circulation and reuse throughout the entire business value chain to prevent and reduce waste generation. A significant amount of waste is generated within Studio Dragon's business value chain during the process of constituting sets necessary for drama production and discarding sets accordingly. Various types of waste are created, including household waste (appliances, furniture, clothing), construction waste (construction debris), workplace waste (wood waste, scrap metal), and hazardous waste (asbestos and liquid waste). Due to the characteristics of drama production, a significant amount of the waste cannot be reused. As the production scale continues to expand, the scope of waste generated also increases, presenting an important issue.

Principles of Waste Handling and Management

Studio Dragon adheres to the waste management policy of the building it occupies in accordance with Article 13 of the Waste Management Act, which pertains to waste handling standards. Studio Dragon adheres to the Waste Management Policy of the building it occupies in accordance with Article 13 of the Waste Management Act, which pertains to waste handling standards. Through the establishment of an Environmental Management System and Certification (ISO 14001) as a foundation for environmental operations and compliance assessment processes, waste is managed and handled by outsourced companies.

Waste Generation and Handling Status

As of 2022, the waste emissions from Studio Dragon's headquarters amount to approximately 14 tons, which is relatively low compared to other industries. Nevertheless, efforts are being made to reduce waste generation through activities such as waste separation and the use of personal tumblers. At drama filming sites, waste generated after filming is entrusted to certified waste management professionals who categorize and manage it through recycling and reuse. Also, a project is being planned with the aim to minimize waste by resource circulation and reuse.



Waste Reduction Goals and Implementation Strategies

The waste reduction goals and implementation strategies for the short-term (by 2025) and medium-to-long-term (by 2030) are outlined below.

Goal



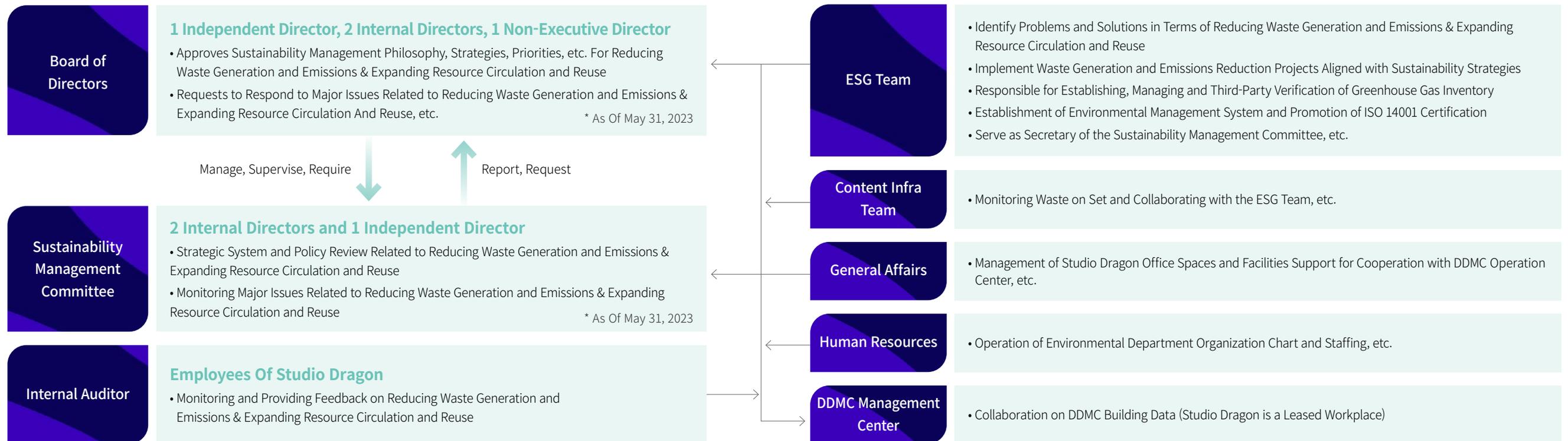
Action Plans



REDUCING WASTE GENERATION AND EMISSIONS & ENCOURAGING CIRCULARITY AND REUSE OF RESOURCES

Decision-making and Implementation System

Studio Dragon’s decision-making and implementation systems related to reducing waste generation and emissions and expanding resource circulation and reuse are as follows. The Board of Directors is the highest decision-making body and approves the sustainability management philosophy, strategy, and priorities for reducing waste generation and emissions and expanding resource circulation and reuse. The Sustainability Management Committee, consisting of three members of management and independent directors, deliberates on the strategic system and policies for the issue. The ESG Team considers issues and solutions that may arise, and implements waste generation and emissions reduction projects in conjunction with the sustainability management strategy. The ESG Team also serves as the secretary of the Sustainability Management Committee by establishing an environmental management system and obtaining ISO 14001 Certification.



REDUCING WASTE GENERATION AND EMISSIONS & ENCOURAGING CIRCULARITY AND REUSE OF RESOURCES

Drama Set Recycling/Disposal Process

Studio Dragon produces around 30 dramas per year. As the quality and scale of our productions increases, the amount of set waste increases as well, which may have a negative impact on environment pollution and waste generation. Studio Dragon commits to reduce the amount of waste generated by reusing waste generated during the drama production process as much as possible and minimizing the installation and dismantling of physical sets.

<p>Transition to Tourist Attractions</p> <p>Execution of the Conversion of Drama Sets into Tourist Attractions after their Use in Productions</p>	<p>Partial Recycling</p> <p>Implementation of Partial Recycling of Props, Wood, Metal, Construction Waste, and Other Materials</p>	<p>Emission / Disposal</p> <p>Collaborations with Waste Disposal Companies for Selective Emissions and Proper Disposal of Wastes</p>	<p>Location Filming</p> <p>Minimization of Building Sets with the Use of Location Shoots</p>
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 <p>100% Recycling</p>	 <p>Partial Recycling</p>	 <p>Emission / Disposal</p>	 <p>Location Filming</p>
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Reusing Drama Sets for Productions

- Drama <Alchemy of Souls> (2021-Present)
- Drama <Song of the Bandits> (2021-Present)

Reusing Set Structures

- Props
- Wood, Metal
- Construction Waste, etc.

Collaboration with Waste Disposal Companies

- Household Waste
- Construction Waste
- Business Waste

Using VFX and Location Filming

- Utilizing VFX Technology and Location Filming to Minimize Physical Set Constructions

Using VFX Technology and Minimizing Physical Set Construction

Visual Effects (VFX) refers to the technology that creates visual effects in drama that do not exist in the real world. By minimizing physical set construction, VFX studios can use LED media walls to bring a scene to life, reducing the amount of waste that can be created during production.



REDUCING WASTE GENERATION AND EMISSIONS & ENCOURAGING CIRCULARITY AND REUSE OF RESOURCES



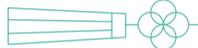
* Photo Credit: Mungyeong City

<Alchemy of Souls> Set Transforms Mungyeong into a Tourist Attraction

The filming location for the drama <Alchemy of Souls> was an unauthorized dumping ground where 52,750 tons of waste was piled up, exceeding the permitted storage limit of 4,000 tons. In August 2021, Studio Dragon signed a business agreement with Mungyeong City and installed an open set (2,294 square meters) for the drama, which was inspired by the Sorabol, Silla. Through this collaboration, Mungyeong City received the Ministerial Award from the Ministry of Interior and Safety at the 2022 Korea Local Finance Awards. Through this collaboration, Mungyeong City promoted the city with the exposure of Mungyeong City subtitles in every episode of <Alchemy of Souls>, more than 80 media reports, and promotion of local specialties through live commerce broadcasts using drama IPs.



<Alchemy of Souls> Filming Set Tourist Attraction Operation Plan

 <p>Operating a traditional flea market</p>	 <p>Selling Mungyeong specialties</p>	 <p>Providing a special experience zone with making props for reincarnation dramas</p>	 <p>Opening a cafe street in the filming site</p>
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Location Filming to both Reduce Waste and Maximize its Use for Location Tourism



Twenty Five Twenty One

Many scenes of the drama <Twenty Five Twenty One> were filmed in Jeonju. The filming locations, including Jeonju Hanok Village, Seohak-dong Art Village, and the National Intangible Heritage Center, were introduced as major tourist attractions, increasing the number of tourists and contributing to the promotion of the local community through media coverage.

* Source: Korea Tourism Organization



Hotel Del Luna

One of the filming locations for the drama <Hotel Del Luna>, Seoul CHEAKBOGO is located in Songpa-gu, Seoul. As the nation's first large-scale public used bookstore opened by the Seoul Metropolitan Government, Seoul CHAEBOGO is a cultural space with a total of 130,000 books, including independent publications and donated book collections. Since the drama aired, it has contributed to the revitalization of the local economy, with cumulative visitors reaching 173,000 in five months (as of 2019).

* Source: Yonhap News Agency



Mr. Sunshine

The Korea Tourism Organization designated 'Sunshine Land' in Nonsan, where the drama <Mr. Sunshine> was filmed, as a tourist landmark and developed tourism products in conjunction with surrounding tourist attractions. 'Sunshine Land', an area of about 10,000 square meters where the drama was filmed, was used as a representative tourist destination for the Republic of Korea and was visited by many foreign tourists.

* Source: Korea Tourism Organization



Hometown Cha-Cha-Cha

The popularity of the drama <Hometown Cha-Cha-Cha> which was filmed in Pohang, has led to a surge in the number of tourists visiting the city. The 'Gaetcha Course,' a tourist course that connects the main filming locations of the drama with surrounding attractions, was planned to revitalize local commerce and contribute to the resurgence of the stagnant tourism industry.

* Source: Gyeongbuk News

Sustainable Reuse of the Set for the Drama <When the Stars Gossip>

The upcoming drama <When the Stars Gossip> is a science fiction series set in space. During the production process, spacecraft and space base sets modeled after real space stations in the United States, Russia, and elsewhere were built and utilized. The sets incurred costs in both the production and disposal process, and in particular, about 12 tons of waste (scrap metal, waste wood, etc.) are expected to be created. To protect the environment and reduce costs, Studio Dragon plans to recycle the set and use it as a filming location for upcoming drama, entertainment, etc. or for tourism purposes.



* Photo Credit: Drama <When the Stars Gossip>



“

We have found ourselves contemplating the reuse of drama props and sets used during the production of the drama <When the Stars Gossip>. We hope that our efforts to reduce waste generated during the content production process can contribute to the creation of a sustainable content industry.

Seul-gi Oh, 8CP Producer

”

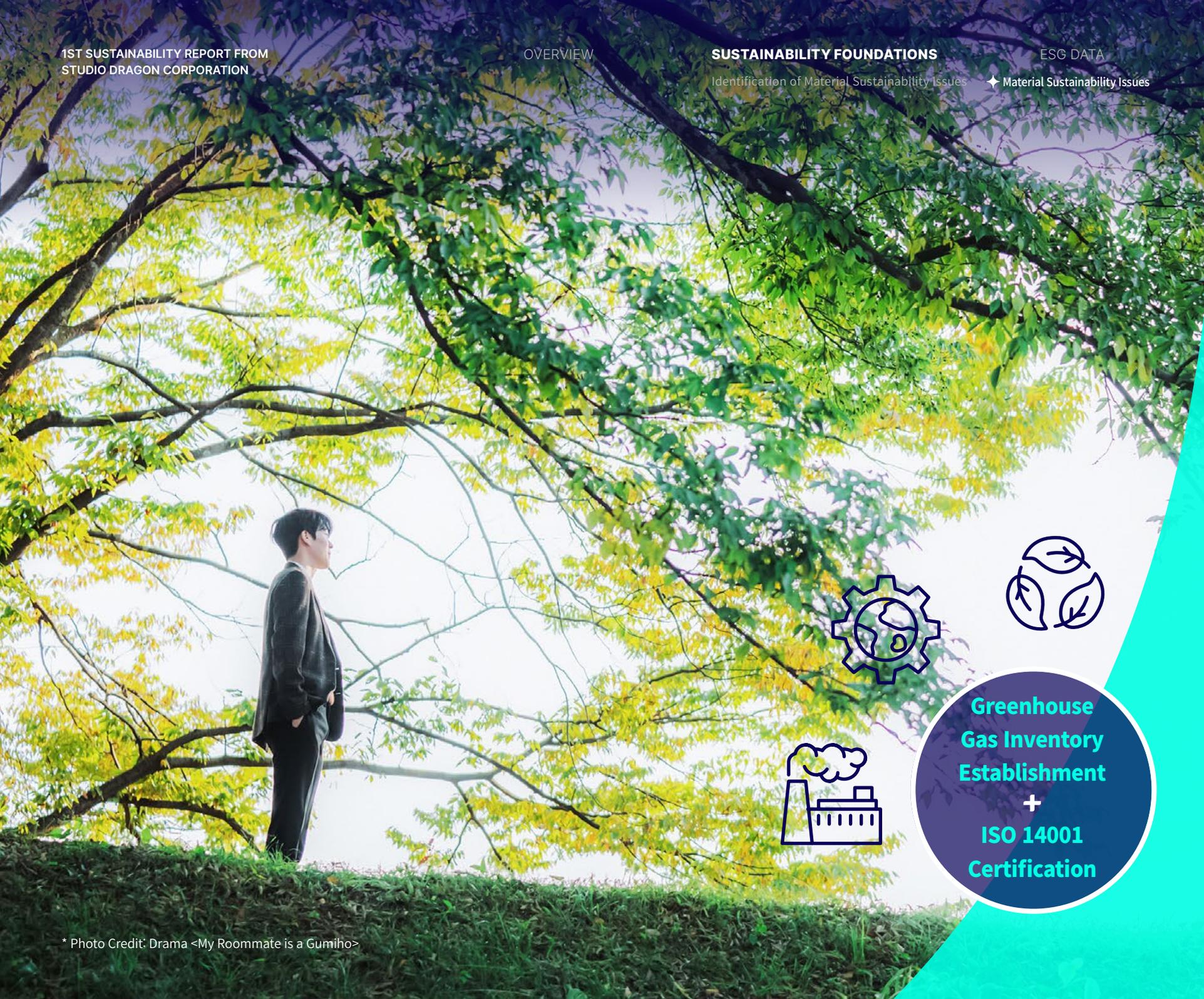
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In collaboration with the production team of <When the Stars Gossip>, we have engaged in discussions to transform our drama set into a sustainable resource, contributing to waste reduction efforts. Moving forward, we aim to devise and implement distinctive strategies that enable the utilization of drama sets for resource sustainability.

Sung Hyun Kim, Content Infra Team

”





**Greenhouse
Gas Inventory
Establishment
+
ISO 14001
Certification**

6. MINIMIZING GREENHOUSE GAS EMISSIONS AND ENERGY MANAGEMENT & ESTABLISHING AN ENVIRONMENTAL MANAGEMENT SYSTEM

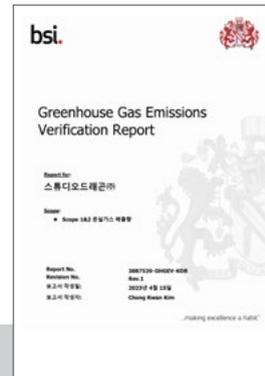
Studio Dragon recognizes the significant adverse impact of climate change caused by the increased greenhouse gas emissions, not only on global sustainability but also on our corporate operations and businesses. In response to this, as the first step to reduce greenhouse gas emissions, we have established and verified a greenhouse gas inventory. We have obtained ISO 14001 Environmental Management Certification to elevate our environmental management practices and systematically implement them, aiming to enhance our overall environmental performances.

MINIMIZING GREENHOUSE GAS EMISSIONS AND ENERGY MANAGEMENT & ESTABLISHING AN ENVIRONMENTAL MANAGEMENT SYSTEM

Overview and Significance of the Issue

Global warming due to increased greenhouse gas emissions is having a significant impact on not only Studio Dragon but also the entire planet. In particular, uncertainties caused by environmental issues have a significant impact on corporate sustainability management. Therefore, efforts are needed to reduce greenhouse gas emissions by promoting energy efficiency and implementing an environmental management system. Studio Dragon seeks to achieve ‘Net-Zero’ by 2050 through the implementation of energy use efficiency and direct and indirect investment in new and renewable energy generation as well as the continuous reduction of greenhouse gas emissions.

Greenhouse Gas Inventory Establishment and Verification



Studio Dragon has established a greenhouse gas emissions inventory for the years 2020 to 2022, covering Scope 1 and Scope 2 emissions from our headquarters. Through processes including document review, site audits, corrective actions for identified issues, and issuance of a verification report, we have successfully completed a third-party verification of the inventory.

“ We recognize that environmental issues such as increased greenhouse gas emissions can have a significant impact on Studio Dragon’s business operations. In addition to managing emissions through the establishment of a greenhouse gas inventory, we will do our best to identify risks and opportunities related to climate change and carbon neutrality, and to establish and disclose the financial impact on business operations and response strategies. ”

Sung Ho Jang, CFO

Greenhouse Gas Emissions Reduction Goals and Strategies

Greenhouse Gas Emission	Goal	Details
Short Term (by 2025)	Scope 1, 2 Greenhouse Gas Emissions Reduction	<ul style="list-style-type: none"> Establishment of a Greenhouse Gas Inventory Attainment of ISO 14001 Certification Setting Greenhouse Gas Emission Reduction Targets Development of Guidelines for Greenhouse Gas and Other Environmental Indicators Utilization of Eco-Friendly Production Environments, Energy Conservation Campaigns (Everyone Saves Green Dragon Follow-Up Season)
Mid Term (by 2030)	Scope 1, 2, 3 Greenhouse Gas Emissions Reduction and Carbon Neutrality Promotion, Eco-Friendly Set Construction	<ul style="list-style-type: none"> Achievement of RE100 Through Green Premium/REC Purchases Replacement of Business Vehicles with Electric Vehicles ISO 50001 (Energy Management System) Certification Increased Utilization of Renewable Energy Promotion of Carbon Neutrality Establishment and Operation of Eco-Friendly Set
Long Term (by 2050)	Net-Zero Promotion	<ul style="list-style-type: none"> Achievement of Net-Zero Emissions Direct/Indirect Investment in Renewable Energy Generation

Employee Energy Conservation Campaign

Studio Dragon is conducting an energy conservation campaign which involves employee participation. 1 Separate waste disposal, 2 Use of tumblers, 3 Reduction of paper usage, 4 Reduction of water usage, 5 PC in sleep mode during lunchtime and 6 Unplugging of unused appliances are some of the activities to save energy in the course of business.

ESGD(EVERYONE SAVES GREEN DRAGON) 시즌 1 “함께 아끼는 에너지만큼 스튜디오드래곤이 더 커집니다.”

에너지 절약, 이것만은 꼭!



분리
배출하기



개인 텀블러
사용하기



종이 사용
줄이기



물 사용
줄이기



점심시간
PC절약모드



미사용 전자기기
플러그 뽑기

전력 소비 감축을 위해 17층은 평일 밤 11시부터 오전 5시,
주말 내내 소등할 계획입니다.

(출입문 옆 스위치를 통해 필요시 상시 점등 가능)

ESG 관련 캠페인 아이디어 언제든지 환영합니다!
궁금한 사항은 ESG팀에 문의하세요.

ISO 14001 Certification

ISO 14001 (Environmental Management System) Certification is an international standard for environmental management systems that can be applied to all industries and activities.

Studio Dragon obtained the certification in June 2023 for a better company's ESG management practice by establishing an environmental management system that meets international standards and minimizing potential environmental risks associated with any violation of domestic and international environmental laws and regulations. We will devise to establish a strategy that balances socio-economic needs for environmental protection and pollution prevention and implement it in line with the PDCA (Plan, Do, Check, Action) management cycle. We will also invite all employees to participate in the process to manage corporate environmental issues effectively.



Expanding the Use of Energy-efficient and Eco-friendly Studios

The CJ ENM Studio Center is equipped with LED lights, high-efficiency transformers, remote meter reading, and an automatic lighting control system to optimize energy efficiency. Studio Dragon films exclusively at CJ ENM Studio Center and will continue to increase the amount of filming at this eco-friendly studio in the future to reduce energy usage in the content production process.



* Photo Credit: CJ ENM

ESG DATA

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ESG DATA SHEET

Economic

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes	
Annual Total Compensation Ratio								
2-21	Annual Total Compensation Ratio	The Ratio of the Annual Total Compensation for the Organization's Highest-Paid Individual to the Median Annual Total Compensation for All Employees (Excluding the Highest-Paid Individual)	%	924.90	875.87	902.74	Reference: Seventh Annual Business Report - VIII. Executives and Employees - 2. Remuneration for Directors, etc.	
		The Ratio of the Percentage Increase in Annual Total Compensation for the Organization's Highest-Paid Individual to the Median Percentage Increase in Annual Total Compensation for All Employees (Excluding the Highest-Paid Individual)	%	450	1370	785		
Economic Performance								
201-1	Direct Economic Value Generated and Distributed	Direct Economic Value Generated (Separate Standard)	Sales	KRW 100 million	4,986	4,555	6,199	
			Operating Profit	KRW 100 million	433	529	558	
			Net Income	KRW 100 million	282	372	427	
		Economic Value Distributed (Separate Standard)	SG&A Expenses	KRW 100 million	147	182	236	
			Interest Expense	KRW 100 million	4	6	48	
			Employee Payroll	KRW 100 million	176	221	260	
			Income Taxes	KRW 100 million	97	131	58	
			Donations	KRW 100 million	6.53	3.20	0.80	
			Economic Value Retained (Separate Standard)	Total Assets	KRW 100 million	7,269	8,482	10,580
				Total Liabilities	KRW 100 million	1,282	1,782	4,223
Total Equity	KRW 100 million	5,986		6,700	6,357			
201-4	Financial Assistance Received from Government	Tax Relief and Tax Credits	KRW 100 million	83	86	175		
		Subsidies	KRW 100 million	0	0	0		
		Investment Grants, Research and Development Grants, and other Relevant Types of Grant	KRW 100 million	0	0	0		
		Awards	KRW 100 million	0	0	0		
		Royalty Holidays	KRW 100 million	0	0	0		
		Financial Assistance from Export Credit Agencies (ECAs)	KRW 100 million	0	0	0		
		Financial Incentives	KRW 100 million	0	0	0		
Other Financial Benefits Received or Receivable from Any Government for Any Operation	KRW 100 million	0	0	0				

ESG DATA SHEET

Economic

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes	
Market Presence								
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Male	%	162	176	157	Minimum annual wage as of the end of year ÷ 12 ÷ statutory minimum wage for the year	
		Female	%	140	137	139		
202-2	Proportion of Senior Management Hired from the Local Community	-	%	75	75	75	*(Number of senior-level managers who are Korean nationals ÷ Number of senior-level managers employed in the Republic of Korea)x100 / * Scope of senior-level managers: 2020, 2021: Registered Executives (2 co-CEOs), Unregistered Executives (1 Managing Director), Registered Executive (1 Other Non-Executive Director) 2022: Registered Executives (2 co-CEOs), Unregistered Executives (1 advisor), Registered Executive (1 other Non-Executive Director)	
Procurement Practices								
204-1	Proportion of Spending on Local Suppliers	-	%	100	100	100	Our primary business site and supply chains are located in the Republic of Korea	
Anti-Corruption								
205-1	Operations Assessed for Risks Related to Corruption	-	Number/ %	1	1	1	Completed Regular Audit for the Headquarters of Studio Dragon	
			%	100	100	100		
205-2	Communication and Training About Anti-Corruption Policies and Procedures	Total Number and Percentage of Employees that the Organization's Anti-Corruption Policies and Procedures have been Communicated to	Decision-Making Body	Person	0	3	3	Those in the Decision-Making Process : Full-Time Executives Registered Executives (2 co-CEOs), Non-Registered Executive (1 Managing Director) 2022: Registered Executives (2 co-CEOs), Unregistered Officer Executives (1 Advisor)
			Employee	%	0	100	100	
			Decision-Making Body	Person	2	2	1	
			Employee	%	66.67	66.67	33.33	
			Decision-Making Body	Person	119	122	143	
			Employee	%	85.61	73.05	79.01	
205-3	Confirmed Incidents of Corruption and Actions Taken	Total Number and Nature of Confirmed Incidents of Corruption	Case	0	1	5		
		Total Number of Confirmed Incidents in Which Employees were Dismissed or Disciplined for Corruption	Case	0	0	0		
		Total Number of Confirmed Incidents when Incidents when Contracts with Business Partners were Terminated or Not Renewed Due to Violations Related to Corruption	Case	0	0	0		
		Public Legal Cases Regarding Corruption Brought Against the Organization or Its Employees During the Reporting Period and the Outcomes of Such Cases	Case	0	0	0		

ESG DATA SHEET

Economic

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes
Anti-competitive Behavior							
206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	-	Case	0	0	0	
Tax							
		Revenues from Third-Party Sales	KRW 100 million	2	0	0	
		Revenues from Intra-Group Transactions with other Tax Jurisdictions	KRW 100 million	27	22	32	
		Profit/Loss before Tax	KRW 100 million	380	503	486	
		Tangible Assets other than Cash and Cash Equivalents					
		Acquisition Cost	KRW 100 million	63	66	72	
		Accumulated Depreciation	KRW 100 million	17	14	25	
		Book Value	KRW 100 million	47	52	47	
		Corporate Income Tax Paid on a Cash Basis	KRW 100 million	0	0	26	
		Corporate Income Tax Accrued on Profit/Loss	KRW 100 million	83	87	200	
		Reasons for the Difference between Corporate Income Tax Accrued on Profit/Loss and the Tax Due If the Statutory Tax Rate is Applied to Profit/Loss before Tax	Video content tax credit and foreign tax credit, etc				
207-4	Country-by-Country reporting						Reference: Seventh Annual Business Report - III. Financial Matters - 4. Financial Statement Notes

ESG DATA SHEET

Environment

GRI No.	Indicator	Detailed Index		Unit	2020	2021	2022	Notes
Energy								
302-1	Energy Consumption within the Organization	Energy Sources	Total Fuel Consumption from Non-Renewable Sources	TJ	7.85	8.70	9.55	
			Total Fuel Consumption from Renewable Sources	TJ	0	0	0	
		Energy Consumption	Electricity	TJ	6.31	6.85	7.84	
			Mobile combustion	TJ	0.26	0.41	0.31	
			Heating/steam	TJ	1.29	1.44	1.39	
Total Energy Consumption	TJ	7.85	8.70	9.55				
302-2	Energy Consumption Outside of the Organization	-		TJ	0	0	0	
302-3	Energy Intensity	-		TJ/ KRW 100 million	0.0016	0.0019	0.0015	Total Energy Use/Yearly Revenue (with Separate Thresholds)
Water								
303-3	Water Withdrawal	Total Water Withdrawal	Total	Ton	3,225.88	3,197.76	3,389.21	Public Water (Municipal Water)
303-5	Water Consumption	Total Water Consumption	Total	Ton	3,225.88	3,197.76	3,389.21	
Emissions								
305-1	Direct (Scope 1) GHG Emissions	Gross Direct (Scope 1) GHG Emissions		tCO2eq	17.52	27.34	20.78	
305-2	Energy Indirect (Scope 2) GHG Emissions	Gross Location-Based Energy Indirect (Scope 2) GHG Emissions		tCO2eq	380.25	415.66	460.32	
305-4	GHG Emissions Intensity	-		tCO2eq/ KRW 100 million	0.080	0.097	0.078	
Waste								
306-3	Waste Generated	Total Weight of Waste Generated		Ton	10.84	13.03	14.36	General Waste
Supplier Environmental Assessment								
308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	Number of Suppliers Assessed for Environmental Impacts		Number	0	0	1	BSHS (Environmental Sanitation Company)

ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes			
Employment										
2-7	Employees	Total Number of Employees	Total Number of Employees	Person	139	167	181			
			Gender	Male	Person	64	72	72		
				Female	Person	75	95	109		
		Age	Total Number of Employees	Under 30	Person	26	43	45		
				30-50	Person	109	118	131		
				Over 50	Person	4	6	5		
		Nationality	Total Number of Permanent Employees (Regular Employees, Unlimited Contract Employees)	Republic Of Korea	Person	138	166	180		
				Spain	Person	1	1	1		
		Gender	Total Number of Temporary Employees (Directors, Short-Term Contract Employees)	Male	Person	60	68	69		
				Female	Person	73	91	108		
		Nationality	Total Number of Full-Time Employees	Republic Of Korea	Person	133	159	177		
				Gender	Male	Person	4	4	3	
					Female	Person	2	4	1	
		Nationality	Total Number of Workers who are not employees	Republic Of Korea	Person	5	7	3		
				Spain	Person	1	1	1		
Gender	Male			Person	64	72	72			
	Female	Person	75	95	109					
Nationality	Total Number of Workers Who are Not Employees and Whose Work is Controlled by the Organization	Republic Of Korea	Person	138	166	180				
		Spain	Person	1	1	1				
		Classification	Total Number of Workers	Person	6	14	30			
Outsourcing Company	Person		3	10	26	Outsourcing				
Executive Driver	Person		1	2	2	Subcontractors				
		Cleaning Services	Person	2	2	2	Subcontractors			

ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes		
401-1	New Employees Hires	Gender	Male	Person	6	14	11		
			%	35	36	31			
			Female	Person	11	25	24		
			%	65	64	69			
			Age	Under 30	Person	5	23	10	
				%	29	59	29		
		30-50		Person	12	16	25		
		%		71	41	71			
		Over 50		Person	0	0	0		
		%		0	0	0			
		Nationality	Republic of Korea	Person	17	39	35		
				%	100	100	100		
	Employee Turnover			Gender	Male	Person	4	6	11
					%	3	4	6	
					Female	Person	9	6	10
					%	7	4	6	
		Age	Under 30		Person	4	1	4	
			%		3	1	2		
30-50	Person		7	10	16				
%	5		6	9					
Over 50	Person		2	1	1				
%	1		1	1					
Nationality	Republic of Korea	Person	13	12	21				
		%	9	7	12				

ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes
401-3	Parental Leave	Total Number of Employees that Were Entitled to Parental Leave	Male	Person	21	24	24
			Female	Person	14	14	15
		Total Number of Employees that Took Parental Leave	Male	Person	0	0	0
			Female	Person	3	1	1
		Total Number of Employees that Returned to Work in the Reporting Period After Parental Leave Ended	Male	Person	0	0	0
			Female	Person	3	2	1
		Total Number of Employees that Returned to Work in the Reporting Period After Parental Leave Ended in Previous Year	Male	Person	0	0	0
			Female	Person	2	3	2
		Total Number of Employees that Returned to Work After Parental Leave Ended that were Still Employed 12 Months After their Return to Work	Male	Person	0	0	0
			Female	Person	2	2	2
		Return to Work Rates of Employees that Took Parental Leave	Male	%	0	0	0
			Female	%	100	100	100
		Retention Rates of Employees that Took Parental Leave	Male	%	0	0	0
			Female	%	100	66.67	100
2-30	Collective Bargaining Agreements	Labor-Management Council Participation Rate	%	90.58	92.77	94.44	Collective bargaining agreements apply equally to employees whether they are full-time or part-time employees

ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes
Occupational Health and Safety							
403-8	Workers Covered by an Occupational Health and Safety Management System	The Number and Percentage of All Employees and Workers, who are Covered by an Occupational Health and Safety Management System	Person	-	-	181	Data for indicators 403-8, 403-9, and 403-10 have been managed since 2022
			%	-	-	100	
		The Number and Percentage of All Employees and Workers, who are covered by an Occupational Health and Safety Management System that has been Internally Audited	Person	-	-	181	
			%	-	-	100	
		The Number and Percentage of All Employees and Workers, who are Covered by an Occupational Health and Safety Management System that has been Audited or Certified by an External Party	Person	-	-	0	
			%	-	-	0	
403-9	Work-Related Injuries (Employees)	The Number and Rate of Fatalities	Case	-	-	0	
			%	-	-	0	
		The Number and Rate of High-Consequence	Case	-	-	0	
			%	-	-	0	
		The Number and Rate of Recordable Work-Related Injuries	Case	-	-	0	
			%	-	-	0	
403-9	Work-Related Injuries (Workers Who are Not Employees But Whose Work and/or Workplace is Controlled by the Organization)	The Number of Hours Worked	Hour	287,812.8	346,209.6	375,408	
		The Number and Rate of Fatalities	Case	-	-	1	
			%	-	-	3	
		The Number and Rate of High-Consequence	Case	-	-	4	
			%	-	-	59	
		The Number and Rate of Recordable Work-Related Injuries	Case	-	-	30	
			%	-	-	100	
		The Main Types of Work-Related Injury	-	-	-	Falls, Crashes, Electrocutions, Car Accidents	
		The Number of Hours Worked	Hour	-	-	-	
403-10	Work-Related Ill Health (Employees)	The Number of Fatalities	Case	-	-	0	
		The Number of Cases of Recordable Work-Related Ill Health	Case	-	-	0	
	Work-Related Ill Health (Workers Who are not Employees but Whose Work and/or Workplace is Controlled by the Organization)	The Number of Fatalities	Case	-	-	0	
		The Number of Cases of Recordable Work-Related Ill Health	Case	-	-	0	

ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Index	단위	2020	2021	2022	Notes	
Training and Education								
404-1	Average Hours of Training per Year per Employee	Total Hours of Training	Hour	1,409	2,768	2,411		
		Gender	Male	Hour	402	1,113	937	
			Female	Hour	1,007	1,655	1,474	
		Annual Average Hours of Training per Person	Hour	10.14	16.57	13.32		
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	Numbers and Percentage of Total Employees	Person	125	154	169		
			%	89.93	92.22	93.37		
		Gender	Male	Person	52	60	61	
			Female	Person	73	94	108	
Diversity and Equal Opportunity								
405-1	Diversity of Governance Bodies and Employees	Governance bodies	Gender	Male	Person	4	4	3
			Female	Person	0	0	1	
		Age	Under 30	Person	0	0	0	
			30-50	Person	4	2	3	
			Over 50	Person	0	2	1	
		Total Number of Individuals in Diversity Categories	Person	76	97	111		
		Employees	Gender and Age	Female, under 30	Person	22	36	39
				Female 30-50	Person	52	59	70
				Female, over 50	Person	1	0	0
			Others	Disability	Person	0	1	1
Nationality	Person	1		1	1			
405-2	Ratio of Basic Salary and Remuneration of Women to Men	Ratio of the Basic Salary and Remuneration of Women to Men	%	61.02	55.28	56.14		
Non-Discrimination								
406-1	Incidents of Discrimination	-	Case	0	0	0		

ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes
Rights of Indigenous Peoples							
411-1	Incidents of Violations Involving Rights of Indigenous Peoples	-	Case	0	0	0	
Rights Of Indigenous Peoples							
413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	-	%	0	0	0	
Supplier Social Assessment							
414-1	New Suppliers that were Screened Using Social Criteria	Percentage of New Suppliers that were Screened Using Social Criteria	%	-	-	0	* Safety Qualification Review of Production Companies After Selecting New Companies in the Drama Production Sector (Safety Management Plan Evaluation)
		Number of Suppliers Assessed for Social Impacts	Number	-	-	0	*We do not evaluate a company's work plan prior to selection.
414-2	Negative Social Impacts in the Supply Chain and Actions Taken	Number of Suppliers Identified as Having Significant Actual and Potential Negative Social Impacts	Number	-	-	0	
		Percentage of Suppliers Identified as Having Significant Actual and Potential Negative Social Impacts with Which Improvements were Agreed Upon as a Result of Assessment	%	-	-	0	
		Percentage of Suppliers Identified as Having Significant Actual and Potential Negative Social Impacts with Which Relationships were Terminated as a Result of Assessment	%	-	-	0	

ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Index	Unit	2020	2021	2022	Notes
Marketing and Labeling							
417-2	Incidents of Non-Compliance Concerning Product and Service Information and Labeling	Incidents of Non-Compliance	Total Number of Incidents of Non-Compliance	Case			
			Incidents Resulting in a Fine or Penalty	Case	0	0	0
			Incidents Resulting in Warning	Case			
			Incidents with Voluntary Codes	Case			
							No Marketing and Labeling Violations to Date
417-3	Incidents of Non-Compliance Concerning Marketing Communications	Incidents of Non-Compliance	Total Number of Incidents of Non-Compliance	Case			
			Incidents Resulting in a Fine or Penalty	Case	0	0	0
			Incidents Resulting in Warning	Case			
			Incidents with Voluntary Codes	Case			
Compliance with Laws and Regulations							
2-27	Compliance with Laws and Regulations	Total Number of Significant Instances of Non-Compliance with Laws and Regulations During the Reporting Period	Total Number	Case	0	0	0
			Instances for Which Fines were Incurred	Case	0	0	0
			Instances for Which Non-Monetary Sanctions were Incurred	Case	0	0	0
			Total Number of Fines Imposed	Case	0	0	0
		Total Number and the Monetary Value of Fines for Instances of Non-Compliance With Laws and Regulations that were Paid During the Reporting Period	Total Fines for Instance	KRW	0	0	0
			Fines for Instances of Non-Compliance with Laws and Regulations that Occurred in the Current Reporting Period	Case, KRW	0	0	0
			Fines for Instances of Non-Compliance with Laws and Regulations that Occurred in Previous Reporting Periods	Case, KRW	0	0	0

CJ GROUP ESG COMMON INDICATORS (ENVIRONMENT)

Greenhouse Gas

Category	Unit	2020	2021	2022
Direct & Indirect GHG Emissions (Scope 1+2)	tCO ₂ eq	397.77	443.00	481.10
Direct GHG Emissions (Scope 1)	tCO ₂ eq	17.52	27.34	20.78
Indirect GHG Emissions (Scope 2)	tCO ₂ eq	380.25	415.66	460.32
GHG Emission Intensity (Scope 1+2)	tCO ₂ eq/KRW 100 million	0.080	0.097	0.078
Other Indirect GHG Emissions (Scope 3)	tCO ₂ eq	To be managed	To be managed	To be managed

Energy

Category	Unit	2020	2021	2022
Energy Consumption	TJ	7.85	8.70	9.55
Non-Renewable Energy Consumption	TJ	7.85	8.70	9.55
Non-Renewable Fuel-Based Energy	TJ	0.26	0.41	0.31
Purchased Non-Renewable Energy	TJ	7.59	8.29	9.24
Renewable Energy Consumption	TJ	0	0	0
Energy Consumption Intensity	TJ/KRW 100 million	0.0016	0.0019	0.0015
Power Consumption	TJ	6.31	6.85	7.84

Water

Category	Unit	2020	2021	2022
Water Withdrawn	Ton(m ³)	3,225.88	3,197.76	3,389.21
Water Recycled	Ton(m ³)	954.85	742.32	738.68

CJ GROUP ESG COMMON INDICATORS (ENVIRONMENT AND SOCIAL)

Waste

Category	Unit	2020	2021	2022
Total Amount Of Wastes Generated	Ton	10.84	13.03	14.36
General Wastes	General Wastes	Ton	10.84	13.03
	Designated Wastes	Ton	0	0
Waste Generation Intensity	Ton/KRW 100 million	0.0022	0.0029	0.0023

Environment Management

Category	Unit	2020	2021	2022
Amount of Eco-Friendly Purchases	KRW 1 million	Managed since 2021	2.63	5.75
Number of Environmental Law and Regulation Violations	Case	0	0	0
Investment in Eco-Friendly Infrastructure	KRW 1 million	0	0	0
Environmental Management Training*	Person	0	0	159

* Environmental management training: Climate crisis and corporate sustainability education for all employees (Aug. 29, 2022 ~ Sept. 16, 2022) Human

Resources

Category	Unit	2020	2021	2022
Total Number of Employees	Person	139	167	181
Employees without Fixed Term Contracts	Person	133	159	177
Employees with Fixed Term Contracts	Person	2	4	0
Executives (Registered + Unregistered)	Person	4(males)	4(males)	4(males 3, females 1)
Composition of Employees by Gender	Male	Person	64	72
	Female	Person	75	95
Composition of Executives by Age Group	Under 30	Person	26	43
	30-50	Person	109	118
	Over 50	Person	4	6

CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Securing & Nurturing Talent

Category		Unit	2020	2021	2022
Total Number of New Hires		Person	17	39	35
Composition of New Hires by Gender	Male	Person	6	14	11
	Female	Person	11	25	24
Composition of New Hires by Age Group	Under 30	Person	5	23	10
	30-50	Person	12	16	25
	Over 50	Person	0	0	0
Turnover Rate	Voluntary*	%	100	100	100
	Involuntary	%	0	0	0
Employee Engagement*		Score	79.37	N/A	80
Employee Training	Training Hours per Person	Hour	10.14	16.57	13.32
	Total Training Cost	KRW 10 thousand	18,088	19,008	21,474

* Voluntary Turnover: An individual leaves the organization at their own discretion, regardless of the organization's wishes. e.g., Leaving for Personal Reasons (not due to retirement or dismissal) Calculation of voluntary turnover rate: (number of voluntary turnovers/total turnovers)*100

* We check employee job satisfaction and engagement through surveys every year, and it was not implemented in 2021 due to system reorganization.

CJ GROUP ESG COMMON INDICATORS (SOCIAL)

DE&I (Diversity, Equity and inclusion) Enhancement

Category		Unit	2020	2021	2022	
Gender Equality	Percentage of Female Executives	%	0	0	25	
	Percentage of Female Managers	%	33.33	31.82	46.88	
	Female to Male Wage Ratio	%	61.02	55.28	56.14	
Inclusion of Social Minorities	Number of Employees with Disabilities	Person	0	1	1	
	Total Number of Employees that were Entitled to Parental Leave	Male	Person	21	24	24
Female		Person	14	14	15	
Work-Life Balance	Number of Employees on Parental Leave	Male	Person	0	0	0
		Female	Person	3	1	1
	Number of Employees Who Have Returned from Parental Leave	Male	Person	0	0	0
		Female	Person	3	2	1
	Percentage of Male Employees Who Have Returned from Parental Leave in Previous Year	Male	Person	0	0	0
	Percentage of Female Employees Who Have Returned from Parental Leave in Previous Year	Female	Person	2	3	2
	Retention Rate after Returning from Parental Leave (12 Months or More)	Male	Person	0	0	0
		Female	Person	2	2	2
Return to Work and Retention Rates of Employees that Took Parental Leave	Male	%	0, 0	0, 0	0, 0	
	Female	%	100, 100	100, 66.67	100, 100	
Fair evaluation		%	89.93	92.22	93.37	

* Executives:

2020: Registered Executives (Co-CEOs - 2 individuals), Unregistered Executive (Executive Director - 1 individual), Registered Executive (Other Non-Executive Director - 1 individual)

2021: Registered Executives (Co-CEOs - 2 individuals), Unregistered Executive (Executive Director - 1 individual), Registered Executive (Other Non-Executive Director - 1 individual)

2022: Registered Executives (Co-CEOs - 2 individuals), Unregistered Executive (Advisor - 1 individual), Registered Executive (Other Non-Executive Director - 1 individual)

* Definition of Management: Individuals holding positions at or above "Team Leader" level (who are authorized for 1st and 2nd evaluations in the PMDS+ - Internal Performance Management System) authorized for 1st and 2nd evaluations.

* Gender Pay Gap = $100 - ((\text{Average Salary of Male Employees} - \text{Average Salary of Female Employees}) / \text{Average Salary of Male Employees} * 100)$

* Based on the average wage of employees disclosed in business report

CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Human Rights

Category	Unit	2020	2021	2022
Percentage of Employees Subject to Collective Bargaining (Based on Labor-Management Council)	%	100	100	100
Human Rights Violation	Number of Reported Cases	0	0	2
	Number of Valid Reported Cases	0	0	2

Safety & Health

Category	Unit	2020	2021	2022
Employee Injury Rate	%	0	0	0
Number of Employee Fatalities	Case	0	0	0
LTIFR (Lost Time Injury Frequency Rate)	Case/million hour	0	0	0
Number of Serious Accidents	Case	0	0	0

Supply Chain Management

Category	Unit	2020	2021	2022
Amount of Win-Win Fund Raised	KRW 100 million	N/A	N/A	N/A
Percentage of Contracts with Supplier Code Of Conduct	%	0	0	0

* Not applicable to current contracts because we do not have a supplier code of conduct, but we intend to develop and comply with the code in the future

Social Contribution

Category	Unit	2020	2021	2022
Social Contribution: Donations	KRW 100 million	6.53	3.20	0.80
Volunteer Activities	Hours	31	22	20
	Number of Participants	6	4	5

CJ GROUP ESG COMMON INDICATORS (GOVERNANCE)

Board of Directors (BOD) & Audit Body

Composition

Category	Unit	2020	2021	2022
BOD Composition	BOD Meeting	4	4	4
	Independent Directors	1	1	1
	Female Directors	0	0	1
Percentage Of Outside Director Composition	BOD %	25	25	25

Operation

Category	Unit	2020	2021	2022
Number Of Meetings	BOD Unit	9	7	9
Number Of Agenda Items	Submitted to BOD Meetings	24	18	24
	Objected/Amended by Independent Directors	0	0	0
Attendance Rate	BOD Meeting_Internal Directors	100	100	100
	BOD Meeting_Independent Directors	100	100	100
	Independent Director Candidate Recommendation Committee Meeting_Independent Directors	0	0	0
	Sustainability Management Committee_Independent Directors	%	Established in May 2022	Established in May 2022

Compensation

Category	Unit	2020	2021	2022	
Bod	Internal Directors	KRW 1 million	2,726.03	1,546.60	2,224.74
	Independent Directors	KRW 1 million	24	24	24
External Auditors	Percentage of Non-Audit Service Remuneration against Audit Service Remuneration	%	0	0	0

* Compensation is determined and paid according to CJ Group and company compensation policies and limits.

* Average Compensation per Executive: Refer to "VIII. Executive Compensation and Others" in the Annual Business Report (<https://dart.fss.or.kr/dsaf001/main.do?rcpNo=20230320000722>)

* Ratio of External Auditor's Compensation: Refer to "V. Auditor's Opinion and Others" in the Annual Business Report (<https://dart.fss.or.kr/dsaf001/main.do?rcpNo=20230320000722>)

CJ GROUP ESG COMMON INDICATORS (GOVERNANCE)

Shareholders

Category		Unit	2020	2021	2022
Ownership Share Rate	Largest Shareholders and Related Parties	%	56.89	54.95	54.58
	Registered Executives Excluding Largest Shareholders and Related	%	0	0	0
Dividend Payout Ratio		Parties	0	0	0

Ethical & Compliance Management

Category		Unit	2020	2021	2022
Ethical Management Training	Hours	Hour	166	176	256
	Number of Participants	Person	119	122	143
Legal & Regulatory Violations	Fair Competition	Case	0	0	0
	Anti-Corruption	Case	0	0	0
	Marketing & Labeling	Case	0	0	0
	Information Security	Case	0	0	0
Ethical Management Violations	Total Number of Reported Cases	Case	0	1	4
	Number of Valid Reported Cases	Case	0	1	3

GRI STANDARDS REPORT & INDEX

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)
2-1	Organizational Details		8p	
2-2	Entities Included in the Organization's Sustainability Reporting		2p, 8p	
2-3	Reporting Period, Frequency and Contact Point	Annual Business Report	2p	
2-4	Restatements of Information	N/A (first report)		
2-5	External Assurance		2p, 100-101p	

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)	Omission		
					Requirement(s) Omitted	Reason	Explanation
2-6	Activities, Value Chain and Other Business Relationships	No Significant Changes Compared to the Previous Reporting Period (This is the First Report to be Published)	7-16p, Seventh Annual Business Report - II.				
2-7	Employees	No Significant Headcount Changes	75p	83p			
2-8	Worker Who are Not Employees	No Significant Headcount Changes	75p				
2-9	Governance Structure and Composition		17-18p, 20-21p	87p			
2-10	Nomination and Selection of the Highest Governance Body		17-18p				
2-11	Chair of the Highest Governance Body		17-18p				
2-12	Role of the Highest Governance Body in Overseeing the Management Of Impacts		17-18p, 20-21p, 25p				
2-13	Delegation of Responsibility for Managing Impacts		17-18p, 20-21p, 37p, 46p, 57p, 62p				
2-14	Role of the Highest Governance Body in Sustainability Reporting		17-18p, 20-21p, 37p, 46p, 57p, 62p				
2-15	Conflicts of Interest		17-18p, Seventh Annual Business Report - VI. Corporate Governance , Studio Dragon Homepage - Investor Relations (IR) - Corporate Governance (Committees)				
2-16	Communication of Critical Concerns		17-18p, Studio Dragon Homepage - IR - Corporate Governance (BOD Activities and Committees)				
2-17	Collective Knowledge of the Highest Governance Body		17-18p, Seventh Annual Business Report - VI. Matters Concerning the Company's Institutions such as the Board Of Directors - 1. Matters Concerning the Board Of Directors				
2-18	Evaluation Of the Performance Of the Highest Governance Body		17-18p				

GRI STANDARDS REPORT & INDEX

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)	Omission	
					Requirement(s) Omitted	Reason Explanation
2-19	Remuneration Policies	<p>* Compensation Policy for Top Decision-Making Body and Senior Executives (1. Fixed and Variable Compensation, 2. Retirement Benefits/Pension):</p> <ul style="list-style-type: none"> - Compensation for our directors is categorized into labor income, retirement income, and other income. Labor income includes salary, bonus and profit from exercise of stock option. Bonus is determined by taking into account both quantitative indicators (revenue, operating profit, content performance, etc.) and non-quantitative indicators in accordance with the CJ Group's compensation policy and limit. The total compensation for registered directors, excluding external directors and audit committee members, was KRW 2,224.742 million in 2022. - The average compensation per individual was KRW 741.581 million <p>2. The company operates a Defined Benefit (DB) retirement pension plan for executives. The monthly pension amount is calculated by multiplying the service period and position-based payment rate with the compensation amount.</p>	18p	87p		
2-20	Process to Determine Remuneration	- Compensation is determined based on the compensation policy and limits set by CJ Group and our company.	18p			
2-21	Annual Total Compensation Ratio		71p			
2-22	Statement on Sustainable Development Strategy		5p, 37p, 46p, 57p			
2-23	Policy Commitments	<p>UNGC / Corporate Governance / Charter CJ Code of Business Conduct / CJ Global Anti-Corruption / Policy CJ Global Fair Competition Policy CJ Global Privacy Policy / Fair Trade Best Practices Guide Anti-graft Law Compliance Guide / CJ Declaration of Human Rights</p> <p>*Policy Pledge Approvers, Coverage, and Placement: CEO Approval, Studio Dragon Headquarters and All Employees, Studio Dragon Website, etc.</p>	5p, 19p, 37p, 46p, 57p			
2-24	Embedding Policy Commitments	Published On Studio Dragon Website	19-21p, 37p, 46-47p, 57-58p, 61-62p			
2-25	Processes to Remediate Negative Impacts		37-38p, 57-59p			
2-26	Mechanisms for Seeking Advice and Raising Concerns		37-38p, 57-59p			
2-27	Compliance with Laws and Regulations		81p	88p		
2-28	Membership Associations		97-98p			
2-29	Approach to Stakeholder Engagement		22p			
2-30	Collective Bargaining Agreements		77p	86p		

GRI STANDARDS REPORT & INDEX

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)
3-1	Process to Determine Material Topics		24-29p	
3-2	List of Material Topics		25p, 27-29p	
3-3	Management of Material Topics		27-29p	

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)	Omission		
					Requirement(s) Omitted	Reason	Explanation
201-1	Direct Economic Value Generated and Distributed		71p				
201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change		29p				
201-3	Defined Benefit Plan Obligations and Other Retirement Plans	Total Amount In 2022: KRW 4,939,561,132 / Number Of Employees: 170 / All DB Type / Educational Contents on Retirement Pension (Retirement Pension System and Features, Contribution Payment Status and Reserve Management Status, Retirement Benefit Payment Procedure, Individual Retirement Pension, Etc.) are Posted on the Company Bulletin Board. -Allowing Employees to Reduce Their Working Hours If They are 55 Years of Age and Older to Prepare for Retirement.					
201-4	Financial Assistance Received from Government		71p				
202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage		72p				
202-2	Proportion of Senior Management Hired from the Local Community		72p				
204-1	Proportion of Spending on Local Suppliers		72p				
205-1	Operations Assessed for Risks Related to Corruption		72p				
205-2	Communication and Training about Anti-Corruption Policies and Procedures		72p	88p			
205-3	Confirmed Incidents of Corruption and Actions Taken		72p	88p			
206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, And Monopoly Practices		73p	88p			

GRI STANDARDS REPORT & INDEX

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)	Omission		
					Requirement(s) Omitted	Reason	Explanation
207-1	Approach to Tax	<p>Approach to Taxes Studio Dragon adheres to CJ Group’s principle of ‘Integrity’ by complying with tax laws and relevant regulations, diligently reporting and paying taxes to maintain a transparent relationship with tax authorities. In accordance with OECD’s BEPS (Base Erosion and Profit Shifting) Action Plan, the company conducts international transactions between the headquarters and subsidiaries at arm’s length prices, following each country’s tax laws and bilateral tax treaties. Furthermore, when transactions with overseas subsidiaries exceed certain thresholds defined by law, the company submits an international transaction consolidated report to tax authorities.</p> <p>The company prohibits the use of tax havens for tax evasion purposes and the shifting of transactions to low-tax jurisdictions with low effective tax rates. It ensures tax transparency by monitoring all transaction activities through an internal accounting control system.</p>	57-59p, 92p				
207-2	Tax Governance, Control, and Risk Management	<p>Tax Management and Control Framework Studio Dragon reviews and complies with accounting standards (K-IFRS), tax laws, Fair Trade Act, and other regulations and systems. To identify tax risks in advance, the company operates a finance team dedicated to responsible for tax matters.</p> <p>Additionally, the company seeks constant advice from external tax experts and, for highly significant tax issues such as major mergers and acquisitions or structural changes, engages with tax authorities through pre-inquiries to obtain authoritative interpretations before proceeding. The internal accounting management system also includes control elements related to taxation. The control procedures and reporting systems are periodically reviewed and audited.</p> <p>Risk management follows policies approved by the Board of Directors. The Board reviews and approves documented policies for overall risk management, including policies for foreign exchange risk, interest rate risk, credit risk, and the use of derivative financial instruments. Specific areas with policies include investments exceeding liquidity, both derivative and non-derivative financial instruments.</p>	92p				
207-4	Country-By-Country Reporting	Total Employee Compensation, Withholding and Paid Taxes, Taxes Collected from Customers on Behalf of Tax Authorities, Industry-specific and Other Taxes, or Payments to Government	73p				

GRI STANDARDS REPORT & INDEX

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)	Omission		
					Requirement(s) Omitted	Reason	Explanation
301-1	Material Used by Weight Or Volume					Not Applicable	Outsourcing Of IP Business (Promotional Products, Etc.) (No Production Facilities in the Headquarters)
301-2	Recycled Input Materials Used					Not Applicable	Outsourcing Of IP Business (Promotional Products, Etc.) (No Production Facilities I the Headquarters)
301-3	Reclaimed Products and Their Packaging Materials					Not Applicable	Outsourcing Of IP Business (Promotional Products, Etc.) (No Production Facilities I the Headquarters)
302-1	Energy Consumption within the Organization	<p>※ Activity Data (Fuel Usage) Sources</p> <p>1) Evidence from Meter Readings, Fuel Usage Evidence Within Purchase Receipts (Invoices)</p> <p>2) Estimation Based on Energy Purchase Costs and Unit Prices</p> <p>3) Estimation Based on Alternative Calculation Factors (Company Area Relative to Total Building Usage, Etc.)</p> <p>* Used The Emission Factors and Heating Values from the Guidelines of the Ministry Of Environment</p>	74p	82p			
302-2	Energy Consumption Outside of the Organization		74p				
302-3	Energy Intensity		74p				
303-3	Water Withdrawal		74p	82p			
303-5	Water Consumption		74p				
305-1	Direct (Scope 1) GHG Emissions	<p>Used Standards, Methodology, Assumptions, And/Or Calculation Tools:</p> <p>1) Verification of 'Direct Greenhouse Gas Emissions (Scope 1)' within Emission Calculation Data from the Sources Including the Greenhouse Gas Inventory</p> <p>2) Calculation of Greenhouse Gas Emissions Based on Fuel Usage</p> <p>*Emissions = Activity Data (Fuel Usage) * Emission Factor * Heating Value</p>	74p	82p			
305-2	Energy Indirect (Scope 2) GHG Emissions	<p>Used Standards, Methodology, Assumptions, And/Or Calculation Tools:</p> <p>Indirect Greenhouse Gas Emissions (Scope 2) = Σ(Purchased Electricity, Purchased Heat (Hot Water, Steam), etc.)</p> <p>Basic Formula = Activity Data (Energy Usage) * Emission Factor</p>	74p	82p			
305-3	Other Indirect (Scope 3) GHG Emissions					Not Applicable	Not Aggregating Data for Other Indirect Greenhouse Gas Emissions
305-4	GHG Emissions Intensity		74p				
305-5	Reduction Of GHG Emissions					Not Applicable	Not Aggregating Data for Greenhouse Gas Emission Reductions
305-6	Emissions Of Ozone-Depleting Substances (ODS)					Not Applicable	Not Aggregating Data for Ozone- Depleting Substance Emissions
305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions					Not Applicable	Not Aggregating Atmospheric Emissions of the Respective Substances
306-1	Waste Generation and Significant Waste-Related Impacts		60-66p				
306-2	Management of Significant Waste-Related Impacts		60-66p				
306-3	Waste Generated		74p	83p			
306-4	Waste Diverted from Disposal					Not Applicable	Not Aggregating Data for Waste Recycling Volume

GRI STANDARDS REPORT & INDEX

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)	Omission		
					Requirement(s) Omitted	Reason	Explanation
306-5	Waste Directed to Disposal					Information Unavailable/Incomplete	Not Aggregating Data for Landfill Waste Volume
308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken		74p				
401-1	New Employee Hires and Employee Turnover		76p	84p			
401-2	Benefits Provided to Full-Time Employees that are Not Provided to Temporary or Part-Time Employees	RSUs (Restricted Stock Units) were introduced in 2022 and are only granted to full-time employees due to a three-year employment requirement.	44p				
401-3	Parental Leave		77p	85p			
402-1	Minimum Notice Periods Regarding Operational Changes	Compliance with the Labor Standards Act includes adhering to the procedural requirements such as providing a minimum notice period to employees and their representatives before implementing significant management changes. For organizations that have entered into collective bargaining agreements, the negotiation-related notice period and clauses should also be included.	94p				
403-1	Occupational Health and Safety Management System		45-55p				
403-2	Hazard Identification, Risk Assessment, and Incident Investigation		50-54p				
403-3	Occupational Health Services		55p				
403-4	Worker Participation, Consultation, and Communication On Occupational Health and Safety		46-48p				
403-5	Worker Training on Occupational Health and Safety		49p				
403-6	Promotion of Worker Health		55p				
403-7	Prevention And Mitigation of Occupational Health and Safety Impacts Directly Linked By Business Relationships		55p				
403-8	Workers Covered by an Occupational Health And Safety Management System		78p				
403-9	Work-Related Injuries		78p	86p			
403-10	Work-Related Ill Health		78p	86p			
404-1	Average Hours of Training Per Year Per Employee		79p	84p			
404-2	Programs For Upgrading Employee Skills and Transition Assistance Programs		42p				

GRI STANDARDS REPORT & INDEX

GRI No.	Disclosure	Content	Location (GRI)	Location (CJ Group)	Omission		
					Requirement(s) Omitted	Reason	Explanation
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews		79p	85p			
405-1	Diversity of Governance Bodies and Employees		79p	85p, 87p			
405-2	Ratio of Basic Salary and Remuneration of Women to Men		79p	85p			
406-1	Incidents of Discrimination and Corrective Actions Taken	No Discrimination Case	79p				
407-1	Operations And Suppliers in Which the Right To Freedom of Association and Collective Bargaining May Be at Risk					Information Unavailable/Incomplete	No Labor Union
408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor					Legal Prohibitions	
409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor					Legal Prohibitions	
410-1	Security Personnel Trained in Human Rights Policies or Procedures					Information Unavailable/Incomplete	No Security Personnel
411-1	Incidents of Violations Involving Rights of Indigenous Peoples					Information Unavailable/Incomplete	
414-1	New Suppliers That were Screened Using Social Criteria		80p				
414-2	Negative Social Impacts in the Supply Chain and Actions Taken		80p				
417-1	Requirements For Product and Service Information and Labeling					Not applicable	For 2020-2022, There are No Critical Product and Service Categories and the Percentage of These Assessed for These Procedures
417-2	Incidents of Non-Compliance Concerning Product and Service Information and Labeling		81p				
417-3	Incidents of Non-Compliance Concerning Marketing Communications		81p				

APPENDIX

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INITIATIVE ACTIVITIES

UNGC

The UN Global Compact Initiative (UNGC) is the world’s largest voluntary corporate citizenship initiative that encourages businesses to integrate the ten principles of human rights, labor, environment, and anti-corruption into their operations and business strategies. The UNGC aims to promote sustainability and enhance corporate citizenship by providing practical approaches for companies to participate. It encourage s companies to align their operations with these principles and contribute to the improvement of global sustainability and corporate social responsibility.

Studio Dragon officially became a member of the UN Global Compact (UNGC) in September 2022. We are committed to applying the ten principles of the UNGC to various aspects of our corporate operations. Our efforts extend towards executing sustainable management practices for the benefit of stakeholders such as customers, shareholders, and local communities.



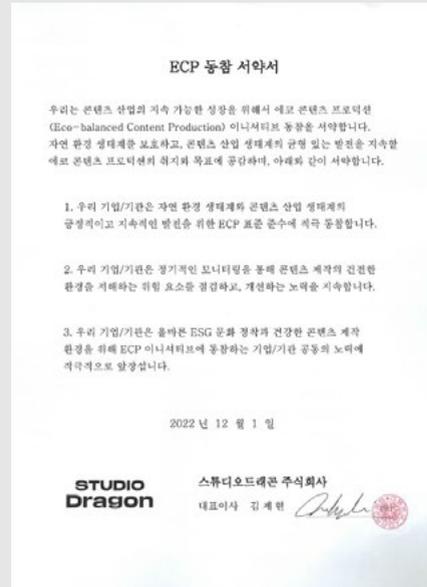
“Since 2022 Studio Dragon has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, the environment and anti-corruption.”

UNGC-linked Activities

Category	The Ten Principles of the UNGC	Major Activities
 Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> • Disclosure of Human Rights Management Declaration • Operation of CJ Group Integrated Reporting System and “K-Whistle”
 Labour	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labor; the effective abolition of child labor; and the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • Labor-Management Council Operation • Adherence to Labor Principles and Regulations • Fair Performance Management System Operation • Support for Individual Career Management
 Environment	Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • Attainment of ISO 14001 Certification • Establishment and Execution of Environmental Management System • Implementation of Waste Reduction, Resource Recycling, and Reuse • Management of Greenhouse Gas Inventories • Implementation of Energy Saving Campaigns
 Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> • Operation of a Dedicated Ethics Management Organization and Establishment of Reporting/Counseling Systems • Execution of Ethics Management and Anti-Corruption Education • Regular Ad Hoc Audits • Activities to Promote Ethical Awareness among Employees

INITIATIVE ACTIVITIES

ECP



ECP (Eco-Balanced Content Production)
The ECP Initiative is an ESG initiative aimed at fostering a sustainable content industry, launched to protect the natural environmental ecosystem and promote balanced development in the industry ecosystem.
Studio Dragon joined the ECP Initiative, a collaborative initiative for ESG consisting of entities such as the Korea Creative Content Agency, CJ ENM, the Korea Drama Producers Association, and the Korea Broadcasting Production Association. Studio Dragon became a member of the ECP Initiative in December 2022 and is actively participating alongside 23 other companies.

Twelve Standards and Guidelines of ECP

Natural Environmental Ecosystem		Content Industry Ecosystem	
Energy Efficiency	We utilize equipment and devices with high energy efficiency	Creator Rights	We respect and protect the rights of all content creators
	We emphasize the use of eco-friendly and renewable energy sources		We continuously encourage content planning and creation efforts
	We reduce energy consumption for equivalent production outcomes		We strive to create a healthy ecosystem for content production
Carbon Footprint	We measure the carbon emissions in the content production process	IP & Copy-right	We respect and protect all content copyrights
	We work towards minimizing carbon emissions during content production		We clearly define copyright and usage standards for content
	We gradually increase the usage of eco-friendly transportation methods		We maintain the security of information obtained during the production process
Recycle & Upcycle	We prioritize props and sets that are reusable, can be upcycled, or are recyclable	Work Atmos-phere	We uphold the responsibility for improving content production environment and protecting human rights
	We minimize waste generation		We create a healthy and pleasant working environment together
	Waste is sorted and disposed of properly		We provide guidance on grievance counseling and dispute resolution procedures on set
Water Security	We contribute to the conservation of river and marine ecosystems	Diversity	We embrace differences and respect diversity
	We conserve water resources for equivalent production outcomes		We eradicate discrimination and violence, treating each other equally
	Generated wastewater is treated appropriately		We make an effort toward content accessibility, including subtitles, audio descriptions, and sign language broadcasting
Forest Protection	We preserve soil and wetland ecosystems, avoiding habitat disruption	Work- place Safety	We prioritize the safety and health of everyone above all else
	We seek advice from relevant organizations and experts for nature conservation areas		We strictly adhere to safety management regulations during content production
	Any incurred deforestation is restored using proper methods		All members are familiar with the safety accident response process
Animal Welfare	We put effort to protect animal diversity	Fair Trading	We produce content through transparent and fair transactions
	We treat animals with respect as living beings throughout the content production process		We build a healthy industry ecosystem through cooperative collaboration
	We prioritize their safety and well-being when animals are involved		All members are informed about the integrated reporting system

ISO 14001 CERTIFICATION



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Certificate of Registration

ENVIRONMENTAL MANAGEMENT SYSTEM - ISO 14001:2015

This is to certify that:

Studio dragon
17F1
75 Maebongsan-ro,
Mapo-gu,
Seoul
03926
Republic of Korea

Holds Certificate No: **EMS 785032**

and operates an Environmental Management System which complies with the requirements of ISO 14001:2015 for the following scope:

The provision of producing and service for multimedia contents.

For and on behalf of BSI:


Michael Lam, Managing Director Assurance - APAC

Original Registration Date: 2023-06-17 Effective Date: 2023-06-17
Latest Revision Date: 2023-06-17 Expiry Date: 2026-06-16

Page: 1 of 1

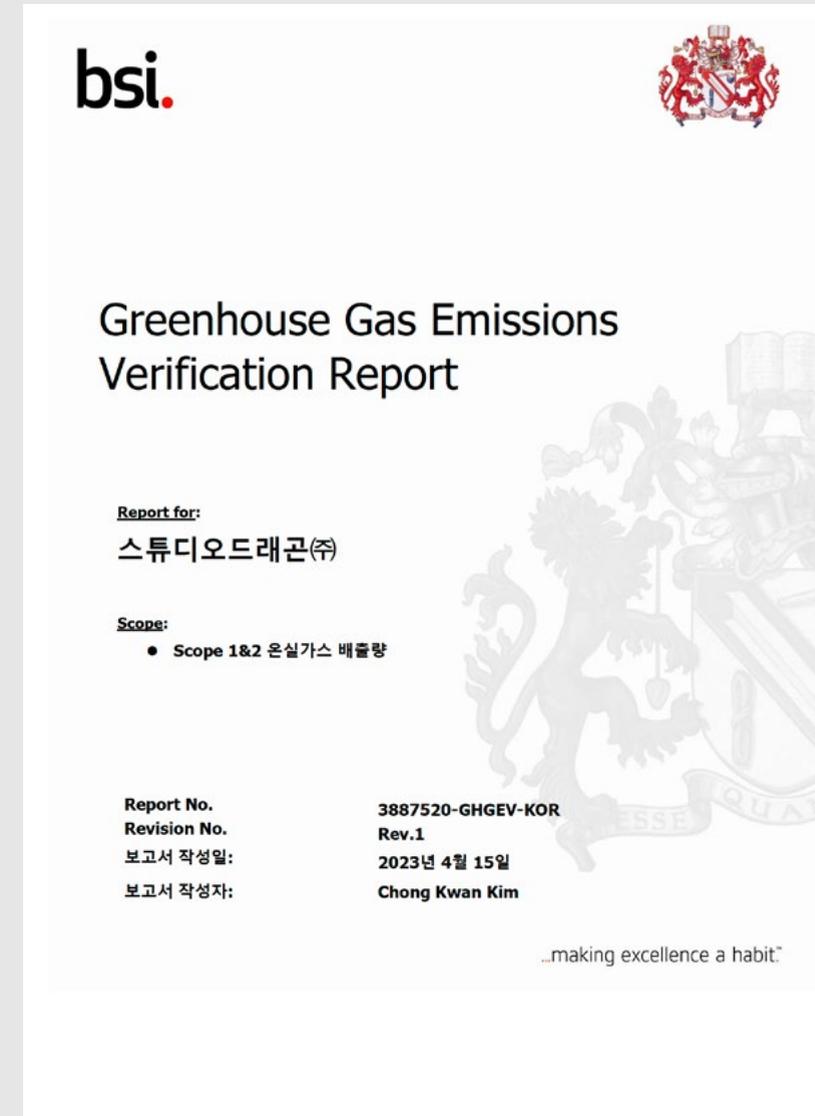
  

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THIRD-PARTY VERIFICATION STATEMENT ON GREENHOUSE GAS EMISSIONS



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Greenhouse Gas Emissions Verification Report

Report for:
스튜디오드래곤(주)

Scope:

- Scope 1&2 온실가스 배출량

Report No. 3887520-GHGEV-KOR
Revision No. Rev.1
보고서 작성일: 2023년 4월 15일
보고서 작성자: Chong Kwan Kim

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THIRD-PARTY ASSURANCE STATEMENT

Econine has provided an independent assurance statement in accordance with the scope and criteria of the assurance for the sustainability report conducted by Studio Dragon. The assurance proceeded on the assumption that the information provided by Studio Dragon is complete and the company is liable for all content in the sustainability report.

Assurance Criteria

Econine conducted verification in accordance with AA 1000 AccountAbility Principles (AA1000 AP) 2018 and GRI Standards. We verified based on the following standards:

- Accountability Principle and Type 1, information reliability at a moderate level
- Compliance and reporting principles following GRI Universal Standards and Topic Standards' Accordance

Verification Scope and Methods

Econine has ensured the reliability of the reported content based on sampling for sustainable management performance from January 1, 2022 to December 31, 2022.

- Consistency with business reports and other disclosure statuses
- Alignment with the materiality assessment process and GRI Standards performance related to key issues
- Consistency with previous reporting and identification of significant changes
- Identification of errors, inappropriate expressions, and ambiguities in the information
- Interviews with internal stakeholders involved in report preparation

Independence and Eligibility

Econine's performance of the assurance was carried out by professionally qualified personnel in the area of sustainable management in accordance with Econine's code of ethics. Econine does not have any interest that could possibly hinder the independence of the verification of Studio Dragon other than the task of providing the third-party assurance service.

Limitations

The assurance provided in the sustainability report of Studio Dragon has limited accuracy in terms of completeness and correspondence that inherently follows the process of selecting, measuring and assuming the information. Studio Dragon provided the information and supporting data on the company's non-financial performance and Econine does not guarantee the reliability of the original data.

THIRD-PARTY ASSURANCE STATEMENT

Conclusion

According to the certification results, the sustainability report of Studio Dragon is considered to have secured Type 1 assurance level of AA 1000 AccountAbility Principles (AA 1000 AP). Also, it is judged to be in alignment with Core Option compliance conditions, with no deviation from material reporting principles.

Inclusiveness

People should be able to have a voice in the decisions affecting them. Studio Dragon identifies its stakeholders as customers, employees, shareholders/investors, partners, media/press and local communities, and confirms that it operates various communication channels to communicate with internal and external stakeholders on key issues of interest and the results of its activities.

Materiality

Decision-makers should identify and clarify essential sustainability topics. Studio Dragon organized a pool of 18 sustainability material issues by considering global guidelines, global sustainability issues (UN, EU, OECD), global report of rating agency, sustainability management reports of leading companies, and CJ Group's sustainability management vision and direction. We conducted stakeholder surveys and performed impact analyses on key issues in collaboration with relevant departments, the ESG team, and external ESG experts. Through this process, we identified and derived six core sustainability issues. These outcomes were discussed with the management team, underwent review by the board of directors, and gained approval.

Responsiveness

Organizations should behave transparently regarding essential sustainability management topics and their related impact.

We confirmed that Studio Dragon promotes the Impact Analysis of Sustainability Material Issues to analyze the (In→Out) and (Out→In) impacts of economic, social, and environmental aspects of sustainability material issues, as well as the financial and non-financial impacts of crises and opportunities and discloses the status of major responses.

Impact

Organizations should monitor, measure and take responsibility for the impact of their behaviors on the larger ecosystem. Studio Dragon discloses the performance of its policies and activities in terms of measurable quantitative and qualitative results for each of the six material sustainability issues. As an affiliate of CJ Group, we disclose our ESG impact within CJ Group using common ESG indicators and confirm that we disclose this based on the GRI Standard so that we can compare with other organizations.

Recommendation

Studio Dragon Corporation is issuing its inaugural sustainability report, establishing a framework for ESG performance disclosure. We are progressively expanding the scope of ESG management to encompass both domestic and overseas affiliated subsidiaries, aiming to function as a global major studio. Through this process, we anticipate enhancing our understanding of ESG management practices, engaging with stakeholders, and effectively communicating our environmental and social impact.

June 27, 2023

CEO of Econine **Seo Uk**



A handwritten signature in black ink, likely belonging to Seo Uk, the CEO of Econine.

**STUDIO
Dragon**